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Internal Audit Department Charter

1. Purpose

Thai Union Feedmill Public Company Limited (the “Company”) recognizes the importance of conducting business in a continuous and efficient manner, enhancing the Company’s credibility, and adding value by improving operations to achieve corporate goals. This is done through the assessment and enhancement of the effectiveness of the Company’s risk management, by establishing measures to manage, control, and prevent risks, and by ensuring compliance with applicable laws and regulations.

Therefore, the Board of Directors has resolved to establish this Internal Audit Department Charter (the “Charter”) to provide all personnel with a clear understanding of the objectives, scope of authority, duties, and responsibilities of the Internal Audit Department.

2. Qualifications of the Chief Audit Executive

To ensure effective oversight and management of internal audit activities in alignment with the goals set by the Audit Committee, the qualifications required for the Chief Audit Executive are as follows:

- 2.1 Possesses knowledge, capability, and expertise in conducting internal audits.
- 2.2 Has at least 1 year of experience in auditing and has held a managerial position in audit management for no less than 1 year.
- 2.3 Has knowledge and understanding of corporate governance, internal control, and risk management, with the ability to assess the likelihood and impact of risk factors on operational success.
- 2.4 Has a broad knowledge of accounting, finance, information technology, law, regulations, rules, requirements, directives, and other areas relevant to internal auditing.
- 2.5 Has the ability to conduct audits in accordance with internal auditing standards and can effectively and efficiently audit all departments in areas such as accounting, internal control, risk management, and compliance with laws and regulations. Able to consistently provide valuable and well-accepted observations and recommendations to auditees.

2.6 Has the ability to provide useful consulting services to the Company's executives and staff.

2.7 Maintains professional independence and is confident in providing constructive opinions.

The appointment, removal, or reassignment of the Chief Audit Executive must be approved by the Audit Committee.

3. Scope, Duties, and Responsibilities of the Internal Audit Department

The Internal Audit Department of the Company is established to monitor the internal control system and regularly audit key transactions. It is responsible for providing assurance that the Company maintains an effective system that enhances the credibility of its financial statements, as well as a sound and efficient internal control system. This includes risk identification and assessment, implementation of risk prevention and management measures, and oversight of compliance with applicable laws and regulations. The Internal Audit Department reports directly to the Audit Committee regarding the review of the effectiveness of the internal control system, covering operational controls, compliance controls, risk management, and attention to any irregular transactions. This encompasses the following responsibilities and actions:

- 3.1 Review and evaluate the adequacy and effectiveness of the risk management and internal control systems of the Company and its subsidiaries, and ensure the Company always maintains and/or develops an effective, appropriate, and sufficient internal control system.
- 3.2 Define the objectives, direction, mission, scope, and approach of internal audits to support management and operational functions in alignment with the Company's mission, goals, and policies.
- 3.3 Review operations or plans to ensure consistency with set objectives and goals and verify that operations are carried out in accordance with the established plans. Provide recommendations to enhance operational systems and efficiency.
- 3.4 Provide advice to management and the Audit Committee regarding the development of risk prevention and management measures, and improve processes related to risk management, internal control, and corporate governance.
- 3.5 Review and assess the internal control systems of operational processes that have significant impacts on operations and information technology systems, ensuring they are

secure, appropriate, and effective. Report on the Company's compliance with its policies, plans, procedures, and applicable laws and regulations.

- 3.6 Review internal controls related to financial reporting and accounting processes to ensure compliance with the Company's established policies and procedures.
- 3.7 Review adherence to good corporate governance principles, provide recommendations for the development of corporate governance systems, and assist in establishing clear governance guidelines.
- 3.8 Review the code of conduct in the management practices of employees and executives.
- 3.9 Receive and investigate tips or complaints related to violations of laws, fraud, misconduct, or breaches of the Company's code of conduct by employees or executives, financial reporting irregularities, deficiencies in internal control systems, or any issues that may affect the Company's interests and reputation.
- 3.10 Review the disclosure of related party transactions or transactions that may involve conflicts of interest, including acquisitions and disposals of assets, to ensure compliance with the laws and regulations of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand. This is to ensure such transactions are reasonable and in the best interest of the Company.
- 3.11 Assess the efficiency and cost-effectiveness of the Company's resource utilization, including reviewing the appropriateness of the recording, use, and safeguarding of assets, and verify their existence and optimal use.
- 3.12 Perform other internal audit-related tasks assigned by the Board of Directors or the Audit Committee, as well as special assignments requested by the Chief Executive Officer and/or relevant parties, with notification to the Audit Committee. Such assignments must not compromise the independence of the Internal Audit Department.

4. Authority of the Internal Audit Department

- 4.1 Internal auditors shall have the independence to conduct audits as deemed appropriate in accordance with professional internal auditing standards.
- 4.2 Internal auditors are entitled to access and examine the Company's assets and activities, including accounting books, contracts, supporting documents, correspondence, and reports relevant to the audited department.

- 4.3 Internal auditors may request audited parties and relevant individuals, including executives and employees of the Company, to provide information, documents, and explanations related to the audit. All executives and employees of the audited unit are required to fully cooperate and facilitate the audit process.
- 4.4 The Internal Audit Department may engage subject matter experts or specialists from within or outside the Company to assist in the audit work.
- 4.5 Internal auditors must handle all documents and information obtained during the audit with the utmost care and diligence, treating them with the same level of confidentiality and security as the responsible personnel.

5. Independence

- 5.1 The Internal Audit Department operates independently, with internal auditors reporting directly to the Audit Committee.
- 5.2 Audit activities must be conducted independently in all aspects, including the scope of audit, procedures, timeline, and audit report content, to ensure effective operations, achievement of objectives, and adherence to the established audit plan.
- 5.3 Internal auditors and the Chief Audit Executive shall not be responsible for or involved in any duties unrelated to internal auditing, or any activities that may impair their independence and objectivity. These restricted activities include, but are not limited to:
 - (a) Performing operational duties outside the scope of internal audit work.
 - (b) Serving as a member of any Company committee or sub-unit board.
 - (c) Preparing or approving accounting entries or financial reports.
 - (d) Supervising or managing staff in departments other than the Internal Audit Department, except in cases where such staff are assigned to assist in audit-related activities.
- 5.4 Internal auditors must disclose any conflicts of interest that may arise during their audit work. If their independence is, or may be perceived to be, compromised either in fact or appearance, such information must be disclosed to the Audit Committee.

6. Internal Audit Operations

The Internal Audit Department has the following duties and responsibilities to perform:

- 6.1 Define the objectives, goals, scope of responsibilities, and operational guidelines of the Internal Audit Department. Internal auditors must conduct their work in accordance with internal auditing standards.
- 6.2 Develop an annual audit plan and a rolling three-year audit plan based on a risk-based approach. These plans, along with required resources, must be presented to senior management and the Audit Committee for review and approval. Any revisions to the approved annual audit plan must also be submitted to the Audit Committee for consideration and approval.
- 6.3 Plan each audit assignment in alignment with the approved annual audit plan.
- 6.4 Audit various departments of the organization periodically according to the annual audit plan to assess whether operations are conducted in accordance with the Company's plans, policies, goals, objectives, procedures, and applicable laws and regulations.
- 6.5 At the beginning of each audit, hold an opening meeting with the management of the audited unit to explain the audit objectives and scope. The audited unit should also present its risk assessment, internal control measures, and any additional areas that management would like the auditors to review.
- 6.6 Upon completion of the audit, conduct a closing meeting with the management of the audited unit to explain, discuss, and exchange views on the findings, identified deficiencies, and corrective actions before submitting the audit report.
- 6.7 Audit results must be documented in writing, clearly stating the objectives and scope of the audit, identified deficiencies, and recommendations for corrective actions. Significant findings or observations, including those that cannot be addressed within the timeframe specified in the report, must be presented to the Audit Committee and the Board of Directors at least once per quarter.
- 6.8 Internal auditors must follow up on the implementation of recommendations outlined in the audit report by coordinating with the audited units and providing advice to ensure timely and proper corrective actions. The status of these follow-ups shall be reported to the Audit Committee.

- 6.9 The quality of audit work must be evaluated regularly to ensure continuous improvement. This includes:
- (a) Post-audit evaluation by the audited unit after each audit is completed.
 - (b) Annual self-assessment of audit performance, at least once per year, with the results reported to the Chief Executive Officer and the Audit Committee.
 - (c) External assessment of audit performance by an independent party at least once every five years.
- 6.10 The Chief Audit Executive must ensure that audit staff are continually developed to possess the knowledge, skills, and experience necessary to perform audit assignments effectively, including audits of specialized or complex areas.
- 6.11 Internal auditors must perform their duties with integrity, objectivity, competency, and confidentiality, in accordance with the Code of Ethics for Internal Auditors.
- 6.12 Internal auditors must disclose any potential conflicts of interest and report compliance with the Code of Ethics and independence requirements to the Chief Audit Executive prior to undertaking each audit assignment.

7. Personnel Development

The Chief Audit Executive must ensure the implementation of audit quality assessments. This includes providing questionnaires to the audited units to gather their feedback upon the completion of each audit engagement.

8. Relationship between the Internal Audit Department and the Audit Committee

The Chief Audit Executive, in the capacity of the Audit Committee Secretary, is responsible for supporting the Audit Committee in fulfilling its assigned scope of duties and responsibilities. This includes coordinating, attending meetings, and reporting performance results to the Audit Committee as follows:

- 8.1 Attend all Audit Committee meetings, except in cases where there is a valid reason for being excused.
- 8.2 Report on the performance and activities of the Internal Audit Department to the Audit Committee at least once per quarter.
- 8.3 Hold private discussions with the Audit Committee without the presence of management.

- 8.4 Coordinate meetings between the Audit Committee and the external auditor at least once a year to discuss the audit scope and plan, independence issues, and any significant findings from the audit.

9. Relationship between the Internal Audit Department and Management, External Auditors, and Regulatory Authorities

The Chief Audit Executive is responsible for the following:

- 9.1 Attending meetings and conducting interviews with management from all departments regarding significant business changes, risk factors, controls, and audit-related issues. This information is used to develop an audit plan that effectively addresses key risks.
- 9.2 Coordinating audit planning with management and scheduling the audit work for each assignment.
- 9.3 Reporting audit results in accordance with the audit plan to relevant management and the Chief Executive Officer.
- 9.4 Regularly consulting with external auditors on audit plans and related matters to minimize duplication of effort in areas or objectives that overlap.
- 9.5 Establishing a process for obtaining audit results from regulatory authorities and reporting such results to the Audit Committee, in the event that regulatory bodies conduct audits to provide assurance on audit quality.
- 9.6 In cases where audit findings reveal evidence of potential fraud, reporting the findings to the Chief Executive Officer for further action, including the appointment of a fact-finding committee.

This Charter was approved by the Board of Directors at Meeting No. 2/2019 on May 3, 2019, and shall be effective from June 4, 2019, onward.

-Signature-

(Mr. Rittirong Boonmechote)

Chairman of the Board of Directors