



Charter of the Audit Committee

Chememan Public Company Limited

Objectives

The Audit Committee is a subcommittee set up to support the Board of Directors in ensuring the good corporate governing system of the company, provide flexibility in management, vision setting and to provide honest opinions on the financial statements and the internal control system. The Audit Committee allows discussion with the management and the auditor to mitigate possible risks and to ensure that the financial statements are credible, of good quality and with value added to the organization. The Board of Directors' Meeting No. 5/2017, held on 20 July 2017, had laid down the Charter of the Audit Committee, and the Board of Directors' Meeting No. 8/2018, held on 14 December 2018, has reviewed and revised the Charter as follows:

Structure of the Audit Committee

1. Constitute of at least 3 independent directors, with a member of audit committee acting as Chairman of the Audit Committee.
2. Audit Committee Member shall have the qualifications as required by the Capital Market Supervisory Board and the Stock Exchange of Thailand. At least one member of the Audit Committee shall possess the knowledge or experience in accounting and finance, as well as understanding on the factors affecting the change in the financial standing.
3. The Audit Committee shall appoint one company's employee to be the secretary to the Audit Committee.

Appointment and Term of Office

1. The Board of Directors shall appoint the Audit Committee.
2. The term of office of the member of Audit Committee shall be the same as his/her term of office as the company's director. Nevertheless, the retiring member is eligible for re-appointment.
3. The member of Audit Committee, who wishes to resign, shall submit the resignation letter to the Chairman of the Board at least 30 days in advance.
4. In case of vacancy in the Audit Committee which resulted in the number of members lower than the required number, the Board of Directors shall propose a person with required qualifications



and without prohibited characteristics to be considered and appointed as a new member of the Audit Committee by the Board of Directors' Meeting within 90 days.

5. In case of vacancies of all members of the Audit Committee, the retiring Audit Committee shall perform duty until the new Audit Committee has been appointed to take over.

Roles and Responsibilities of the Audit Committee

1. Review the Company's financial reporting process to ensure accurate and adequate disclosure.

2. Ensure that the Company has suitable and efficient internal control system and internal audit, and determine the independence of the internal auditor, including approving appointments, transfers, dismissal of head of internal audit or any other unit that is responsible for the internal audit as proposed by management.

3. Review that the Company complies with the securities and exchange law, regulations of the Stock Exchange of Thailand or laws relating to the Company's business.

4. Select and nominate an external auditor for the Company, and recommend remuneration for the external auditor.

5. Review connected transactions or transactions that may result in conflicts of interest and ensure that the transactions are in compliance with the securities and exchange law and regulations of the Stock Exchange of Thailand, reasonable and serve the best interest of the Company.

6. Have authority to call meetings with management or officers of the Company to obtain their explanation and opinion as necessary.

7. May seek external advisor or professional counsel for advice or opinion, as the Audit Committee deems necessary.

8. Prepare a report of the Audit Committee and disclose it in the annual report of the Company. Such report must be signed by the Chairman of the Audit Committee and must consist of at least the following information:

- (1) Opinion of the Audit Committee on accuracy, completeness and reliability of financial statements of the Company.



- (2) Opinion of the Audit Committee on the adequacy of the Company's internal control system.
 - (3) Opinion of the Audit Committee on the compliance with the securities and exchange law, regulations of the Securities Exchange of Thailand or laws relating to business of the Company.
 - (4) Opinion of the Audit Committee on the suitability of the external auditor.
 - (5) Opinion of the Audit Committee on transactions that may have conflicts of interest.
 - (6) Number of meetings of the Audit Committee, and attendance of each committee member.
 - (7) Opinion or observation of the Audit Committee obtained from performing their duties in accordance with the Audit Committee Charter.
 - (8) Other matters under the Audit Committee's duties and responsibilities assigned by the Board of Directors that should be disclosed to the shareholders and general investors.
9. Perform any other acts as assigned by the Board of Directors.

Meetings of the Audit Committee

1. At least half of the number of Audit Committee members must present at the meeting to constitute a quorum.
2. There shall be at least one meeting of the Audit Committee per quarter. At least one meeting per year with the auditor and without the presence of the management.
3. Decision in the meeting shall be made by a simple majority vote with each member entitled to one vote. In case of tie vote, the Chairman of the meeting shall have a casting vote.
4. A director with conflict of interest in any matter shall have no right to vote on such matter.

Charter's Review and Update

The Audit Committee shall review the charter annually and propose the amendment (if any) to be approved by the Board of Directors.

This Charter shall be effective from 14 December 2018 onwards (to replace the prior charter which was effective since 21 July 2017).