

Peace and Living Public Company Limited

Audit Committee Charter

Peace and Living Public Company Limited (the 'Company') has appointed the audit committee to ensure that the organization is operated under a good corporate governance system, and that management efficiency and credibility of its financial reports are enhanced. For the best interests of the Company, this Audit Committee Charter has been established so that the audit committee can perform its duties, as assigned by the board of directors, efficiently and in line with requirements of corporate governance agencies.

1. Composition of the Audit Committee

- 1.1 The board of directors, or shareholders, (as the case may be) shall appoint the audit committee by selecting at least three individuals from independent directors.
- 1.2 The board of directors shall select and appoint one member of the audit committee to serve as a chairperson of the audit committee.
- 1.3 At least one member of the audit committee members must be equipped with sufficient knowledge, understanding, and experience in accounting or finance to perform a review of credibility a financial statement, and must be continuously aware of causes affecting changes in financial reporting.
- 1.4 The audit committee shall appoint a secretary to facilitate operation of the audit committee, preparation of meetings and meeting agendas, delivery of meeting documents, to take meeting minutes, and to fulfill other assigned tasks.

2. Qualifications of the Audit Committee

- 2.1 A member of the audit committee must be equipped with complete qualifications as required and conditioned in the notification of the Securities and Exchange Commission, the notification of the Capital Market Supervisory Board, and applicable laws.
- 2.2 A member of the audit committee must be a director and an independent director of the Company.
- 2.3 A member of the audit committee must not be a director assigned by the board of directors to make decision for the business operation of the Company, its parent company, its subsidiaries, its joint venture companies, its same-level subsidiaries, or a Company's major shareholder or controlling

person. Also, only if the Company is SET-listed, a member of the audit committee must not be a director of the parent company, subsidiaries, or same-level subsidiaries.

- 2.4 A member of the audit committee must not own greater than one percent of the total voting shares of the Company, its parent company, its subsidiaries, its joint venture companies, its major shareholders, or its controlling persons. This total shareholding also includes shares owned by persons related to an independent director in question.
- 2.5 A member of the audit committee must not be and must not have been an executive director, an employee, a member of staff, a monthly paid advisor, or a controlling person of the Company, its parent company, its subsidiaries, its joint venture companies, its same-level subsidiaries, or a Company's major shareholder or controlling person, unless such a status ended at least two years prior to the date of appointment.
- 2.6 A member of the audit committee must not be related by blood or legal registration as father, mother, spouse, sibling, child, or spouse of child of a director, an executive, a major shareholder, a controlling person, or a person to be nominated as a director, an executive, or a controlling person of the Company or its subsidiaries.
- 2.7 A member of the audit committee must not be and must not have been in a business relationship with the Company, its parent company, its subsidiaries, its joint venture companies, or a major shareholder or a controlling person of the Company in such a manner that it may pose an obstacle for a member of the audit committee in question to make an independent decision. Also, a member of the audit committee must not be and must not have been a significant shareholder or a controlling person of any person having business relationship with the Company, its parent company, its subsidiaries, its joint venture companies, or a major shareholder or a controlling person of the Company. unless such a status ended at least two years prior to the date of appointment.

The business relationship mentioned in the first paragraph is inclusive of a trading transaction occurring on a conventional basis as part of conducting business, a rent or lease of property, a transaction involving assets or services, a provision or an acceptance of financial assistance through means of a loan, a guarantee, a use of an asset as collateral against debt, and other similar actions which result in the Company or a contracting party having a debt to be repaid to another party for the amount of 3 percent of net tangible assets of the Company upwards or of 20 million Baht upwards, whichever is lower. Calculation of the value of such business relationship

shall be determined in terms of the value of connected transactions under the notification of the Capital Market Supervisory Board governing rules on connected transactions *mutatis mutandis*. However, the value of obligation shall include any obligations occurred during the period of one year preceding the date of the business relationship with the same person.

- 2.8 A member of the audit committee must not be and must not have been an auditor of the Company, its parent company, its subsidiaries, its joint venture companies, or a major shareholder or a controlling person of the Company, and must not be a significant shareholder, a controlling person, or a partner of an audit firm to which an auditor of the Company, its parent company, its subsidiaries, its joint venture companies, or a major shareholder or a controlling person of the Company is affiliated. unless such a status ended at least two years prior to the date of appointment.
- 2.9 A member of the audit committee must not be and must not have been a person providing any professional services, including legal or financial advisory services, with an annual professional fees payment of greater than two million Baht, to the Company, its parent company, its subsidiaries, its joint venture companies, a major shareholder or a controlling person of the Company, and must not be a significant shareholder, a controlling person, or a partner of such a person. unless such a status ended at least two years prior to the date of appointment.
- 2.10 A member of the audit committee must not be a director appointed to represent a director of the Company, a major shareholder, or a shareholder related to a major shareholder.
- 2.11 A member of the audit committee must not operate a business of same nature as and is in significant competition with the Company or its subsidiaries, and must not be a significant shareholder in a business partnership, or an executive director, an employee, a member of staff, or a monthly paid advisor of, or owning greater than one percent of the total voting shares of any company or business of same nature as and is in significant competition with the Company or its subsidiaries.
- 2.12 A member of the audit committee must not possess any characteristics preventing him or her from giving an independent opinion concerning operation of the Company.

If a person appointed by the Company to serve as a member of the audit committee had or is having business relationship, or provided or is providing professional services, with value of exceeding those mentioned in 2.7 or 2.9, the board of directors may consider waiving this disqualification if and only if the Company has sought an opinion of the board of directors indicating that Section 89/7 of the Securities and Exchange Act B.E. 2535 (as amended) has been considered, and it is believed that

appointment of such a person will not affect the audit committee performing its duties or giving an independent opinion. The Company must also arrange that such information is disclosed in the invitation notice of a shareholders' meeting at which the appointment of such a person is considered.

- 1) manner of business relationship or professional services causing the said person not being qualified under the prescribed criteria,
- 2) reason and necessity to maintain or to appoint the said person as an independent director, and
- 3) opinion of the board of directors to nominate the said person as an independent director.

For the purpose of 2.8 and 2.9, the term 'partner' means a person assigned by an audit firm or a provider of professional services to sign on an audit report or a professional report, as the case may be, on behalf of such a juristic person.

3. Term of office of the Audit Committee

3.1 A member of the audit committee has a term of office of three years, from the date of corresponding appointment, or as determined by their term as a director of the Company. A member of the audit committee who has retired from office following their term may be re-elected as deemed appropriate by the board of directors or by a resolution of a shareholders' meeting. However, an individual can serve as member of the audit committee for a maximum of nine years consecutively, unless a resolution of a board of directors' meeting or a shareholders' meeting deems appropriate that the term of office of such a member of the audit committee be prolonged beyond nine years. Reasons for doing so must also be given.

3.2 If a member of the audit committee position becomes vacant due to any reason other than the rotation, the board of directors, or a resolution of a shareholders' meeting, shall elect an individual having complete specified characteristics to serve as a member of the audit committee so that the number of the members of the audit committee complies with requirements of applicable laws or regulations no later three months at the latest from the date the position has first become vacant. The term of office of a substitute member of the audit committee is equal to the remaining term of office of the member of the audit committee whom they replace.

3.3 A member of the audit committee may retire from office upon:

- 1) no longer being a director of the Company

- 2) term of office completed
- 3) death
- 4) resignation
- 5) removal by the board of directors' resolution

3.4 If a member of the audit committee wishes to resign prior to their end of term, such a member must notify the Company at least 30 in advance, by submitting a letter informing the chairperson of the board of directors of the reason so that the board of directors shall appoint a member of the audit committee with complete qualifications as specified in this Charter to replace the resigning member of the audit committee.

4. Scope of Authority, Duties, and Responsibilities of the Audit Committee

Within its scope, authority, duty, and responsibility, the audit committee has the power to carry out an action or an audit into matters, and has the power to carry out the following.

4.1 To carry out an audit to ensure that the Company and its subsidiaries produce an accurate and adequate financial report.

4.2 To carry out an audit to ensure that the Company and its subsidiaries have in place both internal control and internal audit systems that are appropriate and effective, monitor independence of an internal audit office, and grant approval for appointment, transfer, or termination of a supervisor of an internal audit office.

4.3 To carry out an audit to ensure compliance with risk management policies.

4.4 To carry out an audit to ensure that the Company complies with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand, and laws applicable to business of the Company and its subsidiaries.

4.5 To review, select, and propose appointment of an independent individual as external an auditor, to propose corresponding audit fees, as well as to attend a meeting held between auditors with no attendees from the management at least once a year.

4.6 To review related transactions or transactions with potential conflicts of interest, and ensure that they comply with applicable laws and the regulations of the Stock Exchange of Thailand. This is to ensure that such transactions are reasonable and are for the best interest of the Company.

4.7 To prepare an audit committee report and disclose it in the Company's annual report. Such a report must be signed by the chairperson of the audit committee and must for the least include all of the following information:

- 1) the audit committee's opinion on accuracy, adequacy, and credibility of Company's financial reports,
- 2) the audit committee's opinion on adequacy of the Company's internal control system,
- 3) the audit committee's opinion on compliance with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand, and laws applicable to business of the Company,
- 4) the audit committee's opinion on suitability of auditors,
- 5) the audit committee's opinion on transactions that may cause conflicts of interest,
- 6) number of audit committee meetings held during the year, and attendance record of each member of the audit committee,
- 7) the audit committee's general opinion or observation the committee have from performing its duties according the Audit Committee Charter,
- 8) other information the audit committee deems shareholders and general investors should know, within scope, duty, and responsibility assigned by the board of directors.

4.8 The audit committee has the authorit to seek an independent opinion from a consultant of any other professions as necessary. Expense incurred is borne by the Company.

4.9 The audit committee shall undertake any other activities assigned by the board of directors.

5. Meeting of the Audit Committee

5.1 Meeting of the audit committee

An audit committee meeting is to be held where the Company's head office is located, or at another place set by the chairperson of the audit committee. The chairperson may also have that an audit committee meeting be held via electronic means. An audit committee meeting held via electronic means must observe criteria and procedures prescribed by applicable laws.

5.2 Meeting agenda

The audit committee should clearly set an agenda for a meeting in advance, and circulate meeting documents to members of the audit committee and other attendees at least seven days in advance so that members of the audit committee to have sufficient time to review matters or to request additional information to support their consideration. If it is necessary and urgent, an audit committee meeting may be called through other means or an earlier meeting date may be set. However, if an audit committee meeting is to be held via electronic means, the Company may send an invitation notice to attendees through electronic mail.

5.3 Number of meetings

- 1) The audit committee must hold a meeting at least once every quarter.
- 2) The chairperson of the audit committee may call a meeting in a special occasion per request of a member of the audit committee, an internal reviewer, an auditor, or the chairperson of the board of directors to consider issues that need meeting discussion.

5.4 Minutes of meeting

The secretary of the audit committee or a delegated shall be assigned to take meeting minutes, which must be submitted to the audit committee and the board of directors within 14 days after the meeting date so that the board of directors is informed of activities of the audit committee in a timely manner.

6. Quorum of the Audit Committee

- 6.1 Every member of the audit committee should attend every audit committee meeting. At any audit committee meeting, at least half of the total number of the members of the audit committee must be present in person to constitute a quorum. A member of the audit committee experienced in reviewing financial statements must be present at every audit committee meeting where a quarterly or an annual financial statement review is conducted.
- 6.2 If the chairperson of the audit committee is not present at a meeting, or cannot perform their duty, members of the audit committee present at the meeting shall elect one of the members to be the chairperson of the meeting.

6.3 The audit committee may invite directors of the Company, executives of the Company, internal reviewers, or auditors to a meeting to provide opinions or answer questions concerning the meeting agenda. The audit committee may also invite a consultant of any other professions to a meeting when an independent opinion is deemed necessary. Expense incurred is borne by the Company.

6.4 In meeting documents, names of attendees must be displayed, and a member of the audit committee with an interest in any matter to be considered is not entitled to attend a meeting when such a matter is to be considered.

6.5 A resolution is passed by a majority vote. Each member of the audit committee is entitled to one vote. If the votes are equal, the chairperson the audit committee or a chairperson at a meeting shall have a casting vote.

6.6 The secretary of the audit committee is not entitled to have a vote.

7. Reporting of the Audit Committee

The audit committee has a duty and responsibility to report its activities or any other duties assigned by the board of directors to relevant parties as follows:

7.1 Reporting to the board of directors

1) The audit committee shall produce the following reports at least once per quarter:

- the minutes of an audit committee meeting, recording opinions of the audit committee on various matters
- a summary report of all activities undertaken each quarter
- a report on opinions of the audit committee about the financial reporting, the internal auditing, and the internal audit process
- any other reports deemed appropriate for the board of directors' attention

2) The audit committee shall produce a report on any of the following immediately to allow the board of directors working out solutions in a timely manner.

- transactions with conflicts of interest
- suspicions or presumptions that there may be significant fraudulence, abnormal activities, or defects in the internal control system
- suspicions that there may be violation of laws or provisions prescribed by the Stock Exchange of Thailand

7.2 Reporting to shareholders and general investors

The audit committee reports its activities undertaken throughout the year as part of its duties and responsibilities assigned by the board of directors. Such a report must be signed by the chairperson of the audit committee and disclosed in the annual report.

8. Performance Evaluation of the Audit Committee

Self-assessment may be carried out to evaluate the performance of the audit committee. The audit committee shall be evaluated, both collectively and individually. Result of the evaluation is reported to the board of directors.

This Audit Committee Charter will be effective from 14 May 2021 onwards, and will be reviewed annually.

(Mr. Sumet Techakraisri)

Chairperson of the Board of Directors