



Chiangmai Frozen Foods Public Company Limited

Internal Audit Charter

Annual Review of the Internal Audit Charter for the Year 2026

Approved by the Audit Committee Meeting No. 1/2026 on Thursday, 26 February 2026

Internal Audit Department

Document Revision History

Rev. No.	Effective Date	Description of Changes	Prepared By
Initial	12 May 2016	N/A	IA Department, CM
1	26 Feb 2026	Reviewed and updated to align with the new Global Internal Audit Standards 2024 (effective 9 January 2025), with additions and revisions to key elements including: Charter title, definitions, objectives, audit authority and scope, professional standards, independence, duties and responsibilities, reporting relationships, and auditor ethics. New content added covering: purpose of internal audit, adherence to international standards, authority, scope of services, and reporting relationships to ensure comprehensive compliance with the latest standards.	IA Department, CM

Introduction

Chiangmai Frozen Foods Public Company Limited recognizes the importance of an effective corporate governance system, risk management framework, and internal control system as essential mechanisms for fostering transparency, confidence, and sustainable organizational growth. Accordingly, the Company has prepared and reviewed this Internal Audit Charter to clearly define the roles, authority, responsibilities, and independence of the Internal Audit Department in accordance with international standards.

The 2026 annual review of this Charter aims to align with the Global Internal Audit Standards™ 2024 issued by The Institute of Internal Auditors (IIA), the criteria and guidelines established by the Securities and Exchange Commission (SEC), the requirements of the Stock Exchange of Thailand, and the Corporate Governance Code for Listed Companies (CG Code 2017).

This Charter designates the Internal Audit Department as an independent unit reporting directly to the Audit Committee, providing assurance and advisory services impartially and free from interference, in order to support the Board and management in achieving the Company's strategic objectives through systematic and risk-based evaluation and improvement of corporate governance, risk management, and internal control processes.

The Company is committed to ensuring that the Internal Audit Department operates professionally, upholds ethical standards, integrity, objectivity, and due professional care, while maintaining a continuous quality assurance and improvement program to create value and protect the interests of shareholders, stakeholders, and the organization as a whole.

This Charter shall be reviewed regularly at least once a year, or when significant changes occur in laws, professional standards, or the business environment, to ensure it remains appropriate, current, and consistent with good governance principles.

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Internal Audit Charter

1. Objectives

Chiangmai Frozen Foods Public Company Limited has established this Internal Audit Charter to inform and provide understanding to all management and employees at every level of the Company regarding the objectives, code of ethics, professional standards, authority, rights, responsibilities, scope of work, and the independence and objectivity of the Internal Audit Department.

The internal audit work of the Company's Internal Audit Department is conducted in accordance with The Professional Practice Standards of Internal Auditing established by The Institute of Internal Auditors (IIA), which became effective on 9 January 2025, and in compliance with the criteria of the Securities and Exchange Commission (SEC), the requirements of the Stock Exchange of Thailand, and the Corporate Governance Code for Listed Companies B.E. 2560 (CG Code 2017).

Domain I, Principle 1 / Domain II, Principle 1 / Domain II, Principle 3 / Domain II, Principle 5

Furthermore, this Charter serves as a guideline for the Internal Audit Department in performing its duties of auditing, reviewing the internal management system, and evaluating the Company's internal control system to ensure the efficiency and effectiveness of operations and budget utilization, as well as the accuracy and reliability of information and compliance with applicable regulations, policies, laws, and rules, which will enable the Company to achieve its objectives, grow sustainably, and add value to the organization.

2. Definitions

"Internal Audit" means an impartial and independent assurance and advisory activity, conducted under ethical and moral standards of the organization, aimed at adding value and improving the Company's operations and helping the Company achieve its established goals and objectives through the evaluation and improvement of the effectiveness and efficiency of risk management, internal control, and corporate governance processes, using a systematic and disciplined approach.

"Internal Auditor" means an employee of the Company's Internal Audit Department who is assigned to perform internal audit work for the Company, with the duty to conduct audits independently and in accordance with professional standards and the code of ethics for internal auditors.

" **Chief Audit Executive (CAE)** " means the highest executive of the Internal Audit Department who is responsible for managing internal audit work in accordance with the Charter and international standards, reporting directly to the Audit Committee, and coordinating with the Company's management.

" **Internal Audit Mandate** " means the authority, roles, and responsibilities of the Internal Audit Department as defined in this Charter, including its position in the organizational structure, reporting relationships, scope of work, types of services provided, and other related details.

3. Code of Ethics for Internal Auditors

Internal auditors shall perform their duties in accordance with the Code of Ethics for Internal Auditors, which fosters trust, confidence, and impartial advisory services. They must demonstrate integrity, objectivity, confidentiality, and competency in fulfilling their responsibilities. Information obtained during the audit shall be protected and disclosed only when authorized by management or when required by law. The four ethical principles that internal auditors must uphold and maintain are as follows:

3.1) Integrity - Internal auditors must demonstrate integrity in all assigned work, which serves as the foundation for building trust and confidence in all activities conducted by internal auditors.

3.1.1) Perform their duties with integrity, diligence, and a sense of responsibility.

3.1.2) Comply with laws and disclose information as required by law and professional ethics.

3.1.3) Not participate intentionally in activities contrary to law or actions that may bring discredit to the internal audit profession or the Company's reputation.

3.1.4) Respect and support the Company's objectives that are consistent with law and ethical principles.

3.2) Objectivity - Internal auditors must demonstrate professional objectivity in collecting, evaluating, and communicating information about the activities or processes under audit. Internal auditors shall assess relevant situations impartially without bias and shall not allow personal prejudice or the influence of others to affect their evaluations.

3.2.1) Not participate in activities or relationships that impair or may impair objective assessment, or cause bias, including activities or relationships that conflict with the Company's interests.

3.2.2) Not accept any compensation that impairs or may impair the professional judgment of the internal auditor.

3.2.3) Disclose all facts found during the audit; failure to disclose may distort audit findings.

3.3) Confidentiality - Internal auditors must respect the value and ownership rights of information received and shall not disclose such information without appropriate authority, except when required by law.

3.3.1) Safeguard information obtained during the performance of duties and not disclose it prior to obtaining authorization from the appropriate authority, except where disclosure is legally required or professionally mandated.

3.3.2) Exercise prudence in the use and protection of information obtained during the performance of duties.

3.3.3) Not use information obtained for personal gain or for any purpose contrary to law or contrary to the Company's lawful objectives and ethical principles.

3.4) Competency - Internal auditors should apply the knowledge, skills, and experience necessary to perform internal audit work.

3.4.1) Perform duties only in areas where they possess the required knowledge, skills, and experience, and shall not accept or perform work in areas lacking such competency unless adequate guidance or support is provided.

3.4.2) Continuously develop professional knowledge, capabilities, expertise, and service quality.

3.4.3) Perform duties with due professional care as befits a professional practitioner.

4. Internal Auditing Standards

The work of internal auditors must comply with the professional standards of the Institute of Internal Auditors of Thailand and the Global Internal Audit Standards™ 2024 issued by The Institute of Internal Auditors (IIA). The new standards organize content into 5 Domains and 15 Principles (see Appendix for details).

5. Mission of Internal Audit

The Internal Audit Department has the mission to provide assurance that the Company has an internal control system covering all of the Company's activities, including effective and appropriately implemented governance, risk management, and internal control processes, which will enable the Company to achieve its objectives and grow sustainably, through auditing, reviewing, analyzing, advising, consulting, making recommendations, and evaluating the efficiency and effectiveness of the internal control system and risk management, to add value and improve operations independently and objectively.

The mission of the Internal Audit Department also includes supporting the organization in achieving its goals by:

- 1) Evaluating and promoting improvement in corporate governance, risk management, and internal control processes.
- 2) Providing objective and independent assurance to the Board and management.
- 3) Promoting a culture of ethics and good governance within the organization.
- 4) Supporting Foresight to prepare for future risks.

Domain I, Principle 1 / Domain V, Principle 13

6. Authority and Rights

6.1) Internal auditors have the duty to review the operations of all departments and units within the Company objectively in order to independently assess risk management, control, and corporate governance processes of the Company. They have the authority to access personnel, information and documents, assets, and various activities, including the right to inquire and request explanations from relevant officers on matters under review.

6.2) Internal auditors are independent in performing their work, free from interference in audit operations and in expressing audit opinions, and shall have no interest in the activities or processes being audited, and shall not participate in the operations of the unit that the internal auditor must audit or evaluate.

6.3) Internal auditors shall conduct their audits in accordance with IIA Standards and relevant practice guides.

6.4) Internal auditors have the following rights:

6.4.1) To receive full cooperation from all departments in accessing operational information, systems, assets, personnel, and relevant premises, including the right to request information for use in audit work from various departments without any restriction or obstruction, including confidential information or sensitive business information as necessary in the performance of duties.

6.4.2) All levels of management have a duty to assist and support internal auditors in achieving the audit objectives.

- 6.4.3) All financial and operational documents and information obtained or received by internal auditors from the audit shall be kept confidential and not disclosed to any other person without authorization from the relevant authority, except when required by duty or by law.
- 6.4.4) To have full and independent access to the Audit Committee and senior management, and to report audit results directly to the Audit Committee.
- 6.4.5) To receive support regarding personnel and other services as necessary to support the efficiency and effectiveness of internal audit work.
- 6.4.6) To allocate resources, determine frequency of operations, select activities or issues, define the scope of audits, and apply audit techniques as appropriate to achieve established audit objectives.

6.5) Internal auditors do not have the right to:

- 6.5.1) Perform duties related to any operations other than internal audit work of the Company.
- 6.5.2) Prepare or approve accounting entries unrelated to the Internal Audit Department's work.
- 6.5.3) Supervise the operations of other employees not within the Internal Audit Department, except for employees assigned as part of an audit engagement or as audit assistants.

Any documents or information obtained or received by the Internal Audit Department from the audit shall be kept confidential and not disclosed to any other person without authorization from the relevant authority, except when required by legally mandated duty.

6.6) The Chief Audit Executive has authority and duties to:

- 6.6.1) Develop and implement the Internal Audit Department's strategy that supports the Company's strategic objectives and success, and aligns with the expectations of the Board, senior management, and other key stakeholders (Standard 9.2).
- 6.6.2) Coordinate with both internal and external assurance providers and consider using their work to reduce duplication and focus on gaps in key risk coverage (Standard 9.5).
- 6.6.3) Report directly to the Audit Committee regarding performance results, significant issues, and the annual audit plan.

Domain III, Principle 7

7. Responsibilities of the Internal Audit Department

The Chief Audit Executive is responsible for managing and overseeing the operations of the Internal Audit Department to ensure efficiency and compliance with the Company's policies, as well as presenting the goals and performance measurement guidelines of the Internal Audit Department to the Audit Committee for consideration.

- 7.1) Assess risk and prepare an annual audit plan based on a risk-based internal audit approach, considering risks related to all aspects of the Company's operations, with particular attention to emerging risks such as ESG risks (Environmental, Social, Governance), information technology risks, and cybersecurity risks in accordance with new standards, and risks related to business changes.
- 7.2) Prepare an annual audit plan covering any relevant risks or controls identified by management regarding risks or internal controls. The plan shall be flexible and adjusted as appropriate when the Company's risks change, and presented to the Managing Director for review before submission to the Audit Committee for approval, and to the Board of Directors for acknowledgment.
- 7.3) In the event that it is necessary to revise the annual audit plan, the revised plan must be presented to the Managing Director for review before submission to the Audit Committee for approval, and to the Board of Directors for acknowledgment.
- 7.4) Perform work as defined in the approved annual audit plan, as well as other audit-related work as deemed appropriate by the Audit Committee.
- 7.5) Report progress on Internal Audit Department operations. Such reporting shall include cases where special ad hoc audit engagements have been assigned, as well as a summary of significant findings from audits during the period, unresolved issues from previous reports, and other significant related issues to the Managing Director and Audit Committee on a quarterly and annual basis.
- 7.6) Coordinate with audited units to ensure that supervisors of the audited units participate in providing information and recommendations that will make audit results useful and lead to improved and more efficient operational practices.
- 7.7) Report audit results, risks, and recommendations to audited units for corrective action. The report must include a conclusion of audit results in relation to audit objectives and management objectives (Standard 14.5), and each finding must be prioritized according to its materiality (Standard 14.3).

- 7.8) Evaluate the quality of internal audit work in accordance with internal auditing standards to ensure that internal audit work meets standards and serves the interests of stakeholders.
- 7.9) Report on the adequacy and appropriateness of the Internal Audit Department's resources, as well as problems and obstacles in operations, new trends, and emerging practices in internal auditing to the Audit Committee.
- 7.10) Provide internal auditors with appropriate knowledge, capabilities, professional skills, and experience, and develop auditors' professional knowledge and expertise to a sufficient level. The Internal Audit Department must develop staff knowledge and skills to stay current, and support the attainment of professional certifications such as Certified Internal Auditor (CIA) and Certified Information Systems Auditor (CISA).
- 7.11) Discuss the scope of work with the external auditor and other oversight organizations, and coordinate to ensure that all relevant matters are covered effectively with minimal duplication.
- 7.12) Perform other audit-related work as assigned by the Audit Committee and management, beyond the approved audit plan as appropriate. Such work must fall within the duties of internal auditors and must not cause internal auditors to lose independence and objectivity or to have a conflict of interest in the activities being audited.
- 7.13) Apply professional skepticism in questioning the reliability of information, adequacy of evidence, and appropriateness of conclusions to ensure the quality and credibility of the audit.
- 7.14) Provide continuous training and professional development for internal auditors, particularly in areas of new technologies, modern audit techniques, and emerging risks, to enable effective performance and alignment with business changes.

Domain IV, Principle 9 / Domain V, Principle 13 / Domain V, Principle 14 / Domain IV, Principle 9 / Domain IV, Standard 9.4

8. Scope of Internal Audit Work

The scope of internal audit work is designed to support the duties of the Audit Committee so that the Audit Committee can fulfill its responsibilities. The scope of audit work is defined to cover the auditing, analysis, review, and evaluation of the adequacy of the Company's internal control system. The Internal Audit Department shall use a risk-based assessment approach as the primary framework for audit planning and is responsible for auditing ESG risks and cybersecurity in accordance with new standards, covering:

- 8.1)** Financial, operational, and regulatory compliance auditing.
- 8.2)** Risk management assessment (Risk-Based Internal Audit – RBIA).
- 8.3)** ESG (Environmental, Social, Governance) risk auditing.
- 8.4)** IT Audit and Cybersecurity auditing in accordance with new standards.
- 8.5)** Auditing of corporate governance processes, including organizational structure, checks and balances, and reporting to the Board.
- 8.6)** Compliance auditing with anti-corruption, anti-bribery, and anti-money laundering policies.
- 8.7)** Auditing of personal data management systems in accordance with the Personal Data Protection Act B.E. 2562 (PDPA).
- 8.8)** Auditing of related party transactions and asset acquisition or disposal transactions in accordance with the criteria of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.
- 8.9)** Auditing of business sustainability and sustainability reporting in accordance with CG Code 2017.

9. Independence and Objectivity

- 9.1)** The Internal Audit Department reports directly to the Audit Committee. The Internal Audit Department reports its audit performance directly to the Audit Committee to ensure that the Internal Audit Department is genuinely independent. The Chief Audit Executive has a direct functional reporting line to the Audit Committee (Functional Reporting) and reports to the Managing Director for administrative matters (Administrative Reporting).
- 9.2)** Internal auditors must be independent in both their operations and the expression of audit opinions, and must not serve as directors on any committee that would affect their independence in operations and opinions. Furthermore, if internal auditors perform other duties beyond the approved work plan and assigned responsibilities, such work must not conflict with independence in the performance of duties.

- 9.2.1)** If there are constraints or obstacles to independence or objectivity, the Chief Audit Executive must immediately disclose this to the Audit Committee together with management approaches and impact mitigation measures.
- 9.2.2)** Internal auditors must disclose situations that may affect independence or objectivity, and must not audit work for which they previously had responsibility within at least one year.
- 9.3)** Internal auditors have the right to receive and access information, documents, assets, various reports, and all relevant employees related to the work being audited.
- 9.4)** Internal auditors perform their duties with confidence in their results, with a neutral and unbiased attitude in either direction, and avoid conflicts of interest.
- 9.5)** The Audit Committee plays an important role in maintaining the independence of the Internal Audit Department by:
- 9.5.1)** Participating in the appointment, compensation determination, performance evaluation, and removal of the Chief Audit Executive.
- 9.5.2)** Supporting the Chief Audit Executive in having direct access to the Audit Committee without restriction on urgent matters.
- 9.5.3)** Reviewing and approving the Internal Audit Charter at least once a year.
- 9.5.4)** Supporting the Internal Audit Department in the performance of its duties without interference or restriction.

Domain III, Principle 7 / Domain II, Principle 2 / Domain V, Principle 15

10. Quality Assessment

The Chief Audit Executive is responsible for overseeing the establishment of a continuous quality assessment and improvement program for internal audit work covering all internal audit activities, including internal quality evaluation, to ensure that the management and operations of the Internal Audit Department are effective, and that internal auditors possess appropriate knowledge, capabilities, and expertise for the assigned responsibilities.

- 10.1)** The head of the audited unit shall evaluate the quality of the Internal Audit Department after each audit closure to use the evaluation results for improving the efficiency of the Internal Audit Department.

- 10.2)** The Chief Audit Executive shall evaluate the quality of auditors' work to control audit performance in accordance with established objectives and quality standards.
- 10.3)** The Chief Audit Executive must report quality assessment results to the Audit Committee and senior management periodically, including improvement plans when deficiencies are identified.

Domain IV, Principle 12 / Domain IV, Standard 12.1

11. Reporting

The Chief Audit Executive is responsible for preparing audit reports and submitting them to the management of the audited unit, relevant senior management, the Managing Director, and the Audit Committee directly for consideration and action within a reasonable time. In cases where an audit finds or suspects transactions or actions that may cause material damage to the Company's operating results, conflicts of interest, fraud, irregular transactions, or significant deficiencies in the internal control system, the Chief Audit Executive shall report with opinions to the Managing Director and Audit Committee immediately, and shall discuss with management and the Audit Committee before presenting the report to other parties such as the Securities and Exchange Commission (SEC).

- 11.1)** Internal auditors shall prepare audit reports, including observations, summaries of findings, recommendations, and material actual or potential impacts, and management action plans, for submission to the Audit Committee.
- 11.2)** Actions to address identified deficiencies.
- 11.3)** The Chief Audit Executive shall report audit results, summaries of key findings, recommendations, and follow-up on corrective actions to senior management and the Audit Committee at least quarterly.
- 11.4)** Reports must be clear, concise, constructive, and timely, comprising at least:
- 1)** Audit objectives and scope.
 - 2)** Key findings, with severity/risk levels.
 - 3)** Causes and impacts of findings.
 - 4)** Constructive recommendations.
 - 5)** Management Action Plans with completion deadlines.
 - 6)** Engagement Conclusion in relation to objectives (Standard 14.5).
- 11.5)** If the final report contains significant errors or omissions, the Chief Audit Executive must communicate the corrected information to all parties who received the original report.

11.6) A systematic follow-up system for corrective actions must be maintained, and the status of corrective actions must be regularly reported to the Audit Committee.

Domain V, Principle 15 / Domain V, Standard 15.1

Duties of the Audit Committee:

- 1) Approve the Internal Audit Charter.
- 2) Oversee and approve the risk-based internal audit plan.
- 3) Review significant audit findings and management responses to audit recommendations.
- 4) Participate in the appointment, compensation determination, and removal of the Chief Audit Executive.
- 5) Ensure that the Chief Audit Executive has direct access to the Audit Committee without restriction on urgent matters.
- 6) Support the Internal Audit Department in performing its duties without interference or restriction, and should report any limitations including access rights to information, personnel, and physical and virtual assets necessary for the performance of duties.
- 7) Consider and approve significant changes in the structure, resources, or scope of work of the Internal Audit Department.
- 8) Review and endorse the External Quality Assessment and monitor the implementation of recommendations from the assessment.
- 9) Evaluate the effectiveness of the Internal Audit Department annually.
- 10) Acknowledge and consider risks accepted by management (Accepted Risk) that the Chief Audit Executive deems material to the Company.

Domain III, Principle 7 / Domain III, Standard 7.1 / Domain V, Principle 13 / Domain V, Principle 14

This Charter shall be reviewed annually by the Chief Audit Executive and the Audit Committee to ensure that it remains aligned with the Company's objectives, organizational risks, and any international internal auditing standards. Any changes shall be submitted to the Board of Directors for approval.

The Charter review should consider the following factors:

- 1) Changes in internal auditing standards and related regulations.
- 2) Changes in organizational structure, business, or risks.
- 3) Results of internal and external quality assessments.
- 4) Recommendations from the Audit Committee and management.
- 5) Best practices and emerging trends in the internal audit process.

Domain III, Principle 6 / Domain IV, Principle 12

All internal auditors have a duty to strictly comply with this Charter. Non-compliance with the Charter may affect the credibility and effectiveness of the internal audit function, which may lead to disciplinary action in accordance with the Company's regulations.

This Internal Audit Charter has been approved by the Audit Committee Meeting No. 1/2026 on Thursday, 26 February 2026, and shall be effective from the date of approval.

Chiangmai Frozen Foods Public Company Limited

Mr. Amnuay Yotsuk

Chairman of The Audit Committe

12. Appendix

Summary of Global Internal Audit Standards

The Standards structure consists of 5 Domains and 15 Principles:

Domain I: Purpose of Internal Audit	
Principle 1	Purpose
Internal audit has the purpose to enhance and protect organizational value by providing independent and objective assurance and advisory services based on a Risk-Based Approach to support the organization in achieving its strategic objectives, effective governance, risk management, and internal control.	
Domain II: Ethics and Professionalism	
Principle 2	Integrity
Internal auditors must perform their work with honesty, transparency, courage to report facts, and must protect the organization's interests.	
Principle 3	Objectivity
Must be free from bias and conflicts of interest; not be under the influence of management in determining scope or reporting audit results.	
Principle 4	Competency
Must possess appropriate knowledge, skills, and experience, and continuously develop knowledge to align with changing risks and environments.	
Principle 5	Due Professional Care
Must exercise care, prudence, and professional judgment in accordance with professional standards in the performance of duties.	
Domain III: Governance of the Internal Audit Function	
Principle 6	Authority and Positioning
The internal audit function must have clearly defined authority, rights to access information, personnel, and necessary resources, and should report directly to the Audit Committee.	
Principle 7	Independence
The Chief Audit Executive must be independent from management to enable objective performance and reporting.	
Principle 8	Oversight
The Audit Committee must oversee the work of the internal audit function, including approving work plans, budget, appointment, and performance evaluation of the Chief Audit Executive.	

Domain IV: Managing the Internal Audit Function	
Principle 9	Strategic Plan
Must prepare an audit plan aligned with organizational strategy and assess risks regularly.	
Principle 10	Resources
Must have sufficient and appropriate personnel, budget, and tools for the size and complexity of the organization.	
Principle 11	Communication
Must communicate audit results clearly, completely, accurately, and in a timely manner to management and the Board.	
Principle 12	Quality Assurance and Improvement Program
Must have an internal quality assurance system and receive external quality assessment at least every 5 years to confirm compliance with standards.	
Domain V: Performing Internal Audit Work	
Principle 13	Planning Engagements
Must define objectives, scope, and audit approach based on risks and the significance of activities.	
Principle 14	Performing Engagements
Must collect sufficient, reliable, and relevant evidence to support conclusions and opinions.	
Principle 15	Communicating Engagement Results
Must report audit results clearly, identifying causes, impacts, and actionable recommendations to improve control efficiency and risk management.	

Overview Summary of 5 Domains

Domain	Key Content	Points for Audit Committee Consideration
Domain I	Purpose of Internal Audit	Does IA add value and support organizational objectives?
Domain II	Ethics and Professionalism	Is IA independent and free from conflicts of interest?
Domain III	Governance of Internal Audit	Does IA report directly to AC with adequate oversight?
Domain IV	Managing Internal Audit	Are audit plans and resources sufficient?
Domain V	Performing Internal Audit Work	Do reports have quality and truly add value?