

8.2 Performance Report of The Sub-Committees

8.2.1 Audit Committee Report

Dear Shareholders,

The Audit Committee consists of three independent directors, all of whom command pertinent expertise and experience in financial accounting, engineering, energy businesses, law, and management. They are, therefore, qualified to review the credibility of financial statements in accordance with the regulations of the Office of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Audit Committee comprises the Chairman, Mrs. Saowanee Kamolbutr, and two audit committee members, namely Mr. Kurijit Nakornthap, and Maj. Gen. Chaowalek Chayansupap. During the year, on June 18th, 2020, the Audit Committee's composition was changed once due to Mrs. Nicha Hiranburana Thuvatham's resignation from her post in the Audit Committee. As such, the Board of Directors at its 7/2020 meeting on June 17th, 2020 appointed Mrs. Saowanee Kamolbutr as the Chairman of the Audit Committee replacing Mr. Kurijit Nakornthap who still remain as a member of the Audit Committee. Serving as secretary to this Audit Committee is Ms. Attayar Sukotanang, Senior Vice President, Corporate Internal Audit of GPSC.

The Committee independently performed its duties as prescribed by GPSC's Board and as specified in the Audit Committee Charter, in compliance with all the rules stipulated by the SEC and SET. The Audit Committee strives to ensure good corporate governance and comprehensive reviews of financial reports, connected transactions, risk management, internal controls, and internal audit systems. The Audit Committee also ensures that the Company remains in compliance with laws and regulations relevant to GPSC's domestic and overseas operations in order to create value added to the organization.

In 2020, the Committee held 6 meetings, where consultations were held with the Management, Internal Audit Staff, and the External Auditor. This year's performance highlights are as follows:

1. Review of Financial Statements: The Committee reviewed material items and issues of quarterly and annual financial statements of GPSC and its subsidiaries, in

compliance with the Thai Financial Reporting Standards (TFRS), in cooperation with related members of the Management and the External Auditors. Material items reviewed included the accuracy and completeness of financial information, the important adjustment entries, the accounting estimation, as well as the information disclosure in the notes to the financial statements. The

Committee also considered clarifications from the External Auditor, Top Executives, and other relevant parties which ultimately led to the conclusion that GPSC's financial statements and disclosures in the notes to the financial statements are aligned with TFRS. The external auditor gave an unqualified opinion was that the internal control evaluation results were appropriate, no data were concealed, and the external auditor was able to work independently. In addition, the Audit Committee, together with the external auditor, in the absence of the executives, discussed matters related to auditing plans, their independence in fulfilling their duties, and the opinions of the external auditor.

2. Review of Connected Transactions: The Committee reviewed connected transactions, particularly those posing potential conflicts of interest with GPSC and its subsidiaries under the guidelines of the SET's and the SEC's announcements. This review revealed that GPSC and its subsidiaries operated under regular business practices, exercised fairness and sensibility, and exhibited no benefit siphoning. In addition, its disclosure of information was carried out with accuracy and completeness in compliance with GPSC's corporate governance policies as well as the SEC's and the SET's notifications.

3. Review of Risk Management: The Committee reviewed the efficiency and appropriateness of GPSC's risk management, for which risk identification must consider internal and external factors, in terms of policy and processes in order to ensure that GPSC and its subsidiaries had in place appropriate risk management processes that minimized any negative impact and responded to changes effectively and promptly. Risk management practices were effectively executed under the stated policy and

plans, and were in line with GPSC and its subsidiaries' short-term and long-term goals and strategic plans.

- 4. Review of Internal Control System:** The Committee reviewed compliance with the law and relevant regulations, together with the Management, under the Three Lines of Defense concept, in which legal and regulatory compliance was audited, monitored, assessed, and reported on regular basis. In addition, the executives also assessed the internal control systems using the internal control assessment questionnaires prepared under the framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Moreover, the external auditor results demonstrated that there were grounds to be confident that GPSC and subsidiaries' internal control system helped to produce efficient and effective performance, and thus remained suitable for their businesses to achieve their defined objectives and goals. As a result, in 2020 no cases of violation of relevant laws and regulations were found in GPSC and its subsidiaries.

- 5. Review of Internal Audit System:** Having Corporate Internal Audit report directly to the Committee ensured the unit's independence as is specified necessary in the Audit Committee Charter. The Committee also reviewed and approved the annual internal audit plans and long-term plan covering GPSC, its subsidiaries, and their joint ventures. The Committee also regulated the unit's operation to comply with Internal International Standards for the Professional Practice of Internal Auditing (the Standard), also to align with the strategies and directions of GPSC. This included the oversight for internal audit quality assessment from internal and external assurance companies in order to enhance internal auditor's qualification and competency correlating to the Standard. In addition, the Committee assessed the annual performance of the Corporate Internal Audit and reviewed its structural suitability and efforts in the continuous development of personnel. The Committee supported internal auditors rotate function to other departments in order to enhance their qualification and competency correlating to the Standard. In 2020, the Committee also emphasized the importance of applying IT applications i.e. Data Analytics in the audit process for greater efficiency and effectiveness of audit work

and up-to-date on the current situation.

- 6. Appointment of the External Auditor for 2021:** This process involved selecting external auditor candidates based on their independence, skills, competence, and experience in the electricity and energy business, together with deciding upon acceptable fees. Ultimately, the Audit Committee nominated PricewaterhouseCoopers ABAS Limited (PWC) to the Board of Directors, which is to be proposed at the 2021 Annual General Meeting of Shareholders for consideration and appointment as the Company's External Auditor for the year 2021, names of individual auditors from PWC to be appointed as signing external auditors are : Ms. Amornrat Permpoonwathanasuk (CPA 4599), Mr. Boonruang Lertwisetwit (CPA 6552), or Mr. Phongthawee Ratanakoset (CPA 7795), or Ms. Wanvimol Preechawat (CPA 9548). These nominated auditors have already been on the SEC's approved auditor list.

In summary, the Audit Committee carried out its duties and responsibilities in the manner as stated in the Audit Committee Charter, employing their diverse expertise, care, prudence, and adequate independence while also providing recommendations for the equitable benefit of all stakeholders. The Audit Committee's opinion is that GPSC's financial reports are accurate and credible, and are also fully consistent with generally accepted accounting standards; GPSC's operations were in full compliance with all relevant laws and business obligations. Furthermore, the Committee found that GPSC had implemented good corporate governance, put in place adequate risk management, suitable and effective internal control, and efficacious internal audit systems.

On behalf of the Audit Committee.



(Mrs. Saowanee Kamolbutr)

Chairman of the Audit Committee