

## 8.2 Performance Report of the Sub-committees

### 8.2.1 Audit Committee Report

Dear Shareholders,

The Audit Committee of Global Power Synergy Public Company Limited 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 under 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. Kurujit Nakornthap and Maj. Gen. Chaowalek Chayansupap. Ms. Attayar Sukotanang, Senior Vice President, Corporate Internal Audit was appointed to act as secretary.

The Committee performs its duties under the scope of duties and responsibility as prescribed by GPSC's Board and as specified in the Audit Committee Charter, in compliance with the rules stipulated by SEC and SET. The Audit Committee strives to ensure good corporate governance and comprehensive reviews of financial reports, connected transactions, risk management, and efficient 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 to ensure business continuity and to achieve the set goals.

In 2021 the Committee held seven meetings, where consultations were held with management, Internal Audit, 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 cooperation with management and the external auditors. Material items reviewed included the accuracy and completeness of financial

statements, important adjustment entries, accounting estimation, as well as information disclosure in the notes to the financial statements to ensure that GPSC's financial statements and disclosures in the notes to the financial statements are in line with the Thai Financial Reporting Standards (TFRS). The external auditor gave an unqualified opinion 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 the annual auditing scope and plan of the external auditor.

**2. Review of Connected Transactions or Transactions of Potential Conflicts of Interest:** The Committee reviewed connected transactions, particularly those posing potential conflicts of interest with GPSC under the guidelines of SET's and SEC's notifications. This review revealed that GPSC 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 SEC's and SET's notifications.

**3. Review of Risk Management:** The Committee reviewed the efficiency and appropriateness of risk management, for which risk identification must consider internal and external factors, in policy and processes to ensure that GPSC and its subsidiaries commanded appropriate risk management processes that minimized any negative impact and responded to changes effectively and promptly. Risk management practices were effectively executed under the policy and plans, and were in line with GPSC's 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 applicable regulations, and managed under the Three Lines of Defense concept, in which legal and regulatory compliance was audited, monitored, assessed, and reported regularly, using the internal control practice framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Moreover, the external auditor's findings demonstrated that GPSC's and subsidiaries' performances are efficient and effective, with an appropriate internal control system in place, and without any material problem or defect. As a result, in 2021 no cases of violation of applicable 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 required by 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. It also regulated the unit's operation to comply with internal auditing standards and to align with the strategies and directions of GPSC. This included the enhancement of internal audit quality and the review and assessment of internal audit quality to ensure the competency of international professional standard of the internal auditor. The Committee also assessed the annual performance of Corporate Internal Audit. In addition, the Committee reviewed the structural suitability, HR development, and workforce of Internal Audit to ensure efficiency and effectiveness. The Committee also reviewed the Audit Committee Charter and the Internal Audit Charter.

In 2021 the Committee took seriously internal audit efficiency enhancement and applied Robotic Process Automation (RPA) and Data Analytics technology in the systematic data analysis and formulated Continuous Monitoring and Continuous Auditing (CM&CA) procedures for the procurement and payment system to enable management, operators and related units to assess the efficiency of internal auditing.

**6. Appointment of the External Auditor for 2022:** The Audit Committee appointed PricewaterhouseCoopers ABAS Limited (PWC) as External Auditor for 2022. The names of four individual auditors from PWC to be appointed as signing external auditors are Ms. Amornrat Permpoonwathanasuk (CPA 4599), or Mr. Boonruang Lertwisetwit (CPA 6552), or Ms. Rodjanart Banyatananusard (CPA 8435), or Ms. Wanvimol Preechawat (CPA 9548). These auditors have been on the SEC's approved auditor list. The Audit Committee has proposed PWC to the Board of Directors to be proposed to the AGM for consideration and appointment as the External Auditor for 2022.

In summary, the Audit Committee carried out its duties and responsibilities as stated in the Audit Committee Charter, employing their diverse expertise, care, prudence, and adequate independence while providing recommendations for the equitable benefit of stakeholders. The Audit Committee's opinion is that GPSC's financial reports are accurate and credible, and also fully consistent with generally accepted accounting practices. GPSC's operations were in full compliance with all applicable laws and business obligations in conducting businesses under its objectives. Furthermore, GPSC had implemented good corporate governance and 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