



**Electricity Generating Public Company Limited**  
**Audit Committee Charter, Year 2020**

**1. Composition and qualifications**

- 1.1 The Audit Committee, Chairman and Members, shall be appointed by the Board and consist of at least three non-executive independent directors whose qualifications meet SEC's requirements.
- 1.2 Chief Internal Audit will be the secretary to the Committee.

**2. Term of office**

- 2.1 The term of office of each Audit Committee member is 3 years but limited at 2 terms, with a year for these purposes meaning the period between the Annual General Meeting of shareholders when he or she is appointed and the next succeeding Annual General Meeting. In order to maintain continuity, members may be re-elected from the Board of Director consecutively but not automatically.
- 2.2 In case of any member wishes to resign before the end of the term of office shall inform the reasons thereof to the Board one month in advance.

**3. Responsibilities of the Audit Committee**

- 3.1 Review the accuracy and adequacy of Company's financial reporting,
- 3.2 Review the appropriateness and effectiveness of the Company and its subsidiaries internal control systems, and internal audit functions and determine the Internal Audit Division's independence,
- 3.3 Approve the appointment, rotation and removal of the Chief Internal Audit,
- 3.4 Monitor Company's compliance with Securities and Exchange Acts and Regulations of the SET and any other laws relevant to Company's business,

- 3.5 Recommend to the Board of Directors an independent person to be Company's auditor, removal of the auditor and audit fees,
- 3.6 Consider non-audit services performed by the auditors which may lead to the auditors' non independence,
- 3.7 Consider and endorse the significant change in accounting policy of the Company prior to proposing to the Board of Directors for approval,
- 3.8 Meet with the auditor exclusively at least once a year,
- 3.9 Consider the connected transactions or any transactions that may cause conflict of interest complying with rules and regulations of SET to ensure that such transactions are reasonable and create highest benefit to the Company,
- 3.10 Review EGCO's Regulation on Internal Audit prior to proposing to the Board of Directors for approval,
- 3.11 Approve the internal audit plan as well as budget and personnel,
- 3.12 Review the internal audit report of internal audit division,
- 3.13 Meet with the Chief Internal Audit exclusively at least once a year,
- 3.14 Review with the Management the preparation of the Management's Discussion and Analysis or MD&A and the disclosure in Annual Report,
- 3.15 Prepare a report that describes the Audit Committee's activities and responsibilities. This report shall be signed by the Chairman of the Audit Committee and published in the annual report to the shareholders. The Audit Committee's Report shall consist of at least the following information:
  - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report,
  - (b) an opinion on the adequacy of the Company and its subsidiaries internal control system,
  - (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
  - (d) an opinion on the suitability of an auditor,
  - (e) an opinion on the transactions that may lead to conflicts of interests,

- (f) the number of the Audit Committee meetings, and the attendance of such meetings by each committee member,
  - (g) an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and
  - (h) other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board of Directors.
- 3.16 Inspect any suspiciousness reported by the Company's auditor, that the President, the Management or any person responsible for the company's operation commits an offence under the Securities and Exchange Act (No. 4) B.E. 2551 and report the result of preliminary inspection to the Office of the Securities and Exchange Commission and the auditor within thirty days after being informed by the auditor,
- 3.17 Monitor compliance with Anti-Corruption Policy and review related measures and internal control of the Company,
- 3.18 Review reported concerns about fraud or corruption of the Company and its subsidiaries,
- 3.19 Review the Audit Committee Charter and perform the self-assessment at least once a year,
- 3.20 Perform any other act as assigned by the Board of Directors with approval of the Audit Committee.

Reference to the above responsibilities, the Committee is accountable to the Company's Board of Directors whereas the Board of Directors remains responsible to third persons for the operation of the Company.

**4. The Audit Committee meeting**

- 4.1 The Audit Committee meets as the committee considers appropriate. At least quarterly meetings will be held.
- 4.2 Each meeting must be attended by at least one-half of the committee members to constitute a quorum.
- 4.3 Resolutions are approved by a majority of the committee members constituting a quorum.
- 4.4 The Committee has the authority to invite any concerned directors, the Management or staffs of the Company and/or the group companies to the meetings for discussion and clarification or inquiries.
- 4.5 If necessary, the Committee's meeting shall be held through electronic devices.

**5. Reporting**

- 5.1 The Committee shall report its activities to the Board of Directors at every Board meeting.
- 5.2 In carrying out its duties, if it is found or suspected that there is a transaction or any of the following acts which may materially affect the Company's financial condition and operating results, the Audit Committee shall report it to the Board of Directors for rectification within the period of time that the Audit Committee thinks fit.

- (1) a transaction which causes a conflict of interest;
- (2) any fraud and corruption, irregularity, or material defect in an internal control system; or
- (3) an infringement of the law on securities and exchange, the Exchange's regulations, or any law relating to the Company's business.

If the Board of Directors or the Management fails to make rectification within the period of time under the first paragraph, any committee member may report the occurrence of a transaction or an act under the first paragraph to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

**6. Advisors**

The Audit Committee may seek professional advice under their scope of work from an outside advisor and the Company shall bear the cost of obtaining such advice. The Committee shall report such activity to the Board of Directors.

This Audit Committee Charter is effective from March 18, 2020.



(Mr. Kulit Sombatsiri)

Chairman

Electricity Generating Public Company Limited

**Glossary**

With reference to the Company's regulation on accounting, financing and budgeting B.E.2550, the definitions of "the Company", "Subsidiaries" and "the Group" are as follows:-

- "the Company" : "Electricity Generating Public Company Limited"
- "Subsidiaries" : "Subsidiaries are all entities over which the Group has control, generally accompanying a shareholding or more than 50% of the voting rights."
- "the Group" : "Electricity Generating Public Company Limited, Subsidiaries, Associates and Joint arrangements"
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