

# ENERGY ABSOLUTE PUBLIC COMPANY LIMITED

## CHARTER OF AUDIT COMMITTEE

### 1. Objectives

The Audit Committee was established to support the work of the Board of Directors in overseeing the accuracy of financial reports, the performance of internal audits and internal control systems as well as to compliance with the law, regulations and code of conduct together with supervision to effective anti-corruption measures, concise and appropriate. This is to encourage the Company and its group of companies to have good corporate governance and to be responsible for the preparation of audit committee reports and annual reports for proposing to the shareholders.

### 2. Structure and Qualification of the Audit Committee

- The shareholders' meeting / Board of Directors appoint at least 3 independent directors to constitute the Audit Committee and appoint one of the Audit Committees to be Chairman of the Audit Committee. In addition, at least one audit committee member must be a person with knowledge and experience related to accounting or finance.
- The Internal Audit Department shall be under the command of the Audit Committee and the Head of Internal Audit serves as the secretary of the Audit Committee.

### 3. Term of office

- The Audit Committee member has the same term of office as the director, which will complete the term of office at the Annual General Meeting of Shareholders together with the amalgamation of the term of a director.
- The retired Audit Committee member may be re-appointed and it is not automatically agenda.
- The retired Audit Committee member shall be appointed to the position until the appointment of a director in replacement unless the term of directorship has been completed and he was not re-elected as a director.
- In case of a vacancy in the Audit Committee, the Board of Directors shall select a person qualified and not prohibited from being an Audit Committee member in replacement thereof, provided that such Audit Committee member shall retain only for the remaining term of office of the Audit Committee member for whom replaced.
- The Audit Committee can appoint the Company's employee which is suitable to act as the secretary of the Audit Committee.

### 4. Voting Rights

One Audit Committee member has one vote. If an Audit Committee member has any interest in the matters considered, that Audit Committee member shall not participate in the opinion.

## 5. Meeting

- The Audit Committee meeting shall consist of at least half of the total number of the Audit Committee to constitute a quorum.
- The Audit Committee must have at least four (4) meetings per year. Directors must attend the meeting in person unless due to necessity any director is unable to attend the meeting in person. Directors can attend the meeting via video conference or teleconference.
- At the meeting of the Audit Committee, the management, auditors, internal auditors or related parties on the agenda may be invited to attend the meeting and request information as necessary and appropriate. Agenda items and supporting documents must be prepared and proposed prior to the meeting. The secretary of the Audit Committee is responsible for recording the minutes of the meeting.

## 6. Authorities

- To have the power to invite management or employees of the Company to attend meetings to clarify, comment or deliver the requested documents as necessary.
- To consider and propose the list of auditors and remuneration to the Board of Directors for appointment from the General Meeting of Shareholders and evaluate the auditor's performance annually.
- To consider and decide in case the management and auditors have disagreements about financial reports or restrictions on auditing operations.
- To review procedures and supervision of related transactions, connected transactions that may have conflicts of interest in accordance with applicable laws or regulations.
- To provide external consultants or professional experts to advise consultation or comment as determined by the Audit Committee.
- Meeting with auditors to discuss without joint management at least once a year.
- Report to the Board of Directors to make adjustments to transactions with conflicts of interest, fraud or items with internal control deficiencies, as well as transactions that have not complied with relevant laws and materially affect the financial position and performance in accordance with the requirements of the Securities and Exchange Commission.
- To determine the qualifications and number of personnel of the internal audit department.

## 7. Duties and Responsibilities of the Audit Committee

### 7.1 Financial Reports

- To review a financial report and consider the completeness of the information acknowledged and to assess the appropriateness of accounting principles applied to the financial report;
- To review accounting matters and significant financial report, including complicated or irregular transactions and the transaction which requires discretion;

- To enquire management and auditors regarding auditing result of the important risk concerning the financial report and plan to reduce such risk;
- To review the efficiency of the internal control regarding the procedure of creating financial statements.
- After the Audit Committee has been informed of a suspicious activity, in which the Auditor suspects that a Director or any person responsible for the Company's operations has committed an offence under the laws and regulations of the Stock Exchange of Thailand concerning his/her duties and responsibilities, the Audit Committee shall conduct an audit and report preliminary findings to the Office of the Securities and Exchange Commission and the Auditor within thirty (30) days from the date the Auditor notifies the Audit Committee.

#### 7.2 Internal control

- To review to ensure that the Management has set the internal control system as well as an internal control of the proper technology implemented, communication guidelines, important of the internal control and risk management through the whole organization;
- To review to ensure that the advice regarding internal control suggested by the internal audit and auditor has been amended and improved.

#### 7.3 Internal Audit

- Review and approve annual internal audit plan, as well as personnel and resources required;
- Review activities and performance of the Internal Audit Department to ensure independence as well as approve the appointment, transfer, employment termination of the Head of Internal Audit or any function responsible for internal audit;
- Review efficiency of the Internal Audit performance to ensure that the internal audit standard has been implemented.
- Review the effectiveness of Anti-Corruption guidelines as well as to consider and audit follows the Whistle Blowing policy to ensure that the Company performs with a concise and suitable operation and in accordance with international standards and able to prevent any form of corruption.

#### 7.4 Control the compliance with law and regulations

- Consider changes of law, regulations proposed by the Internal Audit which has an impact to the business operation of the Company regularly;
- Review the facts found by controlling authority, follow up, improve, as well as report to the Board of Directors;
- Review efficiency of the system implemented to monitor compliance with the law, regulations, as well as correct in case the matter has not been followed.

7.5 Consider connected transactions or transactions that may involve a conflict of interest to ensure compliance with the laws and regulations of the Stock Exchange of Thailand, and ensuring that such transactions are reasonable and provide the maximum benefit to the company.

7.6 Select, appointment and consider remuneration of the Auditors.

- Responsible for selection, appointment and proposal of the remuneration of the Auditors.

7.7 Compliance with the morality and ethic of the executives and employees.

- To review to ensure that business ethics and morality of the executives and employees, prevention policy on conflict of interest are made in written form and acknowledged by all executives and employees.
- To support the compliance with morality, ethic and prevention policy on conflict of interest.

7.8 Provide a report of activities of the Audit Committee by disclosure such information in the Annual Report of the Company which will be signed with affixed name by the Chairman of the Audit Committee.

7.9 Other responsibilities

- Otherwise, act as assigned by the Board of Directors;
- Review and assess charter of the Audit Committee on regular basis, as well as propose to Board of Directors for approval in case of amendment;
- Provide self-assessment, at least, on annual basis, and report the result to the Board of Directors.