

## Report of the Audit Committee

Global Green Chemicals Plc (GGC)'s Audit Committee consists of four independent directors who are experts with knowledge, expertise, and diverse experience in law, accounting, finance, information technology and business administration, among others. All directors command sufficient knowledge and experience in accounting and finance to review the credibility of financial statements. The committee also commands the composition and qualifications required by the announcements of the Capital Market Supervisory Board and SET. The Chairman of the Audit Committee does not serve on other sub-committees. The Vice President, Internal Audit, serves as secretary to the committee.

The committee independently executes its Charter duties in line with laws, rules, best practices, and current situations, and as approved and reviewed by the Board annually to ensure that GGC and its subsidiaries comply with the CG Code and focus on sustainable development in line with applicable laws and requirements. It also ensures that GGC commands sufficient and effective risk management and internal-control practices, compliance with applicable laws and regulations, and disclosure of information as well as issuance of annual reports for stakeholders' confidence and credibility. The committee continued to value and focus on development as well as maintenance of efficient and effective internal-audit capability under international professional internal-audit standards to forge confidence and value-added to GGC and in stakeholders' best interests.

In 2023 there were 11 Audit Committee meetings, eight of which were pre-scheduled and three were extraordinary sessions as requested to examine GGC's key matters, with perfect attendance at every session. The performance is highlighted below.

### 1. Review of financial statements

The committee examined key information of the quarterly and annual financial statements and the consolidated financial statements of GGC Group. It reviewed material issues, special items, and received clarification from the external auditor and management to ensure accurate, complete, and credible financial statements, prepared under financial report standards, including sufficient disclosure of notes to these statements, as well as benefit to users. Hence, GGC approved these financial statements, reviewed and audited by the external auditor, who expressed no material observations.

Further, the committee held an exclusive meeting with the external auditor in the absence of management and Internal Audit to freely discuss the latter's access to audit data, review of material information in the preparation of financial statements, and disclosure of information in compliance with financial report standards and beneficial to users. They also discussed key audit matters and independence in performing their duties. The external auditor reported management's cooperation for the review and audit of the financial statements. No material remarks were made, and no suspicious behavior was detected.

## 2. Review of risk management process

The committee monitored information on corporate risk management covering the implementation of risk mitigation plans and risk management framework set by GGC for efficient risk mitigation. This report on risk management performance was regularly submitted by GGC to the Risk Management Committee to ensure that the latter could make recommendations to duly improve the process and be ready to cope with unforeseen circumstances. From its review of risk management in business processes according to the audit report of Internal Audit, it would ensure GGC's efficient risk management with responsible personnel and appropriate support measures.

## 3. Review of internal-control system

The committee reviewed GGC's self-assessment findings about internal-control adequacy under SEC's assessment form. It also reviewed GGC's and GGC Group's internal-control practices together with Internal Audit's audit outcomes under its risk-based audit plan. No significant issues or deficiencies were found that could affect corporate goal achievement. It was reasonably believed that GGC commanded an internal-control system that was sufficient and suitable for business operations and capable of supporting corporate goal attainment.

## 4. Review of corporate governance practices

The committee monitored to ensure that the complaint-handling process was efficient and effective by acknowledging the summary report of GGC's whistleblowing cases. In addition, the committee counseled the audit committees of GGC Group to jointly establish improved corporate governance measures. Further, it advised GGC to propose non-audit services for the committee's approval to ensure that the external auditor's services would not compromise the independence of its audit, which was a good practice in promoting transparency of auditing and certifying GGC's financial statements.

## 5. Oversight of internal audit

The committee set an internal-audit policy by specifying job description, qualifications of the independence of Internal Audit, and a guideline internal-audit scope to promote efficient and effective internal audit practices in accordance with the duties and responsibility as well as international standards, including the annual review of the Internal Audit charter, taking into account the independence and efficiency of Internal Audit's operation to forge confidence among stakeholders. The committee also approved the annual internal-audit plan embracing key risks and supporting GGC's business plans, considered the audit report, and provided recommendations and monitored corrective actions to ensure corporate governance practices and development of GGC's more efficient internal control. The committee instituted quality assurance and improvement of internal-audit work to strive for maintenance of work quality on a par with international standards. Moreover, it promoted Internal Audit's work freedom under the best practices of listed companies. In conjunction with the Managing Director, it reviewed the annual performance of the Vice President, Internal Audit, against the KPIs formulated by itself under GGC's performance assessment criteria.

## 6. Review of compliance practices

The committee reviewed and commented on GGC's engagement in related-party transactions, both acquisition and sale, or those with potential conflicts of interest to ensure compliance with laws and SET's requirements so that such transactions would be reasonable, fair, transparent, and in the best interests of GGC and shareholders, and that disclosure of information might be thorough. The committee was also informed through the external auditor's report that the disclosure of information on related-party transactions was complete, without any anomalous items found.

Reviewing the audit report by Internal Audit, the committee found no law infringement or that of regulations with potential impacts on GGC. In addition, it received no report from the external auditor, third parties, or management's information disclosure indicating GGC's infringement of business laws in 2023 that could significantly affect itself.

## 7. Appointment of the external auditor and audit fees

The committee considered, selected, and proposed the appointment and the audit fees of GGC's external auditor, based on independence, qualifications, skills, competence, business experience—which were recognized and remarkable—and the independence of the external auditor against the code of ethics for professional accountants and SEC's regulations, including its appropriate audit fees. The committee proposed to the Board to seek approval from the AGM over the appointment of KPMG Phoomchai Audit, Ltd. (KPMG) as GGC's external auditor for 2023 and its audit fees.

## 8. Audit Committee's quality assurance

The committee reported its performance outcomes to the Board for acknowledgment quarterly and annually. At the end of each year, it conducted group and individual self-assessment and then reported the findings for the Board's acknowledgment and helpful recommendations on its performance. Moreover, the committee was regularly informed of GGC's operations. All these supported the committee's efficiency.

The committee's overall opinion was that GGC commanded financial reports that were both accurate and credible under generally acceptable accounting principles. These reports disclosed adequate data and benefited users of financial statements. GGC complied with applicable business laws, corporate governance, risk management practices, and an adequate and effective internal-control system. In addition, Internal Audit successfully executed its plans and conformed to the international scope of the internal-audit profession with commitment to a code of conduct and independence, thus enabling the unit to fully support the committee's duties while generating value added for GGC.

In summary, the Audit Committee performed its duties and responsibility as specified by the Audit Committee Charter by applying competence, caution, prudence, and sufficient independence, as well as providing comments and suggestions, with due regard to the equitable treatment of all stakeholders and to their utmost interests. In performing its duties, the Audit Committee received excellent cooperation from the Board, management, the external auditor, Internal Audit, and all parties involved.

On behalf of the Audit Committee



(Professor Dr. Kumchai Jongjakapun)  
Chairman of the Audit Committee