

7. Capital and Shareholders

7.1 Registered capital and Paid up capital as of December 31, 2014

Registered Capital : 14,828,650,350 Baht divided by
Common Shares 1,482,865,035 shares and par 10 Baht per share

Paid up Capital : 14,628,650,350 Baht divided by
Common shares 1,462,865,035 shares and par 10 Baht per share

7.2 Shareholders

The following table sets out our major shareholders as of December 31, 2014.

Major shareholders	# Shares	percent
1. GDF SUEZ Energy (Thailand) Co., Ltd. ¹	645,259,773	44.11
2. GDF SUEZ Energy International Global Developments B.V. ²	365,716,260	25.00
3. Littledown Nominees Limited	71,675,200	4.90
4. Thai NVDR Co., Ltd.	47,926,647	3.28
5. HSBC (Singapore) Nominees Pte Ltd	45,270,759	3.10
6. Social Security Office (2 KorRaNee)	40,645,200	2.78
7. State Street Bank Europe Limited	19,098,470	1.31
8. Chase Nominees Limited 28	14,120,665	0.96
9. BNY Mellon Nominees Limited	13,666,043	0.93
9. Krungsri Dividend Stock LTF.	12,828,400	0.88
10. Norbax Inc., 179	9,716,200	0.66
11. Boon Rawd Brewery Co., Ltd.	8,000,000	0.55
13. Others	168,941,418	11.54
	1,462,865,035	100.00

Note: ¹ GDF SUEZ Energy (Thailand) Co., Ltd. and ² GDF SUEZ Energy International Global Developments B.V. are wholly owned subsidiaries of GDF SUEZ S.A.

7.3 Other securities

The following table displays our debentures which have not reached their maturity date as of December 31, 2014

Debenture	Amount (Million Baht)	Coupon (percent)	Tenor (Yrs) / Maturity Date	Rating (by Tris Rating)
GLOW156A	1,500	5.84 percent Semi-annually Payment	7 Years Maturity Date; 5 June 2015	A+
GLOW173A	1,000	4.52 percent Semi-annually Payment	7 Years Maturity Date; 31 March 2017	A+
GLOW175A	2,000	4.56 percent Semi-annually Payment	10 Years Maturity Date; 21 May 2017	A+
GLOW170A	1,600	4.56 percent Semi-annually Payment	7.5 Years Maturity Date; 8 October 2017	A+
GLOW186A	2,500	6.34 percent Semi-annually Payment	10 Years Maturity Date; on 5 June 2018	A+
GLOW18NA	1,500	4.20 percent Semi-annually Payment	6 Years Maturity Date; on 15 November 2018	A+
GLOW194A	2,000	4.72 percent Semi-annually Payment	9 Years Maturity Date; on 8 April 2019	A+
GLOW190A	1,400	4.77 percent Semi-annually Payment	9.5 Years Maturity Date; on 8 October 2019	A+
GLOW218A	5,555	5.00 percent Semi-annually Payment	10 Years Maturity Date; on 31 August 2021	A+

7.4 Dividend policy

Glow Energy's board of directors' decisions to declare dividends are, (in the case of annual dividends being available), subject to the approval of shareholders at each year's annual general meeting. Declarations of interim dividends, however, do not require shareholder approval.

Our board of directors' current policy with regard to annual dividends is to recommend to shareholders that dividends be distributed in an amount not less than 50 per cent of our net income for each year. This amount is normalized by excluding net foreign exchange gains/losses, deferred tax revenues or expenses, and deducting all specified reserves, and is subject to our investment plans and other considerations deemed appropriate by the board.

The Public Company Limited Act ("PLCA"), requires dividends to be distributed from our net income. It prohibits dividend payments if our retained earnings are negative, even when a positive annual net income is recorded. The PLCA also requires that we set aside a legal reserve equal to 5 percent of our annual net income until our total legal reserve is equal to at least 10 percent of our total registered capital. This can reduce the amount of net income available for dividend payments.

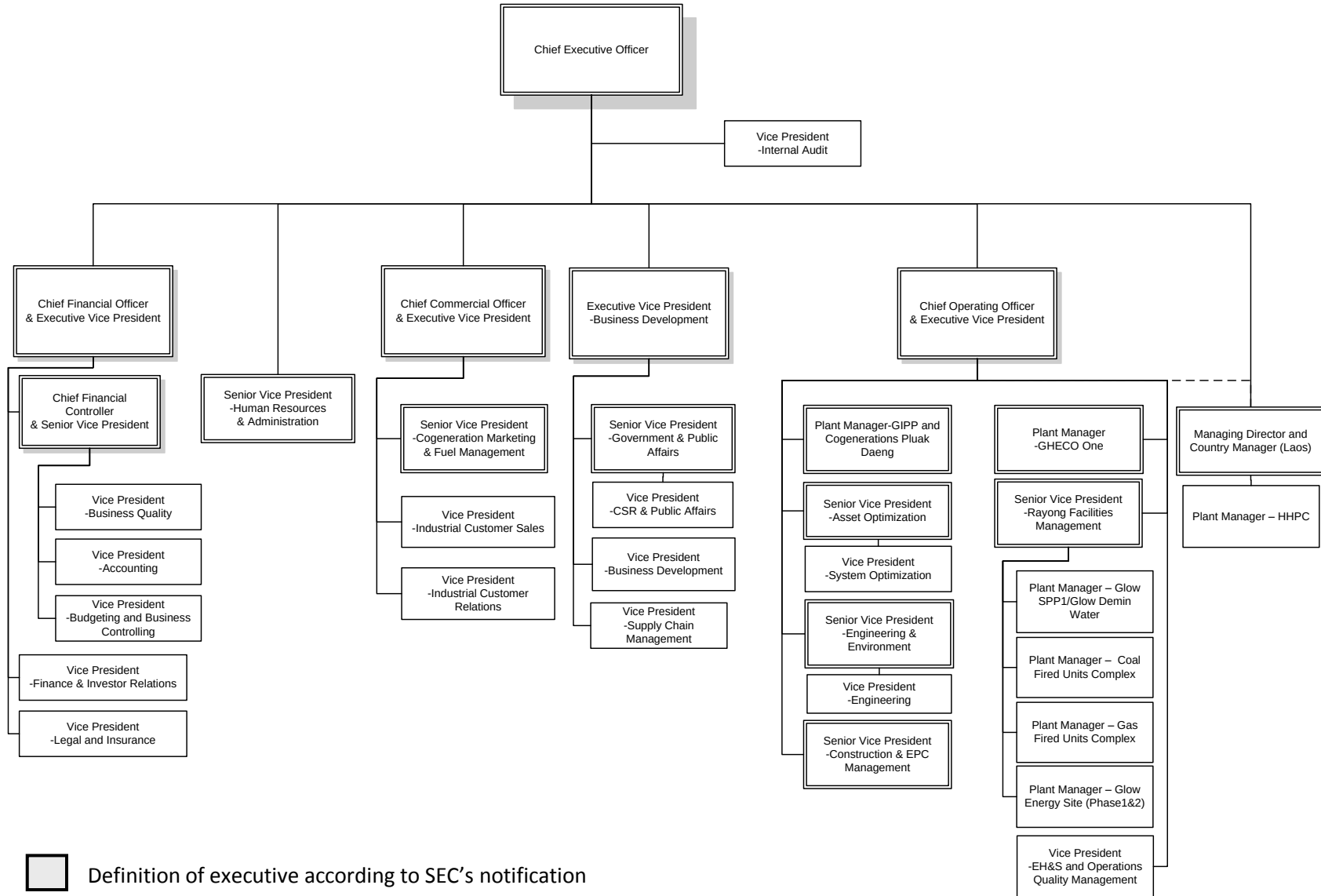
As of December 31, 2014, our registered capital was Baht 14,828.7 million, our paid-up capital was Baht 14,628.7 million, and our legal reserve was Baht 1,598.3 million. Our total unappropriated retained earnings (company only) as of December 31, 2014 were Baht 10,484 million.

At present, HHPC is our only subsidiary with a specific policy for dividend distribution. The policy requires HHPC to pay a certain amount, per rate as agreed among shareholders of HHPC, of in appropriated retained earnings as a dividend semi-annually, provided that certain conditions of the financing and shareholders agreements are met.

The Board of Directors of our other Subsidiaries can declare interim dividend payout, but must submit dividend proposals to shareholders for approval for distributing annual dividends.

8. Management Structure

8.1 Management Structure (as of 31 December 2014)



8.1.1 Board of Directors

<u>Name</u>	<u>Position</u>
1. Mr. Jan Franciscus Maria Flachet	Chairman of the Board of Directors
2. Mr. Brendan G.H. Wauters ¹	Director, Vice Chairman of the Board of Directors and Chief Executive Officer
3. Mr. Kovit Poshyananda	Independent Director and Chairman of Audit Committee
4. Mr. Vitthaya Vejajiva	Independent Director and Audit Committee member
5. Mrs. Supapun Ruttanaporn	Independent Director and Audit Committee member
6. Prof. Dr. Borwornsak Uwanno	Independent Director
7. Mr. Guy Richelle	Director
8. Mr. Anut Chatikavanij	Director
9. Mr. Esa Heiskanen ²	Director
10. Mr. Marc J.Z.M.G. Verstraete	Director
11. Mr. Pierre Jean Bernard Guiollot ³	Director
12. Mrs. Csilla Kohalmi-Monfils ⁴	Director

Note:

- 1) Appointed to be member of the Board of Directors as a replacement of Mr. Daniel Pellegrini since 14 August 2014, Chief Executive Officer and Vice Chairman of the Board of Directors as a replacement of Mr. Esa Heiskanen since 1 October 2014 and 20 February 2015 respectively.
- 2) Resigned from Chief Executive Officer Position and Vice Chairman of the Board of Directors since 30 September 2014 and 20 February 2015 respectively.
- 3) Appointed to be Director as a replacement of Mr. Geert Peeters since 9 May 2014.
- 4) Appointed to be Director as a replacement of Mr. Johan De Saeger since 9 May 2014.

Changes in members of the Board of Directors in 2014

<u>Name</u>	<u>Note</u>
1. Mr. Johan De Saeger	Resigned since 9 May 2014
2. Mr. Daniel Pellegrini	Resigned since 14 August 2014

Authorized Directors

Any two of the eight directors listed below are authorized to jointly sign company documents, which must also be affixed with the Company's seal.

Mr. Jan Franciscus Maria Flachet, Mr. Anut Chatikavanij, Mr. Esa Heiskanen, Mr. Brendan G.H. Wauters, Mrs. Csilla Kohalmi-Monfils, Mr. Guy Richelle, Mr. Marc J.Z.M.G. Verstraete, and Mr. Pierre Jean Bernard Guiollot.

(1) Scope of Authority and Responsibilities of the Board of Directors

- The Company's Board of Directors performs its duties in accordance with laws, objectives and articles of association of the Company, regulations of the SET as well as in accordance with the resolutions of Shareholders' Meeting. The Board of Directors may authorize one or more Directors or any person to act on its behalf.
- The Board of Directors has the power to make decisions and oversee the operations of the Company, except in the following cases, for which an approval from the Shareholders' Meeting has to be obtained first:
 - any activity that laws and/or articles of association of the Company, has specified that it must have approval from the Shareholders' meeting first;
 - any undertaking of any related transaction which needs to comply with relevant regulations of the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission ("SEC");
 - any acquisition or disposal of the assets which needs to comply with relevant regulations of the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission ("SEC").
- The Board of Directors has the power to declare payment of interim dividends from time to time if it deems that the Company has enough profit and available cash flow to do so.

(2) Board meeting

The Board has at least four (4) fixed and confirmed meetings each year respectively scheduled for February, May, August and November, during which the quarterly financial statements are considered. Extraordinary meetings may be arranged if and when necessary. For each meeting, a clear agenda that includes supporting documents for the matters to be considered during the meeting is submitted to each board member at least seven (7) days in advance. This is designed to provide each board member with sufficient time to study important information before attending the meeting. Each board member can openly discuss and express his/her opinion during board meetings. The Chairman is responsible for collecting and summarizing information addressed during the meeting.

The Company's secretariat is responsible for recording the meeting's minutes in writing. Minutes from previous meetings are made available for the board members and concerned parties to inspect at any time once they have received Board approval.

In 2014, the Board organized four 4 ordinary meetings and 1 extraordinary meeting. The participation of each director is summarized below:

The attendance of the Directors in 2014

Name	Position Holding Since	Participation/ Total Meeting			
		Ordinary Meeting (4 meetings)		Extraordinary Meeting (1 meeting)	
		Present at the meeting	Present via VDO or Call Conference	Present at the meeting	Present via VDO or Call Conference
1. Mr. Jan Franciscus Maria Flachet	24 February 2014	4	-	1	-
2. Mr. Brendan G.H. Wauters ¹	28 August 2014	1	-	-	-
3. Mr. Kovit Poshyananda	26 April 2010	4	-	1	-
4. Mr. Vitthaya Vejajiva	29 April 2011	4	-	1	-
5. Mrs. Supapun Ruttanaporn	27 April 2012	4	-	1	-
6. Prof. Dr. Borwornsak Uwanno	26 April 2013	2	-	1	-
7. Mr. Guy Richelle	29 April 2011	-	3	1	-
8. Mr. Anut Chatikavanij	29 April 2011	4	-	1	-
9. Mr. Esa Heiskanen ²	29 April 2011	4	-	1	-
10. Mr. Johan De Saeger ³	22 April 2009	1	-	-	-
11. Mr. Daniel Pellegrini ⁴	27 April 2012	3	-	1	-
12. Mr. Marc J.Z.M.G. Verstraete	11 November 2013	3	-	1	-
13. Mr. Pierre Jean Bernard Guiollot ⁵	23 May 2014	-	1	-	-
14. Mrs. Csilla Kohalmi-Monfils ⁶	23 May 2014	1	-	-	-

Note:

- 1) Appointed to be member of the Board of Directors as a replacement of Mr. Daniel Pellegrini since 14 August 2014, Chief Executive Officer and Vice Chairman of the Board of Directors as a replacement of Mr. Esa Heiskanen since 1 October 2014 and 20 February 2015 respectively. (Total meeting since appointment is 1 ordinary meeting.)
- 2) Resigned from Chief Executive Officer Position and Vice Chairman of the Board of Directors since 30 September 2014 and 20 February 2015 respectively.
- 3) Resigned from being the member of the Board of Directors since 9 May 2014.
- 4) Resigned from being the member of the Board of Directors since 14 August 2014.
- 5) Appointed to be Director as a replacement of Mr. Geert Peeters since 9 May 2014. (Total meeting since appointment is 1 ordinary meeting.)

- 6) Appointed to be Director as a replacement of Mr. Johan De Saeger since 9 May 2014. (Total meeting since appointment is 1 ordinary meeting.)

The process of setting and evaluating the objectives related to the remuneration of the Executive Vice Presidents and CEO – excluding remuneration itself – is disclosed to the Board in the Company's annual report and website. The remuneration figures of the Company management and employees are noted in the annual report as an aggregate amount, and are not listed individually. The individual remuneration figures of Company Executives and the CEO are disclosed to the remuneration committee.

8.2 Management team

The Management Team is comprised of 33 individuals:

<u>Name</u>	<u>Position</u>
1. Mr. Brendan G.H. Wauters ¹	Chief Executive Officer
2. Mr. Heikki Pudas ²	Chief Operating Officer and Executive Vice President
3. Ms. Sriprapha Sumruatruamphol	Chief Commercial Officer and Executive Vice President
4. Mr. Pajongwit Pongsivapai ³	Executive Vice President – Business Development
5. Mr. Suthiwong Kongsiri	Chief Financial Officer and Executive Vice President
6. Mr. Kanit Thangpetch	Senior Vice President - Rayong Facilities Management
7. Mr. Louis Stephen Holub	Plant Manager – GHECO-One
8. Mr. Wisit Srinuntawong	Senior Vice President – Engineering and Environment
9. Mr. Michael W.Reiff	Chief Financial Controller and Senior Vice President

10. Ms. Mantana Kunakorn	Senior Vice President – Human Resources and Administration
11. Mr. Narongchai Visutrachai	Senior Vice President – Government & Public Affairs
12. Mr. Suratchai Bangluang	Plant Manager-GIPP and Cogenerations Pluak Daeng
13. Dr. Somgiat Dekrajangpetch	Senior Vice President – Asset Optimization
14. Mr. Gert Meersman	Managing Director and Country Manager (Laos)
15. Mr. Akarin Prathuangsit	Senior Vice President – Cogeneration Marketing and Fuel Management
16. Ms. Chamaiporn Soonthorntasanapong	Vice President – Legal and Insurance
17. Mr. Anutarachai Nathalang	Vice President – EH&S and Operations Quality Management
18. Ms. Sirichan Chotchaisathit	Vice President – Industrial Customer Sales
19. Mr. Prateep Puthamruga	Vice President – Supply Chain Management
20. Mr. Somchai Klinsuwanmalee ⁴	Vice President – CSR and Public Affairs
21. Mr. Apichart Jamjuntr ⁵	Plant Manager – Gas Fired Units Complex
22. Mr. Renaud Pilleul	Vice President – Industrial Customer Relations
23. Mr. Sutthi Chuesook	Vice President – Engineering
24. Ms. Suttasinee Pengsupaya	Vice President – Accounting
25. Mr. Chaiwut Rattanapornsinchai ⁶	Vice President – Internal Audit
26. Mr. Eralp Gullep	Vice President – Business Quality
27. Mr. Rujirote Kasirerk ⁷	Plant Manager – Coal Fired Units Complex
28. Mr. Apidech Siriphornoppakhun	Plant Manager – Glow SPP 1/Glow Demin Water
29. Mr. Pisut Boonvongsobhon ⁸	Plant Manager – Glow Energy Site (Phase1&2)

30. Mr. Sichanh Gnabandhith	Plant Manager –HHPC
31. Ms. Unchana Kittipiyakul	Vice President – Budgeting and Business Controlling
32. Mr. Natthapatt Tanboon-ek	Vice President – Finance and Investor Relations
33. Mr. Aungsuthon Puboonterm	Vice President – System Optimization
34. Mr. Christophe De Schryver ⁹	Vice President – Business Development

Note:

- 1) Appointed to be Chief Executive Officer since 1 October 2014.
- 2) Transferred to be Chief Operating Officer and Executive Vice President since 1 January 2014.
- 3) Transferred to be Executive Vice President – Business Development since 1 January 2014.
- 4) Changed the position title to be Vice President – CSR & Public Affairs since 1 January 2014.
- 5) Transferred to be Plant Manager – Gas Fired Units Complex since 1 January 2014.
- 6) Transferred to be Vice President – Internal Audit since 1 August 2014.
- 7) Transferred to be Plant Manager – Coal Fired Units Complex since 1 January 2014.
- 8) Promoted to be Plant Manager – Glow Energy Site (Phase1&2) since 1 January 2014.
- 9) Resigned from Vice President – Business Development since 19 July 2014.

Scope of Authority and Responsibilities of the CEO

The Company's Chief Executive Officer (the "CEO") has the authority to supervise, manage, and perform all normal business operations excluding the following matters, which require the approval of either the Board or Shareholders:

- Authorization of internal power of attorneys;
- Amendment of the Company's Articles of Association;
- Any merger, separation or general modification to the Company' structure;
- Dissolution of the Company;
- Increase, decrease or transfer of the Company's registered capital;
- Taking a lien or any other security on the Company's assets;
- Any material change to the Company's main agreements, (i.e. Power Purchase Agreement with EGAT, Gas Supply Agreement, Coal Supply Agreement, and EPC Contracts);
- Negotiation and execution of documents related to the opening of credit lines with banks for any amount exceeding the amount allotted in the daily management powers as granted by the Board to the CEO;
- Commencement or discontinuance of any business;
- Removal and appointment of CEO;

- Approval of long-term strategic plans; and
- Approval of annual budget.

8.3 Company Secretary

The Board of Directors has appointed Mr.Natthapatt Tanboon-ek as the Company Secretary.

8.4 Remuneration

8.4.1 Remunerations of the Board of Directors

A resolution was passed concerning the remuneration of the chairman and other non-executive members of the Board during the 21 April 2014 Annual General Shareholders' Meeting. The resolution was based on taking into account the profit of the Company, number of factors compared within the same industry together with the business expansion. The remuneration of Directors for the year 2014 as below:

	(Unit: Baht)	
	Fixed Remuneration (Per Year)	Meeting Allowance (Per Meeting)
Chairman	445,000	102,000
Non-Executive members	445,000	102,000

Fixed remuneration and Meeting Allowance for Non-Executive members of the Board of Directors details as following:

- Fixed Remuneration was THB 4,895,000
- Meeting Allowance was THB 3,953,617

8.4.2 Remunerations for Committees

- The Annual General Meeting of Shareholders dated 21 April 2014 approved the Meeting Allowance for Audit Committee, based on taking into account the profit of the Company, number of factors compared within the same industry together with the business expansion.
- The Board passed a resolution on the remuneration of members of the Nomination and Remuneration Committee on the basis of an Fixed Remuneration and Meeting Allowances as listed in the table below:

(Unit: Baht)		
	Fixed Remuneration (Per Year)	Meeting Allowance (Per Meeting)
The Audit Committee		
Chairman	150,000	40,000
Members	100,000	34,000
The Nomination and Remuneration Committee		
Chairman	50,000	28,000
Members	50,000	20,000

8.4.3 Remuneration of the Management Team

The total remuneration paid by the Company to the 33 individuals of the management team during fiscal year 2014, including salary and provident fund payments as well as other types of remuneration such as bonuses, totaled 252,703,803 Baht.

8.5 Human Resource Management

As of December 31, 2014, there were a total number of 789 people employed by the Company, as indicated below:

Company	Head Officer	Employee Plants	Total
Glow Energy Plc.	-	101	101
Glow Co., Ltd.	135	192	327
Glow IPP Co., Ltd.	-	39	39
Glow SPP 1 Co. Ltd.	-	33	33
Glow SPP 2 Co., Ltd.	-	59	59
Glow SPP 3 Co., Ltd.	-	28	28
Glow SPP 11 Co., Ltd.	-	38	38
GHECO-One Co., Ltd.	-	84	84
Houay Ho Power Co., Ltd.	5	75	80
Total	140	649	789

Employees Remuneration

As of December 31, 2014, the total remuneration paid to employees amounted to 972,281,698 Baht including salaries, overtimes, bonuses and provident funds.

The Company and its Subsidiaries' Policy for Employees

At Glow, our people are the foundation of our success. We have 789 employees in Thailand at a variety of locations including our Head Office in Bangkok, Power plants in Rayong and Chonburi Provinces as well as Houay Ho Power in Laos.

Our employees enjoy a safe and satisfying work environment that encourages teamwork and creativity and seeks to cultivate a sense of belonging and commitment. This is supported by our leadership, high technical standards, and a passion for safety.

We are committed to being a world class operator of power generation and co-generation facilities. This commitment requires that we play close attention to relevant Environmental, Health and Safety standards in order to protect our employees, clients and the communities within which we operate.

Both collectively and individually, our employees' depth of knowledge and experience creates value for our shareholders and customers. Our human resources department has the crucial role of facilitating our employees' professional development. We devote substantial resources to training our employees, which enhances our organization's competitiveness. Our major shareholder plays an important support and guiding role in these processes.

We also seek to attract and retain qualified professionals capable of working well within Glow's corporate values, which is based on Communication, Commitment, Adaptability, Ambition, and Sustainable Business Relations.

We encourage and support employees to realize their full professional potential by offering challenging work, on-the-job development, formal training and external educational opportunities. We also offer our employees highly competitive remuneration packages, which include an attractive range of benefits.

Glow employees treat each other with trust and respect, and seek to maintain a healthy balance between work and family life. Our operational excellence, our ability to consistently deliver high quality products as well as the reliability and availability of our generating units are our most valued strengths.

9. Corporate Governance

9.1 *Principle of Good Corporate Governance*

The Board of Directors is committed to the principles of good corporate governance in compliance with the recommended best practices for listed company and relevant rules, regulations and guidelines of the Stock Exchange of Thailand (“SET”), the Office of the Securities and Exchange Commission (“SEC”), the OECD Principles of Corporate Governance and GDF SUEZ best practices.

9.1.1 *Rights of Shareholders and Shareholders Meeting*

The Company’s Shareholders shall have the following basic rights:

- Rights to buy, sell, or transfer shares;
- Rights to share in the profit of the Company;
- Rights to have access to the Company’s information in a timely fashion and on a regular basis;
- Rights to participate and vote in the Shareholders Meeting, including the rights to:
 - Elect or remove members of the Board of Directors;
 - Propose and approve the appointment of the external auditor;
 - Participate in the decision making of any transactions that affect the Company and/or the shareholders in a material manner.

The Board of Directors provides the Shareholders, in advance of the meeting, information regarding the time, venue and all agendas to be discussed during the meeting, including adequate supporting documents. Shareholders are also be informed of the criteria and procedures governing the Shareholders Meeting, including the voting procedure and use of proxy.

9.1.2 *Equitable Treatment of Shareholders, and Responsibilities of Stakeholders*

The Board of Directors recognizes the rights of Stakeholders, and therefore encourages cooperation between the Company and the Stakeholders, as well as other concerned parties including staff, customers, trading partners, creditors, government agencies, communities where the Company operates and the society at large. Directors and employees are required to comply with the Code of Conduct that is established to ensure fair and balance dealings with Stakeholders.

In addition, the Board of Directors requires that operational information be reported to Stakeholders and related parties through Form 56-1, the annual report, the Company’s website, and other relevant channels. Two-way communication channels are established to ensure Stakeholders and other parties to express their views or file grievances.

The Board of Directors represents all Shareholders and, in every case, must act in the Company’s corporate interests. Each Director verifies that decisions do not favor the interest of a portion or a category of Shareholder over those of any other.

The Board of Directors facilitates the minority Shareholders to propose, in advance of Shareholder Meetings, any issues for consideration in the Shareholders Meeting. The Board of

Directors has established procedures to allow the Shareholders to make proposals, including a procedure to nominate nominees.

The Board has established the following policies, and authorizes the Management to internally announce them:

- Anti-Bribery Policy in order to ensure employees do not engage in corrupt acts.
- Insider Trading Policy in order to prevent the abusive use of inside information.
- Environmental Policy in order to ensure continuous and sustainable development of the business, without compromising the ability of the current and the future generations to enjoy the environment.
- Health and Safety Policy in order to pay full attention to the health and safety concerns that affect our employees, contractors, customers and the community.

9.1.3 Disclosure and Transparency

The Board of Directors discloses accurate, relevant, complete, adequate, and timely corporate information related to the Company's business and performance on a regular basis.

The Board of Directors ensures strict adherence to all relevant laws and regulations relating to the disclosure of information and transparency. The Finance & Investor Relations Department is designated to disseminate financial information to Shareholders and other Stakeholders, and to equitably and appropriately assist investors and securities analysts to understand the Company and its business. Information posted in the Company's website is in both Thai and English. In addition, the Corporate Communications Department is assigned to publicize corporate business performance information via various media on a timely basis.

9.1.4 Responsibilities of the Board of Directors

(1) Roles and Responsibilities

The Board of Directors performs its duties in accordance with laws and regulations, guidelines of the SET and the SEC, the Company's Articles of Association and corporate objectives, as well as in accordance with the resolutions of Shareholders Meetings. The Board of Directors is authorized to appoint one or more Directors or any person to act on its behalf.

The Board of Directors has the power to make decisions and oversee the activities and operations of the Company, except in the following cases for which an approval from the Shareholders Meeting is required to be obtained first:

- Any activity that laws and regulations and/or the Company's articles of association specifies that it must have approval from the Shareholders Meeting beforehand;
- Any undertaking of any related transaction which must comply with relevant laws/regulations and guidelines of the SET and the "SEC";
- Any acquisition or disposal of the assets which must comply with relevant laws/regulations and guidelines of the SET and the SEC.

The Board of Directors has the power to declare payment of interim dividends from time to time if it deems that the Company has enough profit and available cash flow to do so.

(2) Meetings

The Board of Directors holds at least four (4) meetings a year to consider and approve the quarterly financial statements during the months of February, May, August and November and if it is necessary, an additional meeting are arranged.

For each Board Meeting, a clear agenda is specified with accurate, complete and adequate supporting documents submitted to each Director at least 7 days in advance of the meeting, so that the Directors have adequate time to study the information before attending the meeting. Each Director is encouraged to openly discuss and express his/her opinion. The Chairman collects all comments, and summarizes information gathered from the meeting. The Company's secretariat records the minutes of the meeting in writing. All approved minutes of meeting of the Board Meetings are kept, and are available for the Directors and relevant parties to inspect any time.

(3) Qualification, Composition and Structure**(3.1) Qualification and Composition**

The Company's Board of Directors is the key to good corporate governance. Each Director has knowledge, expertise and experience considered beneficial to the Company. They endeavour and devote their time to perform their duties.

As such, the Company stipulates details in respect of the composition, primary credentials and election of the Board of Directors as follows:

- The Board of Directors is comprised of a minimum of five (5) members, but not exceeding fifteen (15) members.
- At least one-third ($\frac{1}{3}$) of the Board of Directors is comprised Independent Directors or as required by relevant laws/regulations and guidelines of the SET and the SEC.
- The Board of Directors is comprised of a good mixture of professional backgrounds, including at least three (3) Directors who have knowledge of the energy and power industry, at least one (1) with knowledge of law, and at least (1) with knowledge of finance and accounting.
- Directors shall be qualified and shall have no restricted qualifications as stipulated in the Public Company Act.
- The election of Directors to the Board of Directors is transparent.
- Adequate information on the candidates is provided through the Nomination and Remuneration Committee, before the Board of Directors considers presenting them to the Shareholders Meeting for approval.
- Details of the background and experience of each Director is disclosed and updated, if there are any changes.

(3.2) Structure and Independence

- The Company ensures clear segregation between the roles and responsibilities of the Chairman and the CEO, so that the Board of Directors, under the guidance of the Chairman, has the authority and is able to control the Company's activities and operations effectively and efficiently.

- The Board of Directors includes professional external Independent Directors, who attend meetings regularly, and have adequate access to financial and other business information, so that they are able to demonstrate independent judgment, in order to protect Shareholders' interests
- Regarding the qualifications and scope of work of the Audit Committee, Directors shall be independent according to the SEC's notification and other qualifications as required by the Company. This is to enable the Directors to work for the best interest of all Shareholders on an equitable basis, and to prevent conflicts of interest between the Company and management of major Shareholder(s) or other companies that have management or major Shareholders in common. In addition, Directors are able to express their opinion independently.

(3.3) Terms of Directorship

- Directors are elected for a period of three (3) years, after which, the Director is required to resign.
- It is permitted to re-nominate the Directors who resigned.

(4) Committees

In order to ensure that the Company implements good corporate governance, the Board of Directors has two (2) specific Committees, as follows:

(4.1) Audit Committee is comprised of at least three (3) Independent Directors, with at least one (1) member having finance and accounting knowledge, as required by the SEC. The Audit Committee is independent in accordance with the notification of the SEC regarding qualifications and scope of work. The Audit Committee's duties shall involve reviewing the Company's activities and operations, financial reports and internal control systems, the selection of auditors (internal and external), and the consideration of conflicts of interest, including related party transaction and risk management. The Audit Committee's scope and responsibilities are further described in the Audit Committee Charter.

(4.2) Nomination and Remuneration Committee is comprised of three (3) directors from the Board of Directors, at least one (1) of whom is an Independent Director. The Nomination and Remuneration Committee selects appropriate candidates proposed for the positions of Director and CEO. The nomination process is set up in accordance with defined transparent criteria. The Nomination and Remuneration Committee also considers the policy and guidelines for the remuneration of the Board of Directors, the CEO and the Executive Vice Presidents in order to ensure that the basis is fair and reasonable for submission to the Board of Directors and the Shareholders Meeting for approval. The Nomination and Remuneration Committee's scope and responsibilities are further described in the Nomination and Remuneration Committee Charter.

(5) Self Assessment

The Chairman of the Board of Directors ensures that, at least every year, the Directors assess the performance of the Board of Directors and its Committees as a whole or on specific issues.

The Chairman acts on the results of the performance evaluation by recognizing the strengths and addressing the weaknesses of the Board of Directors, and, where appropriate, proposing new Directors to be appointed to the Board of Directors, or seeking the resignation of Directors.

The Board of Directors discloses in the annual report that a performance evaluation of the Board of Directors and its Committees is conducted.

9.2 Subcommittees of the Board of Directors

9.2.1 Audit Committee

In accordance with the SET Notification Bor.Jor./Ror. 01-07, dated 22/Jan/2001 ("Re: Maintaining the Status of Listed Companies in the Exchange, 2001"), listed companies are required to have a good corporate governance system by forming an Audit Committee to govern activities and operations, in order to ensure effective internal controls, compliance with laws/regulations, adherence to relevant standards, and efficient operations.

Hence, the Company's Board Meeting prescribes this Audit Committee Charter, as follows.

(1) Appointment

The Board of Directors of the Company shall appoint the members of the Audit Committee.

(2) Composition and Qualifications

The Audit Committee shall consist of at least three (3) Independent Directors who are members of the Board of Directors of the Company, one (1) of whom shall act as the Chairman.

The Audit Committee qualifications shall comply with the relevant laws/regulations of the SET, and at least one (1) member should have finance or accounting management expertise.

Appointment of a secretary shall be at the discretion of the Audit Committee.

The Audit Committee is currently comprised of the following three (3) committee members:

<u>Name</u>	<u>Position</u>
1. Mr. Kovit Poshyananda	Chairman of the Audit Committee
2. Mr. Vitthaya Vejajiva	Audit Committee Member
3. Mrs. Supapun Rattanaporn	Audit Committee Member

Meetings of the Audit Committee shall be held at least four (4) times a year. In 2014, there were five (5) meetings.

(3) Duties

Duties of the Audit committee according with the SET requirements shall be as below:

- To review the sufficiency, reliability and objectivity of the financial reporting by coordinating with the external auditors and management who are responsible for preparing the quarterly and yearly financial reports.

- To review the adequacy and effectiveness of internal control systems and internal audit functions by coordinating with the external auditors and internal auditors.
- To review compliance with the Securities and Exchange Act, relevant laws/regulations and guidelines of the, and any other relevant laws/regulations of Thailand.
- To consider and advise the appointment of the external auditors including the audit fee by considering the credibility, the adequacy of its resources, the volume of engagements, the experience and the independence of the external auditors.
- To review the non-audit services of the external auditor, in order to maintain the independence of the auditors (internal or external) in conducting the audits.
- To consider the connected transactions, or the transactions that are likely to lead to conflicts of interests, to ensure that they are in compliance with relevant laws /regulations of the SEC and the SET, and are reasonable, and for the highest benefit of the Company, including having appropriate disclosure of these transactions.
- To report the activities of the Audit Committee in the Company's annual report, as signed by the Chairman of the Audit Committee.
- To act as the Corporate Governance Committee to ensure that the Company has effectively complies with good corporate governance framework to protect the reputation of the Company and the interest of all Stakeholders.
- To perform other matters assigned to it by the Board of Directors and agreed to by the Audit Committee
- The Chairman of the Audit Committee and its members shall attend the Company's Annual General Meeting of the Shareholders.

9.2.2 The Nomination and Remuneration Committee

(1) Purpose and Objectives

The role of the Nomination and Remuneration Committee is to propose to the Board of Directors, in the first instance, any new appointments, whether of executive or of non-executive directors, and recommend a successor to the CEO when considered necessary. The Nomination and Remuneration Committee reviews Board membership on a regular basis, considering *inter alia* (i.e., among other things), the length of service of members, their contribution to the work of the Board of Directors and the breadth of expertise of the Board of Directors as a whole.

The Nomination and Remuneration Committee is also responsible for recommending to the Board of Directors the remuneration arrangement for non-executive and independent directors of the Board of Directors.

In performing its duties, the Nomination and Remuneration Committee maintains effective working relationships with the Board of Directors, and each Committee member obtains an understanding of the detailed responsibilities of Nomination and Remuneration Committee membership as specified in this Charter.

The Nomination and Remuneration Committee defines, on behalf of the Board of Directors and the Shareholders, the Company's remuneration policy for the CEO and Executive Vice Presidents, and determines their specific remuneration, benefits and terms of employment, including pension rights and any compensation payments, and monitors implementation of the Company's human resources vision and strategy.

(2) Authority

The Board authorizes the Nomination and Remuneration Committee, within the scope of its responsibilities, to propose candidates with proper qualifications to the Board of Directors, and make all decisions relevant to this Charter (other than where the approval of Board of Directors is specifically required).

The Board authorizes the Nomination and Remuneration Committee, within the scope of its responsibilities, to make all decisions relevant to its Charter (other than where the approval of Board of Directors is specifically required), and to have access to professional advice inside and outside the Company at the Company's expense, subject to the prior approval of the Board of Directors.

(3) Organization**(3.1) Membership**

- The Nomination and Remuneration Committee shall be appointed by the Board of Directors.
- The Nomination and Remuneration Committee shall be comprised of Non-Executive Directors.
- The Nomination and Remuneration Committee shall be comprised of three (3) members from the Board of Directors, one (1) of which shall be an Independent Director.
- The quorum for the Nomination and Remuneration Committee meetings shall be at least two-thirds ($\frac{2}{3}$) of all of its members.
- Each member shall be capable of making a valuable contribution to the Nomination and Remuneration Committee.
- The Chairman of the Nomination and Remuneration Committee shall be the Chairman of the Board of Directors, or a Non-executive Director appointed by the Board of Directors.
- The term of office for Nomination and Remuneration Committee members shall be three (3) years to ensure continuity. Members shall be permitted to be re-elected for another term, if the Board of Directors or the Shareholders Meeting deems it necessary.
- The secretary of the Nomination and Remuneration Committee shall be nominated by the Board of Directors.
- All members shall be totally independent with no financial interest, other than as Shareholders, in the matters to be decided, no potential conflicts of interest in the decisions made arising from cross-relationships, and no involvement in the day-to-day management of the Company.

The Nomination and Remuneration Committee is currently comprised of the following three (3) members:

<u>Name</u>	<u>Position</u>
1. Mr. Guy Richelle	Chairman of the Nomination and Remuneration Committee
2. Mr. Vitthaya Vejjajiva	Nomination and Remuneration Committee Member
3. Mr. Jan Franciscus Maria Flachet	Nomination and Remuneration Committee Member

(3.2) Attendance

- The Nomination and Remuneration Committee shall be authorized to invite such other persons (e.g., Management representatives, external advisors) to its meeting as it deems necessary.
- Meetings shall be held at least one (1) time per year. Additional meetings shall be convened as deemed necessary.
- All members of the Nomination and Remuneration Committee shall be expected to attend meetings in person or via telephone/video conference.
- Meeting agendas shall be the responsibility of the Chairman of the Nomination and Remuneration Committee, with input from members of the Nomination and Remuneration Committee. Meeting agendas, along with appropriate briefing materials, shall be provided to the Nomination and Remuneration Committee members in advance of meetings.
- Minutes of Meetings shall be prepared by the secretary and distributed to all members within 48 hours of each meeting. Minutes of the meetings shall be confirmed at the next meeting of either the Board of Directors or the Nomination and Remuneration Committee.

(4) Roles and Responsibilities**(4.1) Nomination**

Nomination responsibilities include:

- Review and recommend the criteria for Board of Directors membership and required qualifications.
- Review the composition, size and experience of the Board of Directors on a regular basis, including current and future requirements, having regard in part to regulatory constraints.
- Make recommendations to the Board of Directors of candidates with proper qualifications for the Board of Directors to submit for appointment to the Annual General Meeting of Shareholders.
- Seek proposals of individuals for appointment as independent members of the Board of Directors.
- Ensure that new members to the Board participate in the orientation program for new Directors.
- Review and recommend to the Board of Directors the remuneration arrangements for non-executive and independent directors of the Board of Directors, including their responsibilities for Nomination and Remuneration Committee activities, for subsequent approval by Shareholders.
- Make recommendations to the Board of Directors for the successor to the CEO, when considered necessary.
- Develop a succession plan for the CEO that considers both potential internal and external candidates.

(4.2) Remuneration

Remuneration responsibilities include:

- Review the Company's annual remuneration strategy, and recommend strategy to the Board of Directors for endorsement.
- Establish guidelines for remuneration on the initial appointment of the CEO and the Executive Vice Presidents of the Company.
- Ensure that a proper system of long-term and short-term compensation is in place to provide performance-oriented incentives to management.

- Monitor implementation of the company's human resources vision and strategy, including management development programs for Executive Vice Presidents.
- Evaluate the CEO's performance based on a personal development plan, which incorporates short-term and long-term objectives, together with performance targets linked to the Company's strategy. Determine the salary and benefits annually at the end of each financial year.
- Ensure that the Company's remuneration packages are competitive in view of industry practices, and judge where to position the Company relative to other similar companies with respect to salaries and relevant performance of comparable peers.
- Establish a remuneration policy and package designed to attract, retain and motivate staff of outstanding ability and of the quality required; however, the Nomination and Remuneration Committee shall avoid, where possible, paying more than is necessary for this purpose.
- With respect to early retirements for the and Executive Vice Presidents, the Nomination and Remuneration Committee should avoid rewarding poor performance, while dealing fairly with cases where departure is not due to poor performance.
- Ensure that succession plans for CEO and Executive Vice Presidents are reviewed periodically through assessment of specific Executive Vice Presidents positions and qualified potential replacements.

(4.2.1) Salary and Benefits of CEO and Executive Vice President

- Review the salary and benefits of the CEO, and on the recommendation of the CEO, review the salaries and benefits of individual Executive Vice Presidents, at the end of each financial year.

(4.2.2) Bonus of CEO and Executive Vice Presidents

- Implement an annual performance related bonus scheme for the CEO and Executive Vice Presidents.
- Approve the objectives and the compensation (which, for Executive Vice Presidents, is proposed by the CEO).
- Annual performance bonus should be a percentage of base salary, and depend upon the achievement of individual performance targets, which reflect the Company's strategic objectives and the individual's contribution to such objectives.
- Bonuses shall be aligned to give the CEO and Executive Vice Presidents incentives to perform at the highest levels.

(4.2.3) Long Term Incentive Plan

- Review and approve employee long term incentive plans for the Company.

(4.2.4) Pensions and Life Assurance Benefits

- Assess reasonableness of pensions and life assurance benefits of employees. In principle, pensionable salary shall not include annual bonuses or the value of other contingent benefits.

(4.2.5) Aggregate Salary and Bonuses

- Review the aggregate salary, benefit and bonus package of employees, with a review of each individual package that exceeds the maximum level under the applicable Company grading system.

(4.2.6) Notice Period for Resignation of CEO and Executive Vice Presidents

- Establish notice periods for the CEO and Executive Vice Presidents at initial appointment. Notice periods shall not be less than 3 months.
- Approve the terms and conditions of early retirement for the CEO and Executive Vice Presidents.

9.3 Code of Conduct

The Company is committed to conducting its activities and operations in full compliance with laws/regulations of the countries in which we operate, as well as complying with GDF SUEZ Ethics Charter. This includes conforming to locally accepted standards of good corporate citizenship, complying with ethical principles as occasionally announced by GDF SUEZ, and ensuring that interests of its Shareholders are best served.

- (1) The Company's activities and operations shall be carried out in strict compliance with all applicable laws, and relevant rules and regulations of the countries in which the Company operates, and in line with GDF SUEZ Ethics Charter and the Company's Anti-Bribery Policy.
- (2) In each of its decisions regarding its activities and operations, the Company shall respect the environment (both our natural and human environment), and take into account the direct and indirect impact of its activities and operations on the environment in order for the Company to conduct itself as a business leader responsible for the sustainable development of its business. Under this environmental and social responsibility, the Company shall be committed to its **Environmental Policy** in order to encourage concern and respect for the natural and human environment.
- (3) Employees shall ensure that the Company deals in all fairness with its customers, suppliers, competitors and any stakeholders in order to conduct its activities and operations. In its relations with government authorities, customers and suppliers, the Company shall not, directly or indirectly, engage in bribery, kickbacks, payoffs, or other activities which may be construed as corrupt business practices.
- (4) The use, directly or indirectly, of the Company funds for political contributions to any organization or to any candidate for public office shall be strictly prohibited, where such contributions are forbidden by applicable laws/regulations. Where such contributions are lawful and organized within a legal framework, they shall be kept at a minimum, shall be made in a fair and prudent way avoiding any partisan or one-sided attitudes, shall not be made to organizations or candidates holding extremist views, and shall be approved by CEO.
- (5) Sales and marketing agents, representatives and consultants shall be retained and paid only if they operate independently from the Company, and in conformity with applicable laws/regulations. All contracts and agreements shall be in writing. Compensation shall be comparable to that paid to similar agents for similar work, and shall be in accordance with the applicable detailed policy.

- (6) The Company funds and assets shall be utilized solely for lawful and proper corporate purposes. Transfer or expenditure of such funds or assets shall be undertaken only if the stated purpose is in fact the actual purpose. The transfer or expenditure of such funds and assets shall be authorized in writing in accordance with established policies/procedures. No false or artificial entries shall be made in the Company books and records for any reason, and all financial transactions shall be accurately and properly accounted for in those books and records.
- (7) Employees shall not take advantage of, commercialize, or exploit any of the Company's information or property, or their position with the Company for the purpose of inappropriate personal gains or opportunities.
- (8) In principle, employees shall not offer/accept gifts or hospitality in connection with, or because of, the Company's activities and operations. Nevertheless, in accordance with Gifts and Hospitality Policy, courtesy considerations may lead to their acceptance, and such gifts or hospitality must be limited in number and associated local occasions which justify them in according to local custom. Employee shall not offer/accept cash from any the Company customer, supplier or business associate, and only offering/accepting gifts or hospitality of a reasonable amount shall be permitted. Employees shall be permitted to offer/accept gifts or hospitality, only if such gifts or hospitality have no influence on their decision making, and are not illegal under applicable laws/regulations (Please refer to **Gifts and Hospitality Policy** for detailed guidance on this topic).
- (9) Employees shall avoid conflict of interest situations between their direct or indirect personal interests (including their immediate family members) and the interests of the Company. Typical conflict situations include providing services to (whether as an employee or otherwise), or owning shares or stock options, in business entities which are competitors, customers or suppliers of the Company (exception: minor shareholdings of less than 1% in listed companies are not considered to result in conflict of interest situations).
- (10) The Company employees shall not accept shares or stock options of any related companies, other than the Company.
- (11) Employees shall notify their Direct Superior of any actual or potential conflict of interest situation, and obtain a written ruling as to their individual case (which, in the case of Directors or EVPs can only be given by the Board of Directors or one of its committees, and shall also be disclosed to Shareholders).
- (12) Employees shall not buy or sell shares or other securities of a business undertaking, or give advice on the same, if he/she has access by reason of his/her professional activities with the Company, to any non-public information about that business undertaking (whether a part of the Company or not). Trading by employees of the Company shares or stock options shall be permitted only in accordance with **Insider Trading Policy**.
- (13) All employees shall be treated fairly and equally in terms of accountability, rights, remuneration and labor practices, and in compliance with the labor laws/regulations. All benefits provided to the Company employees in addition to their standard remuneration (salary and bonus) shall be awarded in full compliance with corporate guidelines and laws/regulations (including tax regulations), and shall remain in line with local practice.
- (14) The Company shall respect the privacy of data relating to individual persons (whether employees or third parties) that it holds or handles as part of its information processing activities or otherwise, and shall support and respect, within its sphere of influence, the protection of international human rights set out in the United Nations Universal Declaration of Human Rights.

- (15) Employees shall maintain the confidentiality of the Company's all corporate non-public information that is made available to them. The Company shall recognize Intellectual Property Rights and other proprietary information as a central Shareholder value. The Company shall take every appropriate action to preserve and enhance its Intellectual Property, and shall respect the Intellectual Property Rights of others.
- (16) All Directors and employees in the Company shall strictly comply with this Code of Conduct accordingly, and shall be responsible for the continued enforcement of, and compliance with, this Code of Conduct, including necessary communication and training, in order to ensure their knowledge and compliance. Non-compliance with this Code of Conduct shall result in disciplinary measures.
- (17) Any employee facing difficulties in understanding or application of this Code of Conduct shall consult with their Direct Superior. Any reports of violations of this Code of Conduct by an employee to his/her Direct Superior, or directly to the Company's Ethics Officer, shall be treated seriously and confidentially, provided that they are made in good faith and properly documented. The Company shall not take any retaliatory action against employees or Directors who make such reporting in aiming to comply with this Code of Conduct.

This Code of Conduct shall be treated as a part of the Company's rules and regulations, and all Directors and employees shall strictly comply with it accordingly.

9.4 Anti-Bribery Policy

The Company does not tolerate bribery or any other form of corrupt business behaviour.

- (1) This policy applies to all the Company activities and operations with the public and private sectors.
- (2) Bribery is against the laws of many countries, and it is the very opposite of everything the Company stands for. The Company requires compliance with the highest ethical standards and all laws/regulations that apply to our business. The Company values integrity and transparency, and prohibits corrupt activities of any kind, whether committed by the Company employees or by third parties acting for or on behalf of the Company.
- (3) This anti-bribery policy fully reflects the values and ethical principles set out in the GDF SUEZ Ethics Charter and Code of Conduct.
- (4) Violations of this anti-bribery policy have serious, including criminal, consequences for individuals, as well as for the Company. Hence, the Company employees and third parties acting for, or on behalf of, the Company will be held accountable, if they do not comply with this anti-bribery policy.
- (5) The Board of Directors closely oversees the Company's bribery prevention policies, procedures and processes. It is the firm intention of the Company Executive Management team to ensure that anti-bribery policies, procedures and processes are embedded in the the Company organization, and the conduct of our business, under the responsibility of the the Company line managers and business process owners. To support this policy, a dedicated ethics and compliance responsibility is included in the mission of the Company Ethics Officer.
- (6) The Company is committed to conducting business in full compliance with anti-bribery laws/regulations and GDF SUEZ Ethics Charter. The Company regards compliance with anti-bribery laws/regulations as crucially important, and everyone who acts for the Company is expected to apply the highest standards of integrity to all their activities, and to comply fully with the Company ethical principles, policies, procedures and processes. This will ensure that the Company's activities and operations are aligned with ethical responsibilities, and

maximize the long term sustainability of our business and of the communities in which we operate.

- (7) No one acting for the Company is allowed to offer or to give any form of advantage, whether monetary or otherwise, to any individual or company, in order to influence their behaviour contrary to honesty or integrity, or with the aim of gaining a commercial advantage. Further, no one is allowed to request, to agree to receive, or to accept such an advantage.

This Anti-Bribery Policy shall be treated as a part of the Company's rules and regulations, and all Directors and employees shall strictly comply with it accordingly.

9.5 Insider Trading Policy

The Company is a listed company on the SET since 21/Apr/2005.

In order to comply with the insider trading guidelines as published by the SET Notification in "RE: Guidelines on Disclosure of Information of Listed Companies", Management notifies all employees of the Company's Insider Trading Policy as follows

- (1) All Directors and employees with the position at equal or higher than SVP shall report to VP Finance & IR all purchases and sales of their Company's securities within 3 working days after completion of such transaction.
- (2) All Directors and employees shall strictly take all reasonable precaution of information which has not been publicly released or which is intended to be used solely for the Company purposes or which the Company temporarily withholds, and shall not use such information to obtain personal benefit or disclose or exchange any of such information with or to any person for any personal use.
- (3) All Management, including but not limited to, Directors, Executive Management Committee (the "EMC"), employees in Finance, Accounting, and Budgeting functions, who are exposed to the Company's relevant financial information, shall be prohibited from carrying out any transaction involving the shares of the Company over a period of 30 calendar days leading up to the publication of the annual and quarterly consolidated financial statements and financial information.

This Insider Trading Policy shall be treated as a part of the Company's rules and regulations, and all Directors and employees shall strictly comply with it accordingly.

9.6 Management Control of subsidiaries/affiliates

The Company appoints and nominates its member of the Board of Directors and/or managements to be members of the Board of Directors of subsidiaries and affiliates. For existing subsidiaries in which we hold more than 90% stake, including Glow IPP, Glow SPP 1, Glow SPP 2, Glow SPP3, Glow SPP 11, Glow Company, Glow IPP 2 Holding, and Glow IPP 3, all board members are appointed by the Company. For other subsidiaries and affiliates, the number of Board members who are nominated by, and represent the Company are:

- GHECO-One (65% stake): 5 out of 8 board members
- Houay Ho Power (67.25% stake; direct and indirect holding): 4 out of 9 board members
- Houay Ho Thai (49% stake): 2 out of 5 board members
- Glow Hemaraj Wind (49% stake): 2 out of 4 board members

Although separate companies within our corporate group own our key operating assets, we maintain a single centralized management structure for all of our companies and assets. This allows us to effectively monitor and coordinate our operation and management of all key operating assets.

9.7 Auditor's Fee

Auditor's remuneration for the period of 01/Jan/2014 to 31/Dec/2014 consists of

(Unit: Baht)

	The Company	Subsidiaries
Audit fee	1,719,763.00	7,908,329.00
Non - audit fee		
- Review of Financial ratios	400,000.00	-
- Review of the financial statements prepared in accordance to international accounting standards	545,985.00	295,918.00
- Due Diligence service	1,820,000.00	-
- Others	500,000.00	771,205.00

10. Corporate Social Responsibility

10.1 Overview of CSR policies and practices

Sustainability is our approach to managing current and future economic, environmental and social opportunities and risks in order to achieve profitable growth and to provide sustainable and reliable energy solutions to our customers.

10.1.1 Our commitment to Sustainability

- Operational excellence and profitable growth
- Providing reliable energy solutions
- Occupational health and safety
- Having knowledgeable employees who are part of a network of expertise
- Strong corporate governance, ethics and compliance
- Environmental sustainability
- Improving the quality of life for communities in areas where we do business

10.1.2 Sustainable Development Policy

Glow Energy and its affiliated companies (hereinafter collectively referred to as “Glow Group”) are committed to conducting all its business operations responsibly with due regard to sustainable development. We work with governments, inter-governmental and non-governmental organizations and other interested parties to develop and support projects that benefit the communities associated with our business operations. We are committed to achieving the economic, environmental and social responsibility objectives of Sustainable Development. We recognize that integrating sound Sustainable Development principles into our operational safety, business conduct, social, environmental and economic practices is both good for society and good for our business.

We adhere to the following **Sustainable Development Policy** statements that direct our efforts towards achieving these objectives:

- (1) We shall operate in compliance with our Code of Conduct and Anti-Bribery Policy, as well as all applicable sustainable development laws and regulations and international norms of behavior.
- (2) We shall establish a culture of integrity in our company, and encourage all employees to strictly follow business ethics and rules specified in the Code of Conduct.
- (3) We shall consistently identify and implement policies and standards to continuously improve Sustainable Development practices in our business operations.
- (4) We respect the protection of human rights and shall not tolerate any form of workplace discrimination, bullying, harassment or physical assault. We value diversity and treat all employees and contractors fairly, providing equal opportunity at all levels of the organization without bias.
- (5) We shall implement all projects by taking into account the expectations and interests of our stakeholders, and shall be accountable for the impact of our activities and operations, both direct and indirect, on employees, society, the environment (both our natural and human environment) and stakeholders.

- (6) All our projects shall be managed in accordance with applicable health and safety rules and regulations, without bringing harm to any community, employee or the environment.
- (7) We shall continue to ensure and improve the availability and reliability of our services to all our customers and remain good business partners.
- (8) We shall encourage employees to identify and act upon opportunities to improve Sustainable Development practices in the areas where they work. We shall also promote Sustainable Development practices among our contractors, suppliers and customers.
- (9) We recognize that environmental impact is a serious issue that demands attention and action from the business community. Glow Group will continue to take actions to reduce emissions where possible from both direct and indirect business operations and maintain reliable water management practices.
- (10) We shall regularly review our performance and report on our progress publicly in an open and transparent manner. We shall also provide communication channels for all stakeholders so that they will be able to file their complaints and suggestions.
- (11) We shall engage our stakeholders in our objectives and targets, and shall periodically communicate our progress to the Board of Directors, shareholders, customers and members of the public.

10.2 In-process CSR

10.2.1 Approach to Managing Sustainability

(1) Governance

Glow acknowledges that our decisions and activities can impact society and the environment. We recognize the importance of our stakeholders and their roles in our sustainable development.

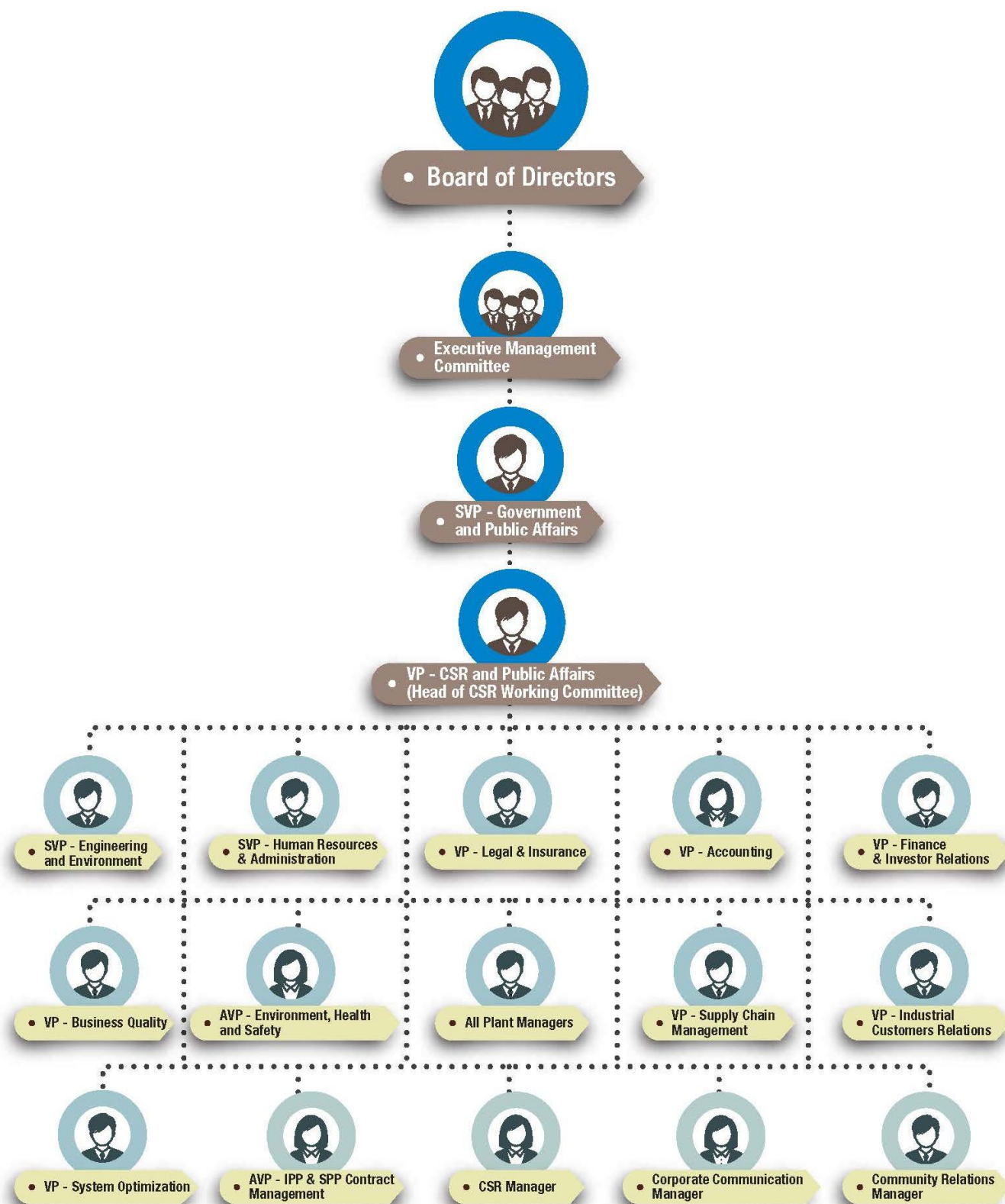
The Board of Directors and Executive Management Committee (EMC) are Glow's highest governing bodies. They are responsible for the strategic direction of the organization and the effective monitoring of the performance. The EMC, which is comprised of four males and two females, meets monthly to discuss performance and future plans. The Board of Directors, which is comprised of ten males and two females from five different countries, being Thailand, Belgium, France, Finland and Hungary, meets quarterly, as well as on other occasions, to approve the quarterly financial statements and to provide guidance on strategic matters, including in the area of CSR.

In 2009, we established a Corporate Social Responsibility (CSR) Working Committee to oversee and report about CSR in-process to the EMC. As sustainability has become more important to all business operators, Glow has adjusted its strategy to increase focus on sustainable development. In recent years, Glow has received several sustainability-related awards, certificates and standards recognizing our ongoing improvements.

The CSR Working Committee, headed by the VP - CSR & Public Affairs, is comprised of representatives from different functions within the company. Those representatives are expected to speak on behalf of all stakeholders based on the inputs they receive from stakeholder dialogues.

GVERNANCE

CSR Structure



The CSR Working Committee reports and receives support from SVP - Government & Public Affairs who reports directly to the Executive Vice President - Business Development on sustainability-related issues.

We are aiming to further improve the structure outlined above so that members of the EMC will be able to work more closely and efficiently with the CSR Working Committee, especially with respect to the strategic planning of activities that support the sustainable development of the company. We expect that a revised structure will be established by the end of 2015.

(2) Compliance

Glow's activities and operations are carried out in full compliance with all applicable laws and relevant rules and regulations of the countries in which we operate. They are also in line with **the Ethics Charter** of GDF SUEZ, our parent company.

GDF SUEZ regards compliance with anti-bribery laws as crucially important and everyone who works for GDF SUEZ is expected to apply the highest standards of integrity to all their activities and to comply fully with the GDF SUEZ ethical principles, policies, procedures and processes.

Glow established its first **Code of Conduct** in 2005 and we continue to regularly update and revise this code.

To reflect our commitment to anti-corruption initiatives, we have recently revised our **Corporate Governance Policy** by highlighting an anti-bribery related clause in the Code of Conduct and by including an **Anti-Bribery Policy**. In addition, we have established a **Gifts and Hospitality Policy** to govern our employees' practices in this specific area.

The Code of Conduct (and related policies) sets out ethical principles that guide the work we undertake and our interactions with stakeholders, including government agencies, customers and suppliers, and communities. The principles cover accountability, transparency, integrity, ethical behavior, respect for stakeholder interest, respect for the rule of law and human rights.

Glow's Ethics Officer ensures implementation of ethical principles in Glow's development strategies and activities; answers employees' questions and gives advice on ethics and compliance; runs awareness-raising, training and communication initiatives and identifies the entity's ethical risks.

To fight against corruption and fraud in all forms, Glow has an Anti-Corruption Section in every O&M Agreement to ensure that our suppliers comply with Glow's business practices.

Furthermore, Glow has recently submitted a Declaration of Intent against Corruption to the Private Sector Collective Action Coalition against Corruption. To view the Code of Conduct and all related policies mentioned above, please visit our website at <http://www.glow.co.th/index.php?op=policies-index>.

10.2.2 What Matters

(1) Value Chain

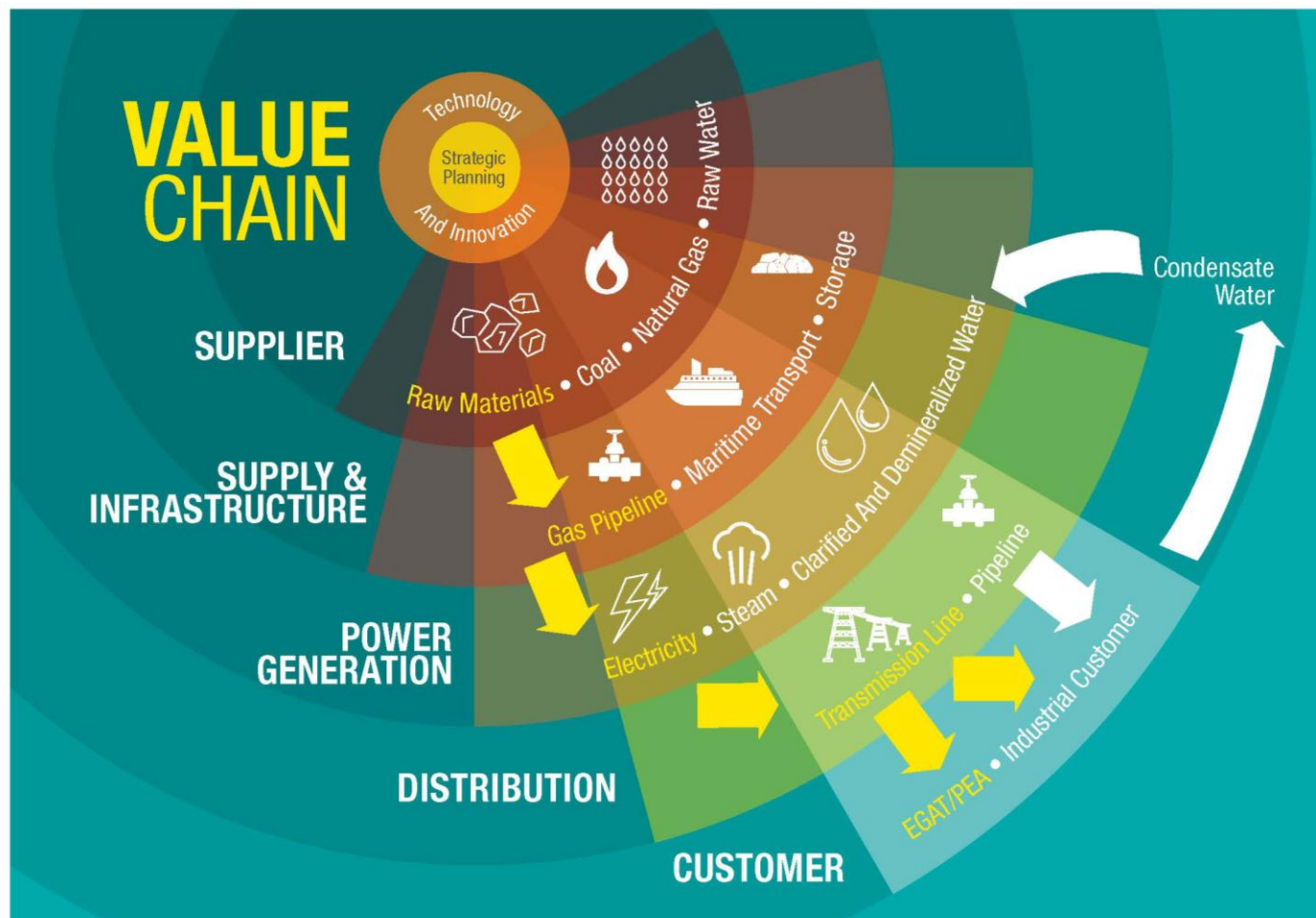
Our vision is to optimize profitability through operational excellence and value-creative growth in Thailand and neighboring countries. We have crafted a business strategy that takes into account four perspectives: commercial, operational, financial and human resources. We balance short-term and long-term objectives to create a well-defined set of priorities and action plans.

To provide sustainable and reliable energy solutions, we use diversified energy sources, including natural gas and high quality bituminous coal with a sulfur content of less than 1%. Transportation, coal handling and ash management systems are efficient and in line with our Environmental Management Systems (EMS). We use a closed coal conveyor system and dust suppression devices to prevent dust dispersion.

We use state-of-the-art and environmentally-friendly technology, such as Supercritical Pulverized Coal Boiler Technology, a high-efficiency boiler system that consumes less fuel than conventional boilers and which results in lower emissions.

Glow provides electricity to the Electricity Generating Authority of Thailand (EGAT) as well as electricity, steam, clarified and demineralized water to industrial customers in Map Ta Phut Industrial Estate (MIE) and Siam Eastern Industrial Park (SEIP). To ensure a continuous utility supply, many of our cogeneration facilities are interconnected to each other by high voltage underground transmission lines and this is further enhanced by a back-up supply from EGAT and the Provincial Electricity Authority (PEA) for power and package boilers for steam. We are a highly-reliable energy source for our customers due to dedicated (and, in the case of our facilities in Map Ta Phut, underground) transmission lines and a steam piping network covering the entire service area. This network reduces the risk of supply interruption and pressure loss.

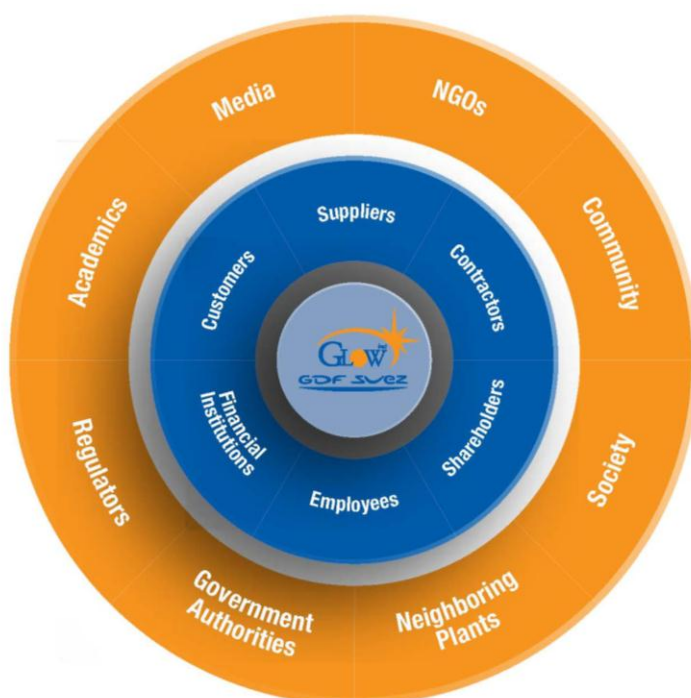
Knowing our value chain helps us to improve our sustainability by increasing opportunities to reduce environmental impact and increasing resource efficiency across the entire value chain. By working closely with value chain partners and other key stakeholders we can discover optimal solutions and drive impactful action.



(2) Stakeholder Engagement

Glow increasingly seeks to create value by having dialogues with stakeholders. Our identified stakeholders can be divided into two groups:

- 1) **Primary stakeholders** are individuals or groups who have a vested interest in how the company performs and who **directly affect** the success and failure of the company, including shareholders, customers, employees, financial institutions, suppliers and contractors.
- 2) **Secondary stakeholders** are individuals or groups who can influence, both positively and negatively, and **indirectly affect** actions of the company. Our secondary stakeholders are the community and society (including neighboring plants), government authorities, regulators, academics, NGOs and the media.



Based on our stakeholder analysis we have identified **three major groups** of stakeholders that we need to focus on, namely **employees, the community and shareholders**. Realizing the importance of stakeholder expectations, stakeholder dialogue has become a significant tool in our business management and is leading to value creation.

We have in place two key committees, i.e. the Internal Activity Committee and the Welfare Committee, to take comments and suggestions from employees, especially regarding welfare and employee relations.

Our Community Relations (CR) Team plays an important role in relationship building with the community. Our CR Team meets community members and leaders to strengthen relationships and to gather regular feedback. Strong relations between the company and the community have helped us to gain trust and understanding from the community and have enabled us to be able to work together through challenges to achieve positive outcomes for the community.

Glow communicates with stakeholders through various channels, including our Annual Report, Sustainability Report, website, by email and over the telephone. Our CSR Working Committee has dialogues with all stakeholders at regular intervals to identify and respond to their needs and

expectations. These regular dialogues allow us to better meet the needs and expectations of our stakeholders.

Channels for complaints and suggestions

The company has established procedures that enable internal and external stakeholders to file complaints or make recommendations at all times. The channels or steps to file complaints are as follows:

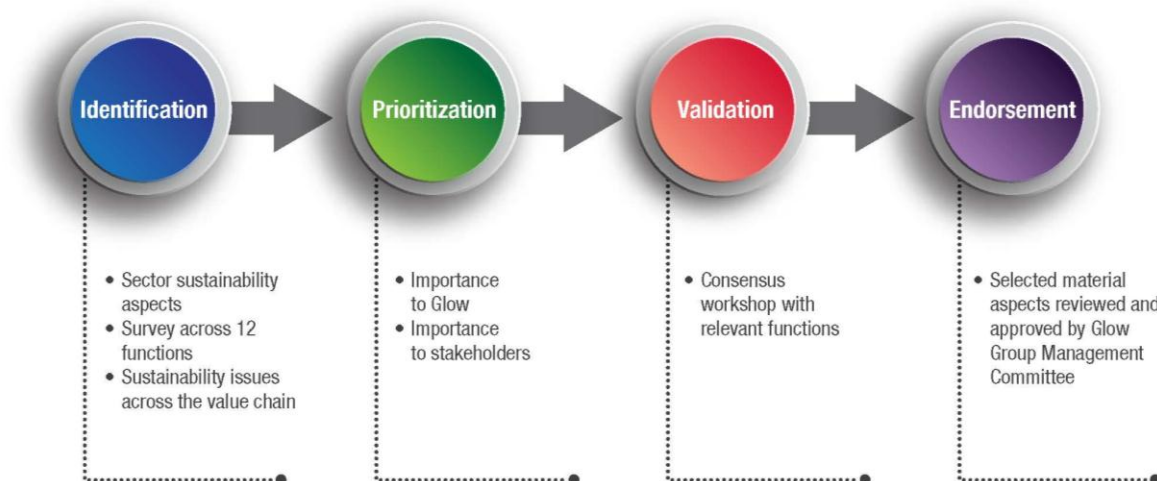
- 1) The procedure for employees to file a complaint is included in the employees' manual to inform them of their rights, with complaint and settlement procedures, investigation and verification procedures and protection for informers and relevant parties.
- 2) The Ethics Reporting Process is available for all employees and outside stakeholders to file their complaints in the case that a discriminatory or unethical practice is found. The company has also designated an ethical officer to be directly responsible for the code of conduct governance to ensure fair treatment to all parties.
- 3) A Suggestion Box is available for employees to submit complaints and recommendations to the company. The suggestion boxes are placed in different spots which are easily visible.
- 4) Complaints or recommendations may be made by telephoning the Bangkok office 02 670 1500 or the Rayong (Map Ta Phut) office 038 698 400-10 or by sending an Email to pr@glow.co.th

Apart from providing channels to receive complaints, the company has also set a deadline to address an issue. If a complaint is verified and proven to be valid, the company will assign a responsible person to resolve the issue within 7 days, or within 24 hours for an emergency case.

(3) Material Issues

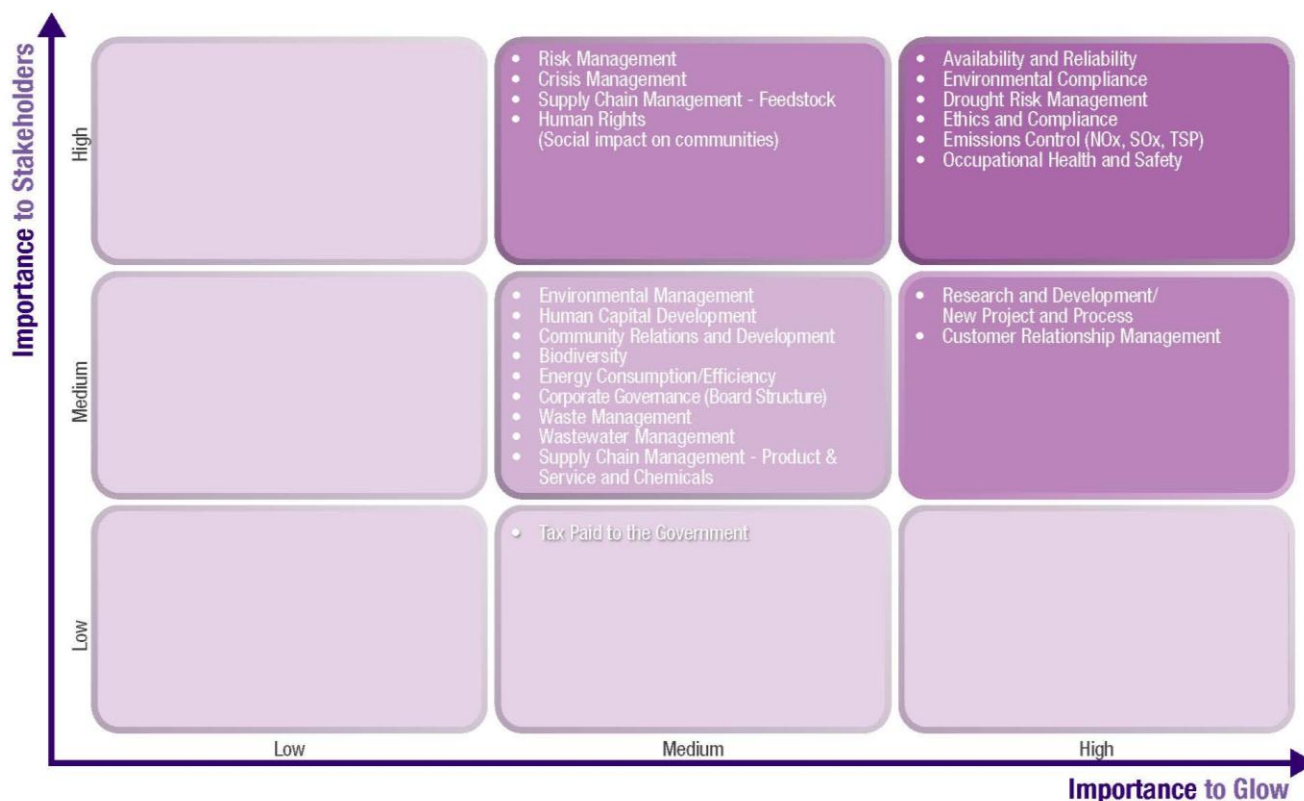
We have conducted a materiality assessment (over two days) with representatives from all departments to define what matters most to Glow.

MATERIAL APPROACH



We have identified 22 material aspects and divided those into groups based on importance as seen in the **Materiality Matrix** below.

MATERIAL ISSUES



The materiality matrix highlights the six highest priority aspects for Glow and its stakeholders as follows:

- 1) Availability and Reliability
- 2) Environmental Compliance
- 3) Drought Risk Management
- 4) Ethics and Compliance
- 5) Emissions Control (NOx, SO₂, TSP)
- 6) Occupational Health and Safety

As the largest producer and supplier of electricity for industrial customers in Thailand, the first six material aspects are considered important factors for Glow to obtain a “social license to operate” from our stakeholders. The remaining aspects are also challenges for Glow to meet different levels of stakeholders’ expectations in three areas: economic, environmental and social.

Economic	Environmental	Social
Research and Development/ New Projects and Processes	Environmental Management	Human Capital Development
Risk Management	Biodiversity	Human Rights (Social impact on

		communities)
Crisis Management	Waste Management	Community Relations and Development
Supply Chain Management – Feedstock	Wastewater Management	
Customer Relationship Management		
Energy Consumption / Efficiency		
Corporate Governance (Board Structure)		
Supply Chain Management – Product & Service and Chemicals		
Tax Paid to the Government		

We recognize the need to engage regularly with our stakeholders so that we understand, prioritize and manage our sustainability impacts as an organization. This report is a key mechanism through which we communicate how we are managing our material issues and how we are responding to issues raised by stakeholders during the past year. As part of our commitment to good business we will continue to engage with our key stakeholders and improve our processes.

10.2.3 Most Material Aspects

By mapping our value chain and engaging our stakeholders at all levels, we can identify the issues that are most important to our business. These “most material issues” are the elements of our business requiring our greatest focus.

(1) Availability and Reliability

Continuous focus on Availability and Reliability is fundamental in our aim to satisfy and retain our existing customers, and to attract new customers. It is our commitment to provide reliable products to our customers by the continual supervision and maintenance of our facilities, including our transmission and distribution system, in accordance with the best engineering practices, aiming to avoid unplanned incidents and to eliminate unsafe conditions at our plants.

Customer satisfaction is fundamental as we strive to maintain business excellence and increase and solidify Glow’s good reputation to retain customers and to attract new customers.

We offer our customers a highly reliable supply of energy with our dedicated transmission lines and a steam piping network covering the entire service area that substantially reduces the risk of supply interruption or loss of pressure.

To ensure a continuous utility supply, all cogeneration facilities at Map Ta Phut are interconnected and further enhanced by a back-up supply from the Electricity Generating Authority of Thailand (EGAT) for power and by package boilers to support our steam supplies. In Siam Eastern Industrial Park (SEIP) our two cogeneration plants are connected and supported by fast-start gas engine units for peak supply. As in Map Ta Phut a back-up power agreement with the Provincial Electricity Authority (PEA) provides the final element of security.

One key challenge with respect to the availability and reliability of transmission lines is to prevent unplanned supply disturbances. Glow’s Operation & Maintenance Team therefore constantly

monitors our transmission and distribution system, and engages in maintenance activities on an ongoing basis..

In 2014, we further improved the reliability of our network by enhancing the real-time monitoring of network conditions. Customer service was also improved by the further enhancement of our outage management capabilities. The new management plan allows us to isolate and restore utilities during outages much more quickly and to prioritize repair work by sending experienced and qualified crews and high-quality equipment to quickly restore power to affected areas. This approach plays an important role in meeting the demands of our customers who are being proactively informed about the forecasted impact and restoration time.

The KPI we focus on in monitoring our performance in terms of reliability is the System Average Interruption Frequency Index (SAIFI). We set, on an annual basis, SAIFI targets for both our electricity and steam supply, and we aim to continuously improve our performance on this KPI.

(2) Environmental Compliance

Government regulations set the minimum level for our environmental compliance. In our operations and in the development of new business we also take into consideration relevant international best practices and standards

Glow takes compliance seriously, from the planning stage onwards. We aim to maintain a relationship of trust and an open communication with the community, authorities, policy-makers, customers and other stakeholders concerning the environmental impact of our business and facilities.

Our operational performance meets Thailand's environmental regulations and any other applicable regulation. Glow strictly follows environmental impact mitigation and the monitoring measures presented in the environmental action plan. Glow's Engineering Team and EH&S Team report on a bi-annual basis the results of the implementation of our action plan to the Office of Natural Resources and Environmental Policy and Planning (ONEP) for their consideration. We conform to all of ONEP's reporting processes and meet all standards established in the environmental regulations, site permits and corporate objectives. We respond promptly and effectively to any incident resulting from our operations and in so doing we co-operate with industry organizations and authorized government agencies.

We use state-of-the-art technology and efficient production processes. Glow's Community Relations Team, consisting predominantly of residents of Rayong, engages with local communities and gathers feedback on an ongoing basis.

It is our goal to be in full compliance with all applicable environmental regulations at all times. We therefore maintain a "zero target" on the "fines or non-monetary sanctions for non-compliance with environmental laws and regulations" KPI.

(3) Drought Risk Management

Water is an important resource for our operations. Large volumes of fresh water are required to operate our power plants each year. We use water in the cooling system and in the production of clarified as well as demineralized water for internal usage and industrial consumption.

A lack of a fresh water supply would not only affect our production and reliability, but could also have an impact on the Thai economy through its impact on the operations of our customer base, including in the Map Ta Phut Industrial Estate which is home to the most energy-intensive (predominantly petrochemical) industries in Thailand.

With those elements in mind, drought risk management presents an important challenge requiring collaboration with all relevant parties. A committee was established (the Eastern Seaboard Water War Room) with representation of all relevant stakeholders (including Glow) to develop, implement and monitor mitigation plans and to take preventive measures against water risks.

Internally, Glow has a raw water task force team to closely monitor the quality and quantity of water that is used in the production process and to assess any risks that may occur. The team works closely with the Eastern Seaboard Water War Room.

The major sources in the supply of fresh water to Map Ta Phut are the Dok Krai, Nong Pla Lai and Klong Yai reservoirs.

A number of water management projects are currently being developed which are expected to significantly improve the water supply situation in the Map Ta Phut area, including:

- The **Tabma project**: to increase water supply by pumping water from the Rayong River and the Tabma canal to the Tabma reservoir (expected to be completed in 2016)
- The **Prasae-Nong Pla Lai pipeline**: to build a new pumping station at the Prasae reservoir and lay a 50-km pipeline to increase water supply (expected to be completed in 2016).

We aim to take all reasonable measures to avoid any interruptions to our operations due to a shortage of water supply.

(4) Ethics and Compliance

Glow is committed to conducting all its activities and operations in strict compliance with all applicable laws, relevant rules and regulations of the countries in which Glow operates.

We take into account the strong focus on ethics at the level of, among others, our parent company (GDF SUEZ), the Federation of Thai Industries (FTI), the Institute of Directors (IOD), the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC).

We promote Ethics and Compliance awareness among all Glow employees

Glow aims to provide training to all employees on Ethics and Compliance practices.

In 2013, Glow declared to the Stock Exchange of Thailand (SET) its intention to join the Anti-Corruption Program by submitting a Declaration of Intent against Corruption to the Private Sector Collective Action Coalition against Corruption.

Glow has established the Gifts and Hospitality Policy which emphasizes that gifts and hospitality must be made in good faith, be of a professional nature and be linked to promoting Glow's activities, developing business or improving the quality of working relationships between Glow and its customers and partners. Any employee who is found to be in willful violation of this policy is subject to disciplinary action as deemed appropriate by his/her Division Head, in consultation with SVP HR & Administration and/or the CEO.

Glow aims to continuously improve procedures in order to enforce its Anti-Bribery Policy more effectively. We target to have this improvement process completed and certified by the Collective Action Coalition Council by the 1st quarter of 2016.

To view our Anti-Bribery Policy and related policies, please visit our website at <http://www.glow.co.th/index.php?op=policies-index>.

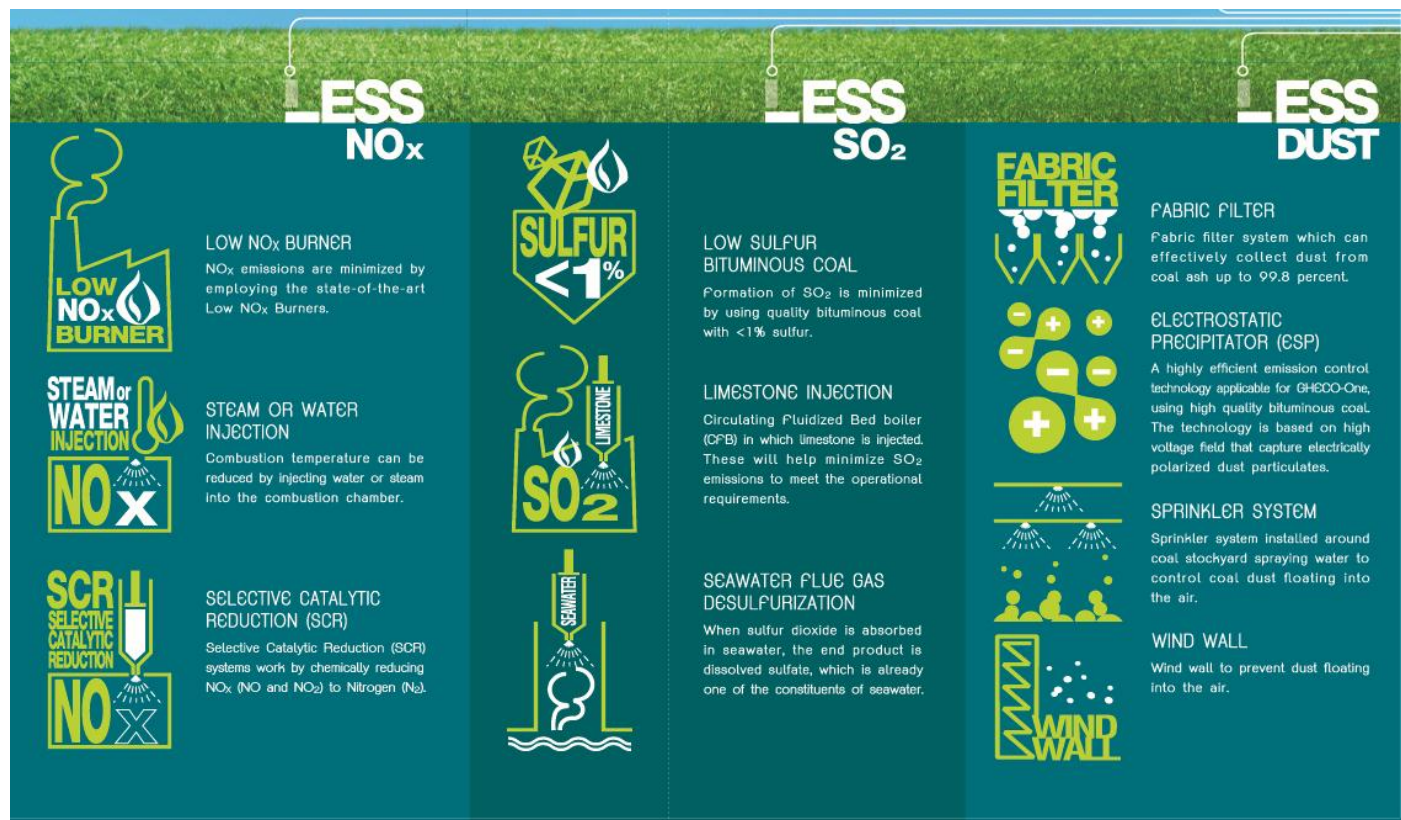
Our target is that 100% of our employees will have completed the mandatory compliance training not later than 2016.

(5) Emissions Control (NO_x, SO₂, TSP)

Glow recognizes that emissions are the main negative by-product of our plant. Glow is committed to controlling emission levels to meet, and where possible do better than, all applicable standards. Glow has online measurement systems for continuous measurement and control at the source of emissions. Furthermore, third parties assess the environmental performance of our power plants on a regular basis, measuring progress and conducting periodic audits of environmental performance.

Glow has invested significantly in technologies to reduce NO_x, SO₂, and TSP pollution. We list hereunder some examples in this respect. We purchase low sulfur bituminous coal with less than 1% sulfur content and use limestone injection techniques in the combustion of coal in our circulating fluidized bed (CFB) boilers. GHECO-One, our newest coal-fired power plant, incorporates a sea water flue gas desulfurization system to significantly reduce SO₂ emissions. NO_x reduction is achieved in the CFBs by ammonia injection into the flue gas and in GHECO1 by using Low NO_x burners and a Selective Catalytic Reduction (SCR) unit.

Glow Smart Technology



In the Map Ta Phut area, the government has put in place an 80:20 measure in accordance with a resolution from the National Environmental Board (NEB), which requires reducing NO_x and SO₂ emissions from existing facilities in order to enable the expansion of existing facilities or the construction of a new plant. In compliance with this rule, Glow has for instance successfully implemented an air emission reduction program at the GSPP3 power plant located in Map Ta Phut Industrial Estate which has enabled the construction of GHECO-One.

Glow is committed to fully comply with emission standards under the relevant EIA and EHIA's at all times. We show hereunder 2014 results from the stack emission monitoring for our plants.

Results of Stack Emissions Monitoring at Glow Group Power Plant Sites in 2014

Power Plant	Type of Fuel	Power Generation Business	NO _x (ppm) ⁽¹⁾		SO ₂ (ppm)		TSP (mg/Nm3) ⁽²⁾	
			Emission	EIA ⁽³⁾	Emission	EIA ⁽³⁾	Emission	EIA (3)
			(% better than standard)	Standard	(% better than standard)	Standard	(% better than standard)	Standard
Glow IPP	Natural Gas	Gas-fired combined cycle units 1-2		100		20		20
Glow Energy Phase 1	Natural Gas	Natural gas-fired boiler units A/S	(4)	96	-	-	-	-
Glow Energy Phase 2	Natural Gas	Gas-fired combined cycle units 1-6		120		20	-	-
Glow Energy Phase 4	Natural Gas	Gas-fired cogeneration units 1-2		103-105		0.95		5
Glow Energy Phase 5	Natural Gas	Gas-fired combined cycle		55		0.95		5
Glow Energy CFB 3	Bituminous Coal	Coal-fired thermal cogeneration		100		170		55
Glow SPP 1	Natural Gas	Gas-fired combined cycle units 1-2		108	-	-	-	-
Glow SPP 2	Natural Gas	Gas-fired cogeneration units 1-6		101-118		0.95		5

Glow SPP 3	Bituminous Coal	Coal-fired cogeneration CFB1/CFB2		100		180		55
Glow SPP 11 ⁽⁵⁾ (Project 1)	Natural Gas	Gas-fired combined cycle units 1-2		108	-	-	-	-
Glow SPP 11 (Project 2)	Natural Gas	Gas-fired combined cycle units 1-2		35		10		27
GHECO-One	Bituminous Coal	Coal-fired supercritical boiler		56		53		55



0-30%



30-60%



>60%

Note: (1) ppm means parts per million
 (2) mg/Nm3 means milligrams per normal cubic meter
 (3) EIA Standard means control values as required by the Environmental Impact Assessment (EIA) and/or Environmental Health Impact Assessment (EHIA) for GHECO-One
 (4) Reserve shutdown
 (5) Glow SPP 11 (Project 1) included gas engine units 1-4 in operation, units 5-6 were under construction

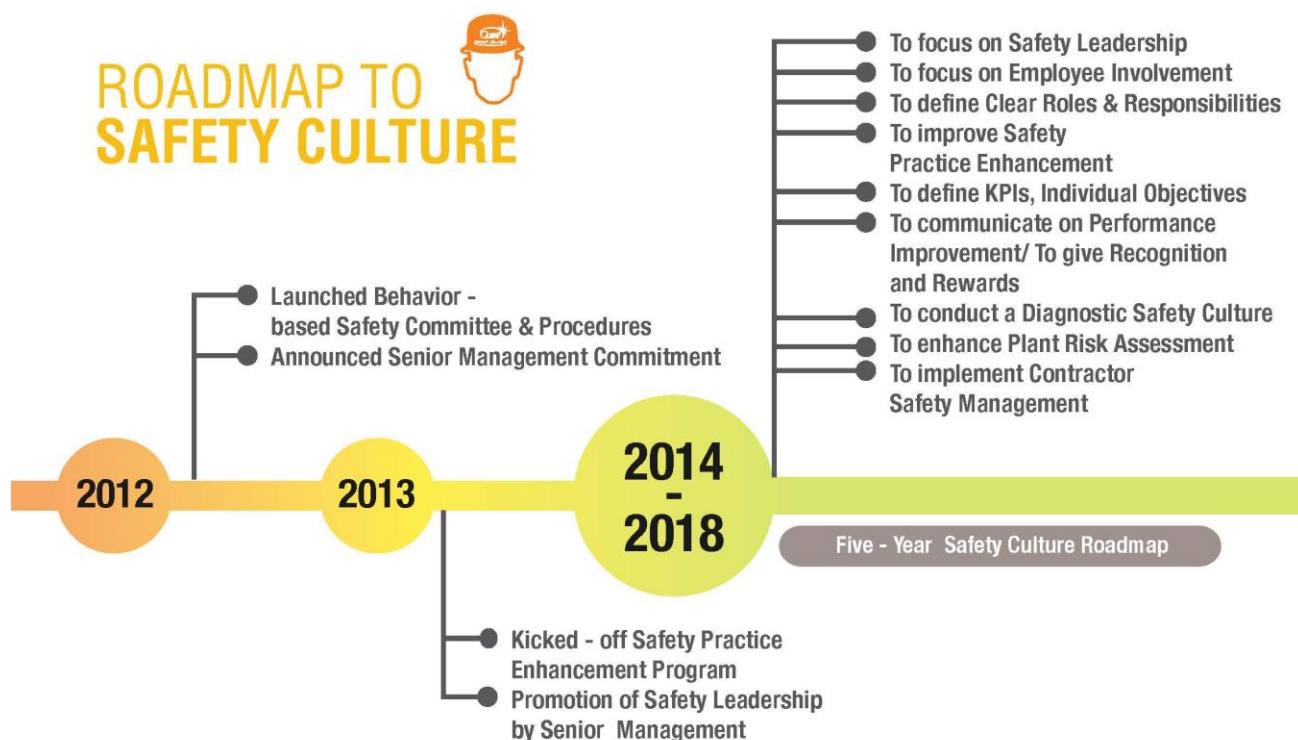
(6) Occupational Health and Safety

We are committed to achieving the best possible health and safety performance and to develop correct safety behavior throughout our organization. Every effort is made to sustain an excellent safety culture.

We aim to take all necessary precautions to limit accidents. We are utilizing international best practices available through the extensive network of our parent company GDF SUEZ. Such best practices target is to reduce and ultimately eliminate the occurrence of accidents by focusing on structural protection, eliminating the possible causes of accidents, training employees and enhancing vigorous job safety analysis. Glow is extending the same principles beyond its own organization and aims to apply the same standards to its contractors.

If, despite all our efforts, an incident occurs, we have defined procedures with respect to investigation and reporting. Through an in-depth analysis of possible causes we aim to identify corrective and preventive actions and to communicate such actions to all relevant parties.

It is our goal to reduce the number of occupational accidents at work by implementing a Five-Year Safety Culture Roadmap (2014-2018).



Glow has defined the following fundamental principles that direct our efforts toward reducing occupational accidents at work:

- Making the initial **commitment** that health and safety is a primary responsibility of all Glow employees.
- Maintaining **compliance** with the applicable health and safety legislation and Glow's safety rules.

- **Involving** employees at all levels to promote effective working relationships with appropriate health and/or safety agencies and to avoid working situations that may have an unfavorable effect on an employee's health.
- **Integrating** health and safety in our management systems to drive a proactive and shared safety culture throughout the organization.

In the course of 2014 the Glow IPP Power Plant has received an award for being an exemplary factory meeting national standards in safety, occupational health and the environment from Thailand's Labor Department. It has also received a certificate to recognize its active participation in the Department's "Zero Accident Campaign" for the fifth consecutive year.

We measure our safety performance on an ongoing basis through a series of KPI's, including but not limited to the Frequency Index (FR) and the Severity Index (SR).

Glow's long-term goal is to achieve a permanent improvement in our health and safety performance including the implementation of our Five-Year Safety Culture Roadmap.

10.3 After-process CSR

Community relations and development is an activity that Glow is actively involved in, not only to obtain a license to operate but also to coexist with communities and to maximise the benefits for society. Building relationships and maintaining trust with communities requires open communication and engagement. Our Community Relations team proactively communicates with the community through regular visits and meetings.

We have carried out many community development activities, either by ourselves or in collaboration with other business partners and alliances, such as the Community Partnership Association (CPA), Microsoft Thailand, and the First Naval Area Command., to demonstrate our responsibility towards the community, society and the environment in parallel with the company's business operations.

Glow organizes activities aimed at creating benefits to society in three main areas, including education, the improvement of the quality of life, and environmental conservation at both local and national levels. Our CSR flagship projects in 2014 include:

- **Houay Mahad Reforestation project:** Glow joined forces with Kasetsart University, the Forest Protection Club, nearby communities and local administrations to organize a reforestation activity in which 2,500 trees were planted on Houay Mahad hill. The project aims to preserve and nurture natural resources, protect the environment and to maintain biodiversity and has promoted public involvement and generated income and jobs for the community. Glow will support this project for five years before handing it over to the community.
- **Collaboration project with Microsoft:** Since 2012, Glow has worked with Microsoft Thailand Co., Ltd., to provide training on Microsoft's Multipoint program for teachers. In 2014, we organized training in two provinces. Over 300 teachers attended the training and subsequently they were able to apply the learning in their classes. The Microsoft Multipoint program provides teachers with a creative and stimulating learning environment for students.
- **Solar for Schools and Sustainable Training project:** This project was selected and co-funded by Glow, GDF SUEZ Energy Asia and GDF SUEZ Energy International, our parent company, as part of our commitment to improve the quality of life in the communities in which we operate. The project started in April 2014 and is anticipated to be completed in September 2015. It will extend the benefits of safe, renewable and affordable solar-generated electricity to remote ethnic communities where the national energy grid is unlikely to reach and in so doing will

improve the health, livelihood and vitality of people in those communities. The partnering NGO, the Border Green Energy Team (BGET) Foundation, was awarded 3.38 M THB to install up to 30 solar electric systems for schools and child-care centers in four sub-districts along the Thailand/Myanmar border in Mae Sot, Tak province. In addition, training about sustainable living and skill development for orphaned refugee children and other marginalized people living on the Thailand-Myanmar border was organized.

10.4 Achievement and Awards

In 2013-2014 Glow Group received many awards and certifications which are summarized in the table below:

ACHIEVEMENT AND AWARDS



Glow Energy



ISO14001
Phase 1 & 2



Green - Star
Flags*
Phase 1 & 2 and 4 & 5



Gold - Star
Flags**
Phase 4 & 5



Thailand Coal
Awards 2013
Glow Energy CFB3
under the Best Practices -
Clean Coal Use and
Technology in Power
Generation Category



Asian Utility
Award 2014
in "Small Capitalization" category
*Note: The awards are given
to Asian utility companies
that produced the highest
three - years returns
through 30 June 2014.

Glow SPP 2/Glow SPP 3



ISO14001



Thailand Coal
Awards 2013
under the Best Practices -
Clean Coal Use and
Technology in Power
Generation Category

Glow SPP 2 Co., Ltd



Green - Star
Flags*



Gold - Star
Flags**

GHECO 1



ISO14001



ISO9001



Thailand Coal
Awards 2013
under the Best Practices -
Clean Coal Use and
Technology in Power
Generation Category



ASEAN Coal
Award 2013
under the Best Practices -
Clean Coal Use and
Technology in Power
Generation Category

GIPP



ISO14001



OHSAS18001



TIS18001



EIA Monitoring



Zero Accident
Campaign



Plant Safety
Award
*Note: For outstanding
performance in
the occupational safety,
health and environment
category for six
consecutive years

GSPP 11 Plant 1



ISO14001



ISO9001



OHSAS18001



TIS18001



EIA Monitoring



Zero Accident
Campaign



Plant Safety
Award
*Note: For outstanding
performance in
the occupational safety,
health and environment
category for two
consecutive years

GSPP 11 Plant 2



ISO14001



OHSAS18001



TIS18001

* An award given by the Industrial Estate Authority of Thailand (IEAT)
to a company with good environmental governance

** An award presented to those who have joined the IEAT program
and received green - star flags for six consecutive years for excellent environmental performance

11. Internal Control and Risk Management

The Audit Committee consists of three (3) members who are also members of the Company's Board of Directors. The Company's Internal Auditor reports to the Audit Committee and the CEO. Some of the internal audits are performed in cooperation with GDF SUEZ Internal Audit.

In 2014, the Audit Committee assessed the adequacy of the Company's existing internal control systems to ensure the effectiveness of all operational and financial controls. Taking into account the current business environment and organizational characteristics, the Audit Committee concluded that the internal control systems in place are adequate and appropriate. Additionally, the Company's Statutory Auditor commented that there were no material deficiencies in the Company's internal control systems in accordance with Thai Standards on auditing.

THE ORGANIZATION AND THE ENVIRONMENT

- The Company's current organizational structure allows the Company's management team to operate objectively and efficiently by clearly specifying the roles and responsibilities of each person.
- During the past years, the Company has dedicated substantial time and effort on continuing to improve the internal control framework.
- Comprehensive policies and procedures have been developed and thereafter implemented for every significant business processes. Employees are required to comply with these policies and procedures within the context of their respective functional responsibilities.
- A Code of Conduct has been implemented, and, along with the GDF SUEZ Ethics Charter, has been communicated to all employees.
- Internal Audit formally reports its activities and its findings to Company's CEO and to the Audit Committee at least four (4) times each year.
- The Company is also subject to audits performed by GDF SUEZ Internal Audit, which works closely with the Company's Internal Audit function, the latter of which is responsible for coordinating and following-up on the implementation of all audit recommendations.
- The Company's COO, CFO and CEO commit to, by signing an annual attestation letter, formulating internal control systems within the scope of their respective responsibilities. This is based on existing monitoring programs and must take into consideration the conditions and constraints relevant to the internal controls function. This process includes evaluations that are carried out using self-assessment questionnaires on the general control environment.

RISK MANAGEMENT

- Business risks, present and future, deemed as having a potential impact on the business's ability to achieve its objectives are formally assessed and managed within the context of the strategic, financial, operational and compliance environment. The impact and likelihood of each risk and associated risk factors are identified and assessed, as well as development of risk responses and measure to reduce such risks.
- Identified risks are monitored continuously.
- Risks are discussed during the Board Meetings and monthly management meetings.

OPERATION CONTROLS OF THE MANAGEMENT

- Internal and General Power Of Attorney (“POA”) have been established and communicated to all Company employees. Both documents are updated as required and approved by the Board of Directors. The POA clearly specifies authorization limits for capital and operational expenditures on a functional basis.
- For other transactions with major shareholders, directors, management, staff or other persons related to those parties, the Company has established strict rules in Related Party Transactions Policy in order to prevent any conflicts of interest, which take into consideration the optimization of the Company’s value on behalf of shareholders and other stakeholders. In addition, all related-party transactions must be completed on an “arms-length” basis — the same basis applicable to all third party transactions.

INFORMATION AND COMMUNICATION SYSTEMS

- Important and reliable business and financial information is made available to the Board of Directors to assist them in all decision making processes.
- The Company strives continuously to improve information and communication systems.
- Before the Board Meeting, and within the minimum period of time prescribed by law, the members of the Board of Directors receive an invitation, meeting agenda, and all related supporting documentation for consideration during official Board Meetings. Moreover, the minutes of the Board Meetings are available for shareholders to inspect, and to ensure the appropriateness of the actions of the Board of Directors.
- The Company maintains and retains all documentation used in the recording of accounting transactions, as well as all other relevant supporting documentation, in an organized manner and in compliance with laws regulating the documentation retention period.
- The Company applies generally accepted accounting principles and policies in accordance with Thai Accounting Standards (“TAS”) and other applicable International Financial Reporting Standards (“IFRS”), as aligned with the characteristics of the Company’s business.

MONITORING SYSTEMS

- Internal Audit promptly reports all material internal control deficiencies to the management and to the Audit Committee. The Audit Committee evaluates these deficiencies, assesses the adequacy of the remediation plans in place, and reports these findings to the Board of Directors for their consideration within a reasonable period of time.
- The Board of Directors monitors and compares the operational performance of the organization and management using agreed upon objectives, key performance indicators and budgets.
- The Company’s internal control systems are audited continuously.
- Each year, the Company agrees on an Internal Audit Plan based on identified high-risk areas to be included in the Internal Audit’s planning.

REGULATIONS ON INTERNAL CONTROL

- The Company’s corporate governance principles and internal control requirements have been undergoing reforms for several years.
- In September 2003, GDF SUEZ launched the Control Disclosure Program (“CODIS”) in response to increasing regulatory pressures regarding internal control and disclosure requirements, such as the French Law on Internal Control (“LSF”). Beyond the importance of ensuring compliance, the Program was seen as an opportunity to add value by reinforcing the Company’s existing financial reporting processes, as well as our group of companies’ internal control systems.
- The CODIS program was renamed to the INCOME (Internal Control Management & Efficiency) program in 2009 for the purpose of focusing on management of internal controls and their efficiency benefits.

- The INCOME Internal Control program required a significant effort. All processes and relevant internal control procedures related to financial statements have been documented and assessed by the Business Process Owners (“BPOs”) for design effectiveness (completeness of documentation of the internal controls) and operating effectiveness (effective execution of the internal controls). This self-assessment process reinforces ownership and responsibility. It also guarantees the sustained operational effectiveness of the internal control system, and ensures its ability to adapt to organizational, procedural, or regulatory changes. Accounting management, asset management, sales management, procurement management, inventory management operations management, corporate governance, and IT management are among the processes that are documented.
- Business Process Owners are assisted by an Internal Control Coordinator (“ICC”). The ICC ensures the Internal Control program’s proper implementation within the company, and prepares information in support of the COO, CFO and CEO’s signing of the annual internal control attestation letter.
- Internal Audit and Statutory Auditor conduct extensive tests on the Company’s most critical internal controls. These tests, which include assessments of design and operating effectiveness, help improve internal control systems by recommending action plans designed to remedy identified deficiencies and opportunities for improvement.
- The management develops the necessary remediation plans for all deficiencies identified during these tests. The implementation of remediation actions is closely monitored and subject to ongoing tests to ensure effective implementation.
- On 30 October 2014, the Company’s COO, CFO and CEO signed the Internal Control Attestation Letter for the 2014 Financial Year, which was subsequently submitted to CEO and CFO of GDF SUEZ Asia Business Area.
- The Company will continue to embed the above noted internal control systems into the corporate culture and business processes of its organization.

INTERNAL AUDIT

Mr. Chaiwut Rattanapornsinchai has been appointed to serve as Internal Auditor of the Company.

- Audit Committee agrees that the Internal Auditor is qualified and effectively & efficiently performs the internal audit works.
- Management appoints, removes and replaces the Internal Auditor with the consent of the Audit Committee.

12. Related Party Transactions**12.1 Details of Related Party Transactions**

The Company has business transactions with its subsidiaries, associated companies and related companies as details disclosed in the note to the financial statements No. 25.

In addition, the Company and its six subsidiaries, comprising of Glow Co., Ltd., Glow SPP 1 Co., Ltd., Glow SPP 2 Co., Ltd., Glow SPP 3 Co., Ltd. and Glow IPP Co., Ltd. jointly entered into Support Services Agreement and Engineering Services Agreement on February 9, 2009 with International Power S.A., whereby, International Power S.A. shall provide consulting services in respect of engineering, operational, financial and auditing system, investment, project finance, insurance, etc. The service fee is based on reference market rate and will be determined in the agreed hourly rate depending on the type of services. The term of the agreements is 2 years from July 11, 2008, automatically renewed for successive one- year term unless termination is notified by either party. Nevertheless, the agreements shall be automatically terminated on the date that GDF SUEZ Energy International Global Developments B.V. (the ultimate shareholder) holds directly or indirectly less than 25 percent of the shares of Glow Group. On November 25, 2014, International Power S.A. entered into Novation and Amendment to the above agreements to novate its rights and obligations under the above agreements to GDF SUEZ Energy Asia Co., Ltd. with retroactive effect from July 1, 2014, and to modify the list of entities in Glow Group.

12.2 Necessity and reasonableness of the Related Transactions

The related transactions of the Company and the person who might have conflict of interest for the past year have been done by taking into consideration the maximum benefit of the Company, and the Audit Committee has considered and agreed that such transactions were normal course of the business and there was no benefit transfer between the Company and the person who might have the conflict of interest. In addition, price fixing, fee rate and interest rate of the transactions all were in accordance with general trade conditions. Price fixing was comparable to market price and competitive mechanism or was the reasonable price and did not have condition that differed from making transactions with other third parties.

12.3 Approval Procedures of Related Transactions

For related transactions with the normal course of business operations, the approval procedures are in accordance with the regulations of the company, the subsidiaries, and the associated companies, just like the transactions provided to other unrelated business. For other related transactions, the Company has control measures in compliance with related regulations of Securities Exchange Commission (SEC) and Stock Exchange of Thailand (SET). In addition, for the consideration of the related transactions between the Company and the persons who might have conflict of interest and are a shareholder or the management of such company, such shareholder or such management shall not take part in the approval process.

12.4 Policy and Trend of Related Transaction in the Future

The Company anticipates that there will be related transactions incurred in the future because the related transactions of the Company have been done in accordance with the normal business of the

Company and the Company has the policy to operate such related transactions for the maximize benefit of the Company. For the related transactions in the future, the Company shall comply with the laws concerning securities and stock exchange and the regulations, announcements, orders or requirements of the Stock Exchange of Thailand as well as to comply with the requirements concerning the disclosure of the related transactions and the acquisition and disposal of the material assets of the Company including compliance with the accounting standard specified by the Accountants and the Certified Public Auditors Association of Thailand and Federation of Accounting Professional.

However, if there is a related transaction of the Company with a person who might have conflict of interest or the stakeholders or who might have conflict of interest in the future, the Company shall appoint the Audit Committee to give opinion on necessity and reasonableness of such transaction and the appropriateness of price fixing of other items so as to be in accordance with the general market price and with the conditions that is not different from other third parties or at prime cost. In addition, the Company shall disclose the related transactions in the note to the financial statements, which has been audited by the auditors of the Company.