

7. Capital and Shareholders

7.1 Registered capital and paid up capital as of 31 December 2018

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

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

7.2 Shareholders

The following table sets out our major shareholders as of 31 December 2018:

Major Shareholders	Number of Shares	Percentage
1. ENGIE Holding (Thailand) Co., Ltd. ¹	792,279,773	54.16%
2. ENGIE Global Developments B.V. ²	218,696,260	14.95%
3. Thai NVDR Co., Ltd.	101,326,098	6.93%
4. South East Asia UK (Type C) Nominees Limited	48,097,988	3.29%
5. Social Security Office	31,408,000	2.15%
6. State Street Bank Europe Limited	29,907,284	2.04%
7. Mr. Pichai Nithivasin	20,103,100	1.37%
8. Hua Kee Paper Co., Ltd.	12,855,500	0.88%
9. Bangkok Life Assurance Public Company Limited	10,000,000	0.68%
10. South East Asia UK (Type A) Nominees Limited	8,069,200	0.55%
11. Boon Rawd Brewery Co., Ltd.	8,000,000	0.55%
12. Others	182,121,832	12.45%
	1,462,865,035	100.00%

Notes:

- 1) ENGIE Holding (Thailand) Co., Ltd.
- 2) ENGIE Global Developments B.V. are wholly owned subsidiaries of ENGIE S.A. (formerly known as "GDF SUEZ S.A.")

7.3 Other securities

The following table displays our debentures which have not reached their maturity date as of 31 December 2018:

Debenture	Amount (MTHB)	Coupon (percent)	Tenor (Yrs) / Maturity Date	Rating (by Tris Rating)
GLOW194A	2,000	4.72 percent Semi-annually Payment	9 Years Maturity Date; on 8 April 2019	AA-
GLOW190A	1,400	4.77 percent Semi-annually Payment	9.5 Years Maturity Date; on 8 October 2019	AA-
GLOW218A	5,555	5.00 percent Semi-annually Payment	10 Years Maturity Date; on 31 August 2021	AA-
GLOW259A	4,000	3.95 percent Semi-annually Payment	10 Years Maturity Date; on 3 September 2025	AA-
GLOW265A	3,000	2.81 percent Semi-annually Payment	10 Years Maturity Date; on 18 May 2026	AA-

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 or losses, deferred tax revenues or expenses, adjustment of financial lease accounting, and deducting all specified reserves, and is subject to our investment plans and other considerations deemed appropriate by the board.

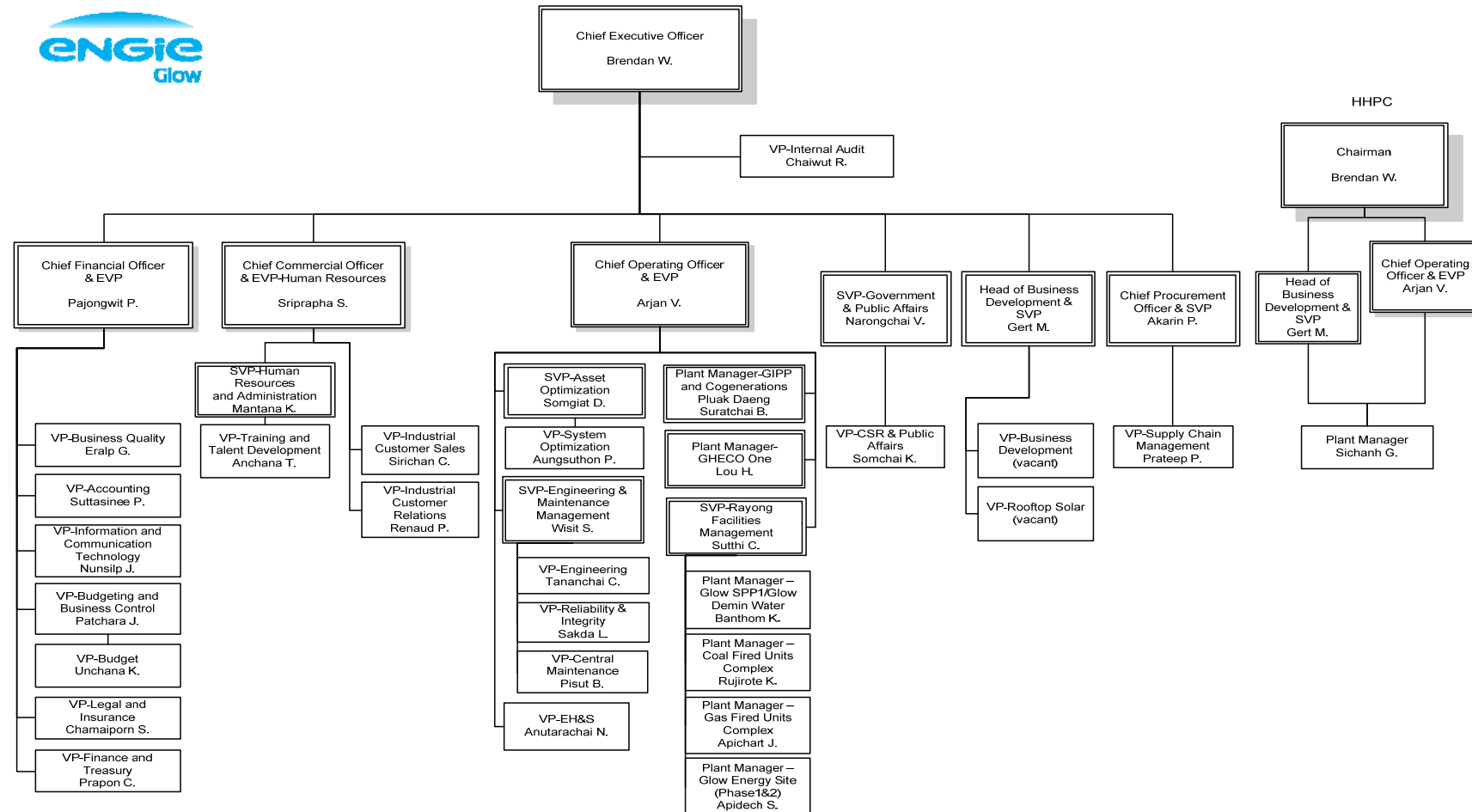
The Public Company Limited Act ("PLCA"), requires dividends to be distributed from our net income. It prohibits dividend payments if our retained earnings are negative, even when a positive annual net income is recorded. The PLCA also requires that we set aside a legal reserve equal to 5 percent of our 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 31 December 2018, our registered capital was THB 14,828.7 million, our paid-up capital was THB 14,628.7 million, and our legal reserve was THB 1,598.3 million. Our total unappropriated retained earnings (company only) as of 31 December 2018 were THB 13,061.9 million.

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

Overview of Management Structure (as of 31 December 2018)



8.1 Board of Directors

Name	Appointed as member of the Board since	Position
1. Mr. Jan Franciscus Maria Flachet	24 February 2014	Chairman of the Board of Directors, and Chairman of Nomination and Remuneration Committee
2. Mr. Brendan G.H. Wauters	14 August 2014	Director, Vice Chairman of the Board of Directors and Chief Executive Officer
3. Mr. Anut Chatikavanij	9 November 2000	Director
4. Mr. Marc J.Z.M.G. Verstraete	11 November 2013	Director
5. Mr. Vitthaya Vejajiva ¹	8 August 1995	Independent Director, Chairman of Audit Committee member, and Nomination and Remuneration Committee member
6. Em. Prof. Supapun Ruttanaporn	28 October 1999	Independent Director, and Audit Committee member
7. Mrs. Saowanee Kamolbutr ²	26 April 2016	Independent Director, Chairman of Audit Committee member, and Nomination and Remuneration Committee member
8. Prof. Dr. Borwornsak Uwanno	25 March 2013	Independent Director
9. Mrs. Csilla Kohalmi-Monfils	9 May 2014	Director
10. Mr. Paul Francis Maguire	26 April 2017	Director, and Nomination and Remuneration Committee member
11. Mr. Devarajen Mooroooven	26 April 2017	Director
12. Mr. Benoit Rene Mignard	9 November 2017	Director
13. Mr. Jukr Boon-Long ³	24 April 2018	Independent Director, and Audit Committee member

Notes:

- 1) Resigned from member of the Board of Directors, Chairman of Audit Committee member, and Nomination and Remuneration Committee member on 24 April 2018.
- 2) Appointed to be Chairman of Audit Committee member and Nomination and Remuneration Committee member as a replacement of Mr. Vitthaya Vejajiva on 24 April 2018.
- 3) Appointed to be member of the Board of Directors and Audit Committee member as a replacement of Mr. Vitthaya Vejajiva on 24 April 2018.

8.1.1 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. Paul Francis Maguire, Mr. Brendan G.H. Wauters, Mrs. Csilla Kohalmi-Monfils, Mr. Benoit Rene Mignard, Mr. Marc J.Z.M.G. Verstraete, and Mr. Devarajen Mooroooven.

8.1.2 Scope of authority and responsibilities of the Board of Directors

- The Company's Board of Directors perform their 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, oversee, monitor and make recommendations to the directions, strategies, activities and operations of the Company, except in the following cases, for which an approval from the Shareholders' Meeting has to be obtained beforehand:
 - any activity that laws/regulations 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 shall comply with relevant laws/regulations of the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission ("SEC"); and
 - any acquisition or disposal of the assets which shall comply with relevant laws/regulations of the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission ("SEC").
- The Board of Directors has the authority 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.
- The Board of Directors approves the vision, mission, key strategies and policies of GLOW Group each year, and has followed up and monitored progress of strategy implementation periodically.
- The Board of Directors has a policy to encourage the Board members to attend ongoing professional education programs, and assures the Board members participate in accredited Directors training programs.
- The Board of Directors ensures that any new Director appointed receives relevant corporate documents, manuals, guidelines to introduce GLOW Group, and the roles and responsibilities of being a Director of a listed company.

8.1.3 Board meeting

The Board of Directors holds at least four 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. In 2018, Board of Directors meetings have been scheduled in advance (Such initial schedule being provided in November 2017). For each board meeting, clear agendas and supporting documents for the matters to be considered during the meeting are submitted to each board member, typically at least seven 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 of the Board of Directors collects and summarizes information addressed during the meeting.

The Company Secretary is responsible for organizing and facilitating the board meetings and the board committee meetings, recording the meeting's minutes in writing, and performing any other actions specified in the Securities and Exchange Act (Fifth Amendment) B.E. 2559 or related laws and regulations, including notifications from the Capital Market Supervisory Board.

In 2018, the Board of Directors organized five ordinary meetings and three extraordinary meetings. The average attendance by directors was more than 80% of. Moreover, the Company has encouraged Non-executive Directors to hold at least one meeting during the year to discuss and exchange opinions with respect to good Corporate Governance. In 2018, Non-executive Directors held one meeting (on 20 March 2018). The participation of each director is summarized below:

The attendance of the Directors in 2018

Name	Position Holding since	Participation / Total Meeting				Total Attendance vs Total no. of 2018 meetings
		Ordinary Meeting (5 meetings)		Extraordinary Meeting (3 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	2	2	2	1	7/8
2. Mr. Brendan G.H. Wauters	14 August 2014	4	1	3	-	8/8
3. Mr. Anut Chatikavanij	9 November 2000	4	-	3	-	7/8
4. Mr. Marc J.Z.M.G. Verstraete	11 November 2013	3	-	3	-	6/8

Name	Position Holding since	Participation / Total Meeting				Total Attendance vs Total no. of 2018 meetings
		Ordinary Meeting (5 meetings)		Extraordinary Meeting (3 meeting)		
		Present at the meeting	Present via VDO or Call Conference	Present at the meeting	Present via VDO or Call Conference	
5. Mr. Vitthaya Vejjajiva ¹	8 August 1995	2	-	-	-	2/2
6. Em. Prof. Supapun Ruttanaporn	28 October 1999	5	-	3	-	8/8
7. Mrs. Saowanee Kamolbutr ²	26 April 2016	5	-	3	-	8/8
8. Prof. Dr. Borwornsak Uwanno	25 March 2013	4	-	3	-	7/8
9. Mrs. Csilla Kohalmi-Monfils	9 May 2014	2	-	3	-	5/8
10. Mr. Paul Francis Maguire	26 April 2017	4	-	3	-	7/8
11. Mr. Devarajen Mooroooven	26 April 2017	-	1	-	-	1/8
12. Mr. Benoit Mignard	9 November 2017	-	3	2	1	6/8
13. Mr. Jukr Boon-Long ³	24 April 2018	3	-	1	1	5/6

Notes:

- 1) Resigned from member of the Board of Directors, Chairman of the Audit Committee member and Nomination and Remuneration Committee member on 24 April 2018.
- 2) Appointed to be Chairman of Audit Committee member and Nomination and Remuneration Committee member as a replacement of Mr. Vitthaya Vejjajiva on 24 April 2018.
- 3) Appointed to be member of the Board of Directors and Audit Committee member as a replacement of Mr. Vitthaya Vejjajiva on 24 April 2018.

The attendance of the Audit Committee in 2018

Name	Position	Position Holding since	Participation / Total Meeting		Total Attendance vs Total no. of 2018 meetings
			Ordinary Meeting (5 meetings)	Extraordinary Meeting (2 meeting)	
			Present at the meeting	Present at the meeting	
1. Mr. Vitthaya Vejajiva ¹	Independent Director	8 August 1995	2	-	2/2
2. Em. Prof. Supapun Ruttanaporn	Independent Director	28 October 1999	5	2	7/7
3. Mrs. Saowanee Kamolbutr ²	Independent Director	26 April 2016	5	2	7/7
4. Mr. Jukr Boon-Long ³	Independent Director	24 April 2018	3	2	5/5

Notes:

- 1) Resigned from member of the Board of Directors, Audit Committee member, and Nomination and Remuneration Committee member on 24 April 2018.
- 2) Appointed to be Chairman of Audit Committee member as a replacement of Mr. Vitthaya Vejajiva on 24 April 2018.
- 3) Appointed to be Audit Committee member as a replacement of Mr. Vitthaya Vejajiva on 24 April 2018.

The attendance of the Nomination and Remuneration Committee in 2018

Name	Position	Position Holding since	Participation / Total Meeting		Total Attendance vs Total no. of 2018 meetings
			Ordinary Meeting (2 meetings)		
			Present at the meeting	Present via VDO or Call Conference	
1. Mr. Jan Franciscus Maria Flachet	Non-executive Director	24 February 2014	1	-	1/2
2. Mr. Vitthaya Vejajiva ¹	Independent Director	8 August 1995	2	-	2/2
3. Mr. Paul Francis Maguire	Non-executive Director	26 April 2017	1	1	2/2
4. Mrs. Saowanee Kamolbutr ²	Independent Director	24 April 2018	-	-	-

Notes:

- 1) Resigned from member of the Board of Directors, Chairman of the Audit Committee member, and Nomination and Remuneration Committee member on 24 April 2018.
- 2) Appointed to be Nomination and Remuneration Committee as a replacement of Mr. Vitthaya Vejajiva on 24 April 2018.

Training Program of the Director in 2018

Director	Training Program
1. Mr. Vitthaya Vejajiva	Audit Committee Forum (IOD), Class 1/ 2017
2. Mrs. Saowanee Kamolbutr	Audit Committee Forum (IOD), Class 1/2017
3. Mrs. Supapun Ruttanaporn	TFRS15 Training, Department of Accountancy, Chulalongkorn University

8.2 Management team

The Management team is comprised of 37 individuals:

Name	Position
1. Mr. Brendan G.H. Wauters	Chief Executive Officer, and Executive Management Committee Member
2. Mrs. Sriprapha Sumruatruamphol	Chief Commercial Officer and Executive Vice President - Human Resources, and Executive Management Committee Member
3. Mr. Pajongwit Pongsivapai	Chief Financial Officer and Executive Vice President, and Executive Management Committee Member
4. Mr. Arjan van den Broek	Chief Operating Officer and Executive Vice President, and Executive Management Committee Member
5. Mr. Narongchai Visutrachai	Senior Vice President – Government and Public Affairs, and Executive Management Committee Member
6. Mr. Gert Meersman	Head of Business Development and Senior Vice President, and Executive Management Committee Member
7. Mr. Akarin Prathuangsit	Chief Procurement Officer and Senior Vice President, and Executive Management Committee Member
8. Mr. Louis Stephen Holub	Plant Manager – GHECO-One
9. Mr. Wisit Srinuntawong	Senior Vice President – Engineering and Maintenance Management
10. Mrs. Mantana Kunakorn	Senior Vice President – Human Resources and Administration
11. Mr. Sutthi Chuesook	Senior Vice President – Rayong Facilities Management
12. Mr. Suratchai Bangluang	Plant Manager-GIPP and Cogenerations Pluak Daeng
13. Dr. Somgiat Dekrajangpetch	Senior Vice President – Asset Optimization
14. Mrs. Chamaiporn Soonthorntasanapong	Vice President – Legal and Insurance
15. Mr. Anutarachai Nathalang	Vice President – Environmental, Health and Safety
16. Mr. Sakda Lacharochana	Vice President – Reliability and Integrity
17. Ms. Sirichan Chotchaisathit	Vice President – Industrial Customer Sales
18. Mr. Tananchai Chairsakaew	Vice President - Engineering

19. Mr. Prateep Puthamrugsa	Vice President – Supply Chain Management
20. Mr. Somchai Klinsuwanmalee	Vice President – CSR and Public Affairs
21. Mr. Apichart Jamjuntr	Plant Manager – Gas Fired Units Complex
22. Mr. Renaud Pilleul	Vice President – Industrial Customer Relations
23. Mr. Sichanh Gnabandith	Plant Manager –HHPC
24. Ms. Suttasinee Pengsupaya	Vice President – Accounting
25. Mr. Chaiwut Rattanapornsinchai	Vice President – Internal Audit
26. Mr. Eralp Gullep	Vice President – Business Quality
27. Mr. Banthom Krasang	Plant Manager - Glow SPP 1/Glow Demin Water
28. Mr. Rujirote Kasirerk	Plant Manager – Coal Fired Units Complex
29. Mr. Apidech Siriphornopphakhun	Plant Manager – Glow Energy Site (Phase1&2)
30. Mr. Pisut Boonvongsobhon	Vice President – Central Maintenance
31. Mrs. Unchana Kittipiyakul	Vice President – Budget
32. Mrs. Patchara Jaroenvuthitham	Vice President – Budgeting and Business Controlling
33. Ms. Anchana Tidsadikhun	Vice President – Training and Talent Development
34. Mr. Aungsuthon Puboonterm	Vice President – System Optimization
35. Mr. Nunsilp Janvarin	Vice President – Information and Communication Technology
36. Mr. Prapon Chinudomsub	Vice President – Finance and Treasury
37. Ms. Duangporn Kijlertbunjong	Company Secretary and Corporate Affair Manager

8.2.1 Report of Changes in Securities Holdings of Directors and Executive Management Committee in 2018:

Directors / Executives	Ordinary shares (shares)		
	As at 1 January, 2018	As at 31 December, 2018	Increase/(Decrease) during the year
Directors			
1. Mr. Jan Franciscus Maria Flachet <i>Spouse and minor children</i>	- -	- -	- -
2. Mr. Brendan Wauters <i>Spouse and minor children</i>	- -	- -	- -
3. Mr. Anut Chatikavanij <i>Spouse and minor children</i>	- -	- -	- -
4. Mr. Marc J.Z.M.G. Verstraete <i>Spouse and minor children</i>	- -	- -	- -
5. Mr. Vitthaya Vejajiva ¹ <i>Spouse and minor children</i>	- -	- -	- -
6. Em. Prof. Supapun Ruttanaporn <i>Spouse and minor children</i>	- -	- -	- -
7. Mrs. Saowanee Kamolbutr ² <i>Spouse and minor children</i>	- -	- -	- -
8. Prof. Dr. Borwornsak Uwanno <i>Spouse and minor children</i>	- -	- -	- -
9. Mrs. Csilla Kohalmi-Monfils <i>Spouse and minor children</i>	- -	- -	- -
10. Mr. Paul Francis Maguire <i>Spouse and minor children</i>	- -	- -	- -
11. Mr. Devarajen Mooroooven <i>Spouse and minor children</i>	- -	- -	- -
12. Mr. Benoit Rene Mignard <i>Spouse and minor children</i>	- -	- -	- -
13. Mr. Jukr Boon-Long ³ <i>Spouse and minor children</i>	- -	- -	- -

Directors / Executives	Ordinary shares (shares)		
	As at 1 January, 2018	As at 31 December, 2018	Increase/(Decrease) during the year
Management			
14. Mr. Arjan van den Broek <i>Spouse and minor children</i>	- -	- -	- -
15. Mrs. Sriprapha Sumruatruamphol <i>Spouse and minor children</i>	30,000 -	30,000 -	- -
16. Mr. Pajongwit Pongsivapai <i>Spouse and minor children</i>	- -	- -	- -
17. Mr. Narongchai Visutrachai <i>Spouse and minor children</i>	- -	- -	- -
18. Mr. Gert Meersman <i>Spouse and minor children</i>	- -	- -	- -
19. Mr. Akarin Prathuangsit <i>Spouse and minor children</i>	- -	- -	- -

Notes:

- 1) Resigned from member of the Board of Directors, Chairman of Audit Committee member, and Nomination and Remuneration Committee member on 24 April 2018.
- 2) Appointed to be Chairman of the Audit Committee member and Nomination and Remuneration Committee member as a replacement of Mr. Vitthaya Vejajiva on 24 April 2018.
- 3) Appointed to be member of the Board of Directors and Audit Committee member as a replacement of Mr. Vitthaya Vejajiva on 24 April 2018.

8.2.2 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 of Directors or Shareholders:

- Authorization of internal and general 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 Ms. Duangporn Kijlertbunjong as the Company Secretary in February 2015.

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 24 April 2018 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 2018 as below:

(Unit: THB)

	Fixed Remuneration (Per Year)	Meeting Allowance (Per Meeting)	Other Privilege
Chairman	489,500	112,200	None
Non-Executive members	489,500	112,200	None

8.4.2 Remunerations for Committees

The Annual General Meeting of Shareholders dated 24 April 2018 approved the Meeting Allowances for the Audit Committee and Nomination and Remuneration Committee, taking into account the profit of the Company, number of factors compared within the same industry together with the business expansion, as listed in the table below:

(Unit: THB)

	Fixed Remuneration (Per Year)	Meeting Allowance (Per Meeting)	Other Privilege
The Audit Committee			
Chairman	165,000	44,000	None
Members	110,000	37,400	None
The Nomination and Remuneration Committee			
Chairman	55,000	30,800	None
Members	55,000	22,000	None

Remunerations of the Directors for 2018:**(Unit: THB)**

Directors	Meeting allowance and Fixed remuneration			Total remuneration
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	
1. Mr. Jan Franciscus Maria Flachet	938,300	-	85,500	1,024,100
2. Mr. Brendan G.H. Wauters	-	-	-	-
3. Mr. Anut Chatikavanij	1,274,900	-	-	1,274,900
4. Mr. Marc J.Z.M.G. Verstraete	1,162,700	-	-	1,162,700
5. Mr. Vitthaya Vejajiva ¹	224,400	88,000	99,000	411,400
6. Em. Prof. Supapun Ruttanaporn	1,387,100	371,800	-	1,758,900
7. Mrs. Saowanee Kamolbutr ²	1,387,100	459,800	-	1,846,900
8. Prof. Dr. Borwornsak Uwanno	1,274,900	-	-	1,274,900
9. Mrs. Csilla Kohalmi-Monfils	1,050,500	-	-	1,050,500
10. Mr. Paul Francis Maguire	1,274,900	-	99,000	1,373,900
11. Mr. Devarajen Mooroooven	489,500	-	-	489,500
12. Mr. Benoit Rene Mignard	713,900	-	-	713,900
13. Mr. Jukr Boon-Long ³	938,300	297,000	-	1,235,300
Grand Total	12,116,500	1,216,600	283,800	13,616,900

Notes:

- 1) Resigned from member of the Board of Directors, Chairman of Audit Committee member, and Nomination and Remuneration Committee member on 24 April 2018.
- 2) Appointed to be Chairman of Audit Committee member and Nomination and Remuneration Committee member as a replacement of Mr. Vitthaya Vejajiva on 24 April 2018.
- 3) Appointed to be member of the Board of Directors and Audit Committee member as a replacement of Mr. Vitthaya Vejajiva on 24 April 2018.

8.4.3 Remuneration of the Management team

The total remuneration paid by the Company to the 37 individuals of the management team during fiscal year 2018, including salary and provident fund payments as well as other types of remuneration such as bonuses, totaled THB 258,433,875.

8.5 Human Resource Management

As of 31 December 2018, there were a total number of 813 people employed by the Company, as indicated below:

Company	Employees		
	Head Office	Plants	Total
Glow Energy Plc.	-	104	104
Glow Co., Ltd.	148	205	353
Glow IPP Co., Ltd.	-	39	39
Glow SPP 1 Co. Ltd.	-	33	33
Glow SPP 2 Co., Ltd.	-	60	60
Glow SPP 3 Co., Ltd.	-	28	28
Glow SPP 11 Co., Ltd.	-	37	37
GHECO-One Co., Ltd.	-	84	84
Houay Ho Power Co., Ltd.	-	73	73
Glow Energy Myanmar Co., Ltd.	2	-	2
Total	150	663	813

8.5.1 Employees remuneration

As of 31 December 2018, the total remuneration paid to employees amounted to THB 1,146,066,211 including salaries, overtimes, bonuses, provident funds, and other types of income.

8.5.2 The company and its subsidiaries' policy for employees

At Glow, our people are the foundation of our success. We have 813 employees at a variety of locations including our Head Office in Bangkok, Power plants in Rayong and Chonburi provinces, Houay Ho Power in Laos, as well as Glow Energy Myanmar in Myanmar.

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 pay 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.

We seek to attract and retain qualified professionals capable of functioning well in an environment reflecting Glow's corporate values, which 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. Management Training courses provided to the employees include Problem Solving and Decision Making, Developing English Conversation, Change Management, etc. In terms of Technical training, we cover all major technical skills and a comprehensive range of environment, health and safety courses. The average training time for our employees in 2018 was 52 hours per person. We also offer our employees highly competitive remuneration packages including, as the case may be, basic salary, a bonus scheme, a long-term incentive scheme, and a numbers of allowances and other 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”) and GLOW Ethics Charter. The Company therefore has put in place a compliance unit, comprises of VP – Legal & Insurance Department (also acting as Glow Group’s Ethics Officer), and the Company Secretary to oversee corporate and compliance matters of the Company.

9.1.1 Rights of shareholders and the 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; and
- Rights to participate and vote at 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; and
 - 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 (sufficiently convenient for the Shareholders to attend the Shareholders Meeting) and all agenda items to be discussed during the meeting, including adequate supporting documents. Shareholders are also informed of the criteria and procedures governing the Shareholders Meeting, including the voting procedure and use of proxy.

At the Shareholders Meeting, the Company arranges to have a lawyer appointed to witness and observe the voting process throughout the meeting, and to review the voting results of the Shareholders Meeting.

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 the 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. An Ethics Whistleblower Inbox has been made available for employees (internally on Glow Intranet), and external parties (on Glow's Internet website) to register concerns on non-ethical incidents.

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

The Board of Directors has established a clear policy to facilitate minority Shareholders to propose, in advance of the Shareholder Meetings, any issues for consideration in the Shareholders Meeting. The Board of Directors has established procedures to allow Shareholders to make proposals, including a procedure to nominate nominees. The Company has posted on the Company website, as well as announced via the website of the Stock Exchange of Thailand, the procedures and timeline set forth for minority Shareholders to propose the agenda items, and to nominate their nominee to be included in the agenda of the Shareholders Meeting.

The Company arranges to have an Investor Relations contact and mailbox (IR contact and mailbox) on the Company website (www.glow.co.th) where Stakeholders can voice their concerns and/or complaints with respect to possible violation of their rights directly to the Company.

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

- **Non-Discrimination Policy** in order to ensure that employees do not tolerate discrimination or any other form of human rights violations.
- **Code of Conduct** in order to ensure that employees are committed to conducting business activities and operations in full compliance with laws/regulations of the countries in which we operate, as well as complying with our Ethics Charter.
- **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.
- **Sustainable Development Policy** in order to ensure that 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.
- **Environmental Policy** in order to ensure continuous and sustainable development of our core 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, customers and the community.
- **Conflict of Interest Policy** in order to ensure that situations that could cause conflicts of interest are better identified by the Directors and employees, and that they are analyzed and handled wisely through an authentic ethics process.

In addition to the policies mentioned above, the Board of Directors ensures that a comprehensive set of appropriate policies/procedures for risk management are defined and implemented, including, but not limited to, the following:

- Related Party Transactions Policy
- Ethics Reporting (“Whistleblowing”) Procedure
- Gifts and Hospitality Procedure
- Occupational Health and Safety Policies
 - Stop Work Authority (“SWA”) Policy
- Financial Management Policies:
 - Interest Rate Risk Management Policy
 - Foreign Exchange Risk Management Policy
 - Cash Surplus Investment Policy
 - Counterparty Risk Management Policy
 - Financial Funding Policy
 - Dividends Payment Policy
- Coal Risk Management Policy
- Energy Conservation Policy
- Software License Compliance Procedure

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/regulations relating to the disclosure of information and transparency. Finance and Treasury 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 Internet 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

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 the 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; and
- Any acquisition or disposal of the assets which must comply with relevant laws/regulations and guidelines of the SET and the SEC.

Moreover, the Company's Board of Directors has considered the followings key matters:

- 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;
- The Board of Directors approves the vision, mission, key strategies and policies of the Company each year, and has followed up and monitored progress of strategy implementation periodically;
- The Board of Directors has a policy to encourage to attend ongoing professional education programs, and assures the Board members participate in accredited directors training programs; and
- The Board of Directors ensures that any new director appointed receives relevant corporate documents, manuals, guidelines to introduce the Company, and the roles and responsibilities of being a director of a listed company.

Role and responsibilities of the Chairman of the Board

The Chairman's primary role is to ensure that the Board of Directors is effective in its tasks of setting and implementing GLOW Group's direction and strategy.

The main responsibilities of the Chairman of the Board of Directors are as follows:

- As well as being Chairman of the Board of Directors, he/she is expected to act as GLOW Group's leading representative which involves the presentation of GLOW Group's aims and policies to the outside world;
- To take the chair at general meetings and at Board Meetings. With regard to the latter this involves:
 - Determining the order of the agenda;
 - Ensuring that the Board of Directors receives accurate, timely and clear information;

- Keeping track of the contribution of individual Directors and ensuring that they are all involved in discussions and decision making;
 - Directing discussions towards the emergence of a consensus view; and
 - Summing up discussions, so that everyone understands what has been agreed.
- To take a leading role in determining the composition and structure of the Board of Directors. This involves regular reviews of the overall size of the Board of Directors, the balance between Executive and Non-Executive Directors, and the balance of age, experience and personality of the Directors; and
- To ensure an effective communication with the shareholders is established.

Meetings

The Board of Directors holds at least four 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. At the end of each year, the Board of Directors agrees to the Board of Directors' next year meeting plan. The 2018 Board of Directors meeting schedule has been informed in advance since November 2017. For each Board Meeting, clear agendas are specified with accurate, complete and adequate supporting documents submitted to each Director at least seven days in advance of the meeting, this is designed to provide each board member sufficient time to study important information before attending the meeting. Each board member can openly discuss and express his/her opinion during the board meetings. The Chairman collects all comments, and summarizes information gathered from the meeting. The Company Secretary 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.

Qualification, composition and structure

Qualification and composition

The Company's Board of Directors is the key to good corporate governance. Each Director shall be independent and has knowledge, expertise and experience considered beneficial to the Company and its operational strategy. 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 members, but not exceeding fifteen 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 Company values the diversity as well as equality in the composition of the Board of Directors. The Board of Directors is comprised of a good mixture of professional backgrounds and genders, including at least three Directors who have knowledge of the energy and power industry, at least one with knowledge of law, and at least one

with knowledge of finance and accounting. The Company currently has three female directors;

- 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, experience, percentage holding of any shares of GLOW Group of each Director is disclosed and updated on an annual basis, and if there are any changes; and
- One of the Company's key considerations in assessing the qualification of a director is that the number of the companies listed on the SET in which each director holds a directorship shall not exceed five companies.

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 oversee and control the Company's activities and operations effectively and efficiently. The Chairman of the Board is not an Independent Director.
- 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.
- Directors shall be independent according to relevant laws and regulations governing listed company, the SEC's notification, the qualifications and scope of work of the Audit Committee, and other qualifications as required by the Company. This is to enable the Directors to work for the best interest of the Company and 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.

Terms of Directorship

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

Committees

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

Audit Committee

Audit Committee is comprised of at least three Independent Directors, with at least one member having finance and/or 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 is the key body reviewing the Company's activities and operations, financial status and internal control systems, and the selection of auditors (internal and external). The Audit Committee's scope and responsibilities are further described in the Audit Committee Charter. Among all Audit Committee members, Em. Prof. Supapun Ruttanaporn has strong accounting expertise.

The Audit Committee is acting as the Corporate Governance Committee to ensure the Company complies with good corporate governance to protect the reputation of the Company and the interest of all stakeholders.

Nomination and Remuneration Committee

Nomination and Remuneration Committee is comprised of three directors from the Board of Directors, at least one of whom is an Independent Director. The Nomination and Remuneration Committee selects appropriate candidates for the positions of Director and CEO of the Company. The nomination process is set up in accordance with defined transparent criteria to ensure a good mixture of professional backgrounds and to ensure that the Board of Directors comprises of Directors who have knowledge of the energy and power industry, knowledge of law, and knowledge of finance and/or accounting. The Nomination and Remuneration Committee also considers the policy and guidelines for the remuneration of the Board of Directors, the Committees of the Board, 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/or the Shareholders Meeting for approval. The Nomination and Remuneration Committee's scope and responsibilities are further described in the Nomination and Remuneration Committee Charter.

Risk Management Committee

Risk Management Committee is not separately established as one of the Committees of the Board; generally, risk assessment and risk management falls under the general responsibility of the Board of Directors and the Executive Management Committee. The Executive Management Committee is taking the roles of the Risk Management Committee of the Company, by carrying out relevant risk assessment activities regularly, with proactive measures to be implemented to mitigate risk exposures. Risk management practices are taken into account within the organization at all levels, as well as in processes such as investment and divestment decision making.

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 has conducted a self-assessment annually for previous year's performance. The assessment criteria are in line with the guidelines of the Stock Exchange of Thailand and the appraisal has been performed by each individual director by evaluating the previous year's performance of the Board as a whole. The assessment divided into 3 areas: 1) Board of Directors structure and Qualification 2) Board meeting and 3) Duties and Responsibilities. The complete evaluation form was then returned to the Company Secretary, to collect and analyze the assessment results and to debrief the Chairman of the Board of Directors. The Chairman then announced the assessment results during the following Board of Directors meeting for acknowledgement.

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 January 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:

Appointment

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

Composition and qualifications

The Audit Committee shall consist of at least three Independent Directors who are members of the Board of Directors of the Company, one 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 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 four committee members:

Name	Position
1. Mr. Vitthaya Vejajiva ¹	Independent Director and Chairman of the Audit Committee Member
2. Em.Prof. Supapun Rattanaporn	Independent Director and Audit Committee Member
3. Mrs. Saowanee Kamolbutr ²	Independent Director and Chairman of the Audit Committee Member
4. Mr. Jukr Boon-Long ³	Independent Director and Audit Committee Member

Notes:

- 1) Resigned from member of the Board of Directors, Chairman of the Audit Committee member, and Nomination and Remuneration Committee member on 24 April 2018.
- 2) Appointed to be Chairman of the Audit Committee member and Nomination and Remuneration Committee member as replacement of Mr. Vitthaya Vejajiva on 24 April 2018.
- 3) Appointed to be member of the Board of Directors and Audit Committee member as a replacement of Mr. Vitthaya Vejajiva on 24 April 2018.

Meetings of the Audit Committee shall be held at least four times a year. In 2018, there were five ordinary meetings and 2 extraordinary meeting without management.

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 SET, 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 auditors, 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 complied 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

9.2.2.1 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 non-executive directors, and recommend a successor to the CEO and top executives when considered necessary, as well as to make recommendation for development of a succession plan for the CEO and top executives of the Company. The Nomination and Remuneration Committee reviews Board membership on a regular basis, considering, 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 policies and processes. On an annual basis, the Nomination and Remuneration Committee, on behalf of the Board of Directors, receives the annual performance assessment of the CEO and the top management.

9.2.2.2 Authority

The Board of Directors 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), 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.

9.2.2.3 Organization

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 members from the Board of Directors, one of which shall be an Independent Director.

- The quorum for the Nomination and Remuneration Committee meetings shall be at least two 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 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 four members:

Name	Position
1. Mr. Jan Franciscus Maria Flachet	Non-executive Director and Chairman of the Nomination and Remuneration Committee
2. Mr. Vitthaya Vejajiva ¹	Independent Director, Chairman of the Audit Committee , and member of the Nomination and Remuneration Committee
3. Mr. Paul Francis Maguire	Non-executive Director and member of the Nomination and Remuneration Committee
4. Mrs. Saowanee Kamolbutr ²	Independent Directors, Chairman of the Audit Committee, and Nomination and Remuneration Committee

Notes:

- 1) Resigned from member of the Board of Directors, Chairman of the Audit Committee and Nomination and Remuneration Committee member on 24 April 2018.
- 2) Appointed to be member Chairman of the Audit Committee and Nomination and Remuneration Committee member as a replacement of Mr. Vitthaya Vejajiva on 24 April 2018

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 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 the Nomination and Remuneration Committee.

9.2.2.4 Roles and responsibilities

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 of Directors 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.

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 policies and processes, 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 necessary for this purpose.
- With respect to early retirements for the 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.

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, based on performance assessment and operational performance of the Company.

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.

Long term incentive plan

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

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.

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.

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 ENGIE Ethics Charter. This includes conforming to locally accepted standards of good corporate citizenship, complying with ethical principles as occasionally announced by ENGIE, and ensuring that interests of its Shareholders are best served and the investments they make are realized.

- 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 ENGIE Ethics Charter and the Company's Anti-Bribery Policy.
- 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.

- Employees shall ensure that the Company deals in all fairness with its customers, suppliers, contractors, 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 is possible to be construed as corrupt business practices.
- 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.
- 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 legally binding contracts, agreements, commitments or engagements shall be made 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.
- The Company funds and assets shall be utilized solely for lawful and proper business 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.
- Employees shall not take advantage of, commercialize, or exploit any of the Company's information or property, or their position within the Company for the purpose of inappropriate personal gains or opportunities.
- 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 Procedure, courtesy considerations are permitted to lead to their acceptance, and such gifts or hospitality shall be limited in number and associated with local occasions which justify them according to local customs. Employees 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.
- Directors or employees shall avoid conflict of interest situations between their direct or indirect personal interests (including their family members and friends) and the interests of the Company, where such conflict of interests have the potential to undermine objective and independent decision-making of Directors or employees. 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, suppliers of the Company (Exception: minor shareholdings of less than 1% in listed companies are not considered to be conflict of interest situations).

- The Company employees shall not accept shares or stock options of any related companies, other than the Company.
- 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 Executive Vice Presidents are permitted to only be given by the Board of Directors or one of its committees, and shall also be disclosed to Shareholders), in accordance with the process described in GLOW Group's Conflict of Interest Policy.
- Employees shall not buy or sell shares or other securities of a business undertaking, or give advice on such buying or selling, 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 Directors or employees of the Company shares or stock options shall be subject to Insider Trading Policy.
- 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.
- 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.
- 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.
- 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.
- 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 behavior:

- This Anti-Bribery Policy applies to all the Company activities and operations with the public and private sectors.
- 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.
- Violations of this 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 policy.
- 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 Company organization, and the conduct of our business, under the responsibility of 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.
- The Company is committed to conducting business in full compliance with local anti-bribery laws/regulations and its Ethics Charter. The Company regards compliance with anti-bribery laws/regulations as crucially important, and everyone who acts for, or on behalf of, 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.
- 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 has been a listed company on the Stock Exchange of Thailand (“SET”) since 21 April 2005. The Company has complied with the Corporate Governance Policy to establish guidelines for proper practice to which all relevant persons must adhere.

In order to comply with the Securities and Exchange Act B.E. 2535 (as amended)¹ (the “SEC Act”) relating to insider trading and the insider trading guidelines as published in SET Notification Re: Guidelines on Disclosure of Information of Listed Companies, the Board of Directors has notified (i) all directors; (ii) management/executives; (iii) committee members; (iv) officers and employees at all levels who gain, or have access to, non-public information of GLOW Group which is material to changes of price or value of GLOW’s securities, including non-public information which would likely affect investors’ decision to purchase or sell GLOW’s securities or cause damages to the investors in respect of their investment in GLOW’s securities (the “Inside Information”) ²; (v) the family members³ of the persons as mentioned in (i) to (iv) above, of GLOW Group (collectively, the “Relevant Persons”) to comply with this Insider Trading Policy as follows:

- The Relevant Persons must strictly comply with laws and regulations in relation to securities and derivatives trading and the use of Inside Information.
- The Relevant Persons must at all times keep the Inside Information confidential; shall strictly take all reasonable precautions with the Inside Information or information which is intended to be used solely for GLOW Group’s purposes or to which the Relevant Persons have access temporarily; and must not disclose any Inside Information to any persons, for personal benefit or disclose or exchange any such information for their own interest or in the interest of others or for any reasons, whether directly or indirectly and by any means. The Relevant Persons may, however, disclose the Inside Information to those whose positions require them to know the Inside Information.
- The Relevant Persons must not at all times use the Inside Information to purchase or sell GLOW’s securities or to enter into derivatives contracts relating to GLOW’s securities, for their own or anyone else’s benefits. In addition, the Relevant Persons, shall also be prohibited from carrying out any transaction involving GLOW’s securities or derivative contracts relating to GLOW’s securities during a period starting from the first day of each calendar quarter to the date on which GLOW has published its reviewed/audited financial statements to the SET, which in any event, will not exceed 45 calendar days (the “General Blackout Period”). The relevant General Blackout Period will be duly notified to the Relevant Persons.

¹ In particular, the Securities and Exchange Act (No. 5) B.E. 2559 which was enacted to amend, among other things, the provisions relating to the insider trading and price manipulation.

² “**Inside Information**” is non-public information which is material to changes of price or value of securities including financial information or financial statements, potential major disposal or acquisition or potential joint venture, execution of significant agreements, entering into major customer agreements, material operational events, insurance claim, lawsuit, and the like, etc.

³ “**Family members**” means (1) ascendant, descendant, child adopter or adopted child, (2) sibling of the same blood parents or sibling of the same blood father or mother, and (3) spouse or cohabiting couple, including that of the persons under (1) or (2).

- The Relevant Persons shall not disclose or certify any false or misleading information relating to GLOW Group's financial conditions, business operations, price of GLOW's securities or value of derivatives contracts relating to GLOW's securities or any other information relating to securities issued by GLOW or derivatives contracts relating to GLOW's securities.
- All Directors and employees with the position at VP level and higher have a duty to disclose their holdings of GLOW's securities as well as the acquisition and disposal of GLOW's securities in accordance with the notification of the Office of the Securities and Exchange Commission. Their holding of GLOW's securities includes the holding of GLOW's securities of the spouse and minor children.

The acquisition or disposal of GLOW's securities must also be reported to GLOW's Senior Vice President or Vice President of Finance & Investor Relations Department within three working days after completion of the acquisition or disposal.

- The Relevant Persons shall not use the Inside Information even after their employment with GLOW Group has ended.

For this year, there has been no change in securities holding of the Company's Directors and Executives Committee including their spouse and minor children for the period of 1 January 2018 to 31 December 2018.

9.6 Ethics reporting (whistleblowing) procedure

The Company provides a channel through which an informant, be it an employee or somebody from third party, can report unethical business practices, any non-compliance of the Company's Corporate Governance Policy (especially the anti-bribery policy and the insider trading policy), any violation of rights, or any other ethical concerns. The Company's Ethics Officer is responsible for receiving such reports from the informant, and then proceeds with the investigation if the Ethics Officer considers that such report has valid grounds. The report, as well as the information relating to the informant, is kept strictly confidential, shall not be publicly disclosed, and shall be used only for the purpose of the investigation.

The Company also provides protection measures, as well as non-retaliation measures, to the whistleblower, as well as all relevant witnesses, during and after the investigation, provided that the complaint is made in good faith.

The Company's Ethics Officer prepares a summary and progress of the investigation in accordance with the process under the Ethics Compliance Management Procedure on an annual basis.

9.7 Resources

The Company has issued a policy regarding the efficient utilization of resources. Especially given the fact that the Company is in the energy business, it recognizes the value of all resources, including water, electricity and other supplies. The Company for instance encourages its employees to reuse paper for internal matters, as well as to switch off the computers and other electricity before they leave the office.

9.8 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; and
- Glow Hemaraj Wind (33% stake): 2 out of 6 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.

9.9 Auditor's Fee

Auditor's remuneration for the period of 1 January 2018 to 31 December 2018 consists of:

Items	2018	
	The Company	Subsidiaries
Audit fee	1,719,763	7,695,815
Non-audit fee		
Review of Financial ratio	400,000	-
Agree-upon procedure	300,000	300,000
Other	-	-

Unit: THB

9.10 Other Good Corporate Governance Practices

The Company governs the business operations with the Corporate Governance, Code of Conduct and Code of Ethics and the international best practices by integrating them with our existing practices, taking into account the current business environment and the benefits for the Company, our shareholders and stakeholders. Some of the practices resulting from our continuous effort to follow best practices in term of corporate governance established by SET such as follows:

- The right to attend a shareholder meeting must be carefully examined to ensure that granting of a proxy is conducted properly to not interfere with rights of the shareholders who attend the meeting.
- The Company's Articles of Association (AoA) stipulates that the number of directors shall not be less than 5 but not greater than 15. As of 31 December 2018, the Company has 12 directors. This is in line with the Company's AoA and the business environment of the power production business where experts from numerous disciplines are required in order for the directors to adequately and effectively contribute and monitor various areas of the business operations.
- The Board of Directors comprises of directors representing a mix of balanced skills in several fields which are beneficial for the power production business. The Nomination Committee values candidates with diverse skills, experiences, expertise, and other qualifications during the nomination process to ensure that the Board's composition is complete and most suitable to Company and the group. In addition, we also have a policy against gender and racial discrimination.
- Although the Company currently has a free float ratio of less than 40 percent of the total paid-up shares, the Company always protects the rights of the minority shareholders by periodically communicating information beneficial to the shareholders.
- The Company schedules meetings in advance throughout the year and always makes sure the directors will be available to attend the meetings. Before voting at the meetings, the Chairman allows all directors to ask questions and discuss various issues in detail in order to ensure that the Board's resolutions have unanimous consent.
- The Company does not have a policy requiring directors and senior management to report to the Board on their GLOW stock trading activities at least one day in advance due to the fluctuation of the share price in the market. The Company however has established a policy regarding prevention of the use of internal information to prevent our directors, management and employees from making use of such information for personal or others' benefits. All directors and senior management are required to report their GLOW stock trading activities. In addition, the Company also has enforced the Insider Trading Policy, in accordance with the Securities and Exchange Commission Act (5th Amendment) put in to force in 2016, with a General Blackout Period that prohibits directors, senior executives, and all employees of the group from trading GLOW stock during specified periods leading to disclosures of the Company's significant information to the public.
- Following the good guidelines of the Corporate Governance, the Company attempts to distribute the invitation letter of the AGM well ahead of the meeting date to provide the Company's shareholders with sufficient time to review the agenda. Currently, the Company is typically able to distribute the invitation letter 21 days prior to the date of the meeting, and is able to publish it on in the Company's internet website at least 30 days in advance prior to the date of the meeting.

10. Corporate Social Responsibility

10.1 GLOW's Sustainability

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 sustainability vision

To become a leading power generation company providing sustainable and reliable energy solutions based on the innovative use of diversified energy sources.

10.1.2 Our sustainability mission

- Create value for our shareholders and customers in a sustainable manner through reliable products, profitable growth and knowledgeable employees with network of expertise.
- Perform the business by developing and implementing environmentally and socially responsible projects while improving the quality of life of communities in areas where we do business.

10.1.3 Our core values on 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

10.1.4 Our commitment to sustainability

- Reduce production costs and increase productivity
- Satisfy and retain existing customers, and attract new customers
- Ensure Health and Safety of all stakeholders
- Skills development and vocational training for staff
- Compliance with applicable laws, relevant rules and regulations
- Control and improve emission levels
- Build relationships and maintain trust with communities

10.2 Approach to Managing Sustainability

10.2.1 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.

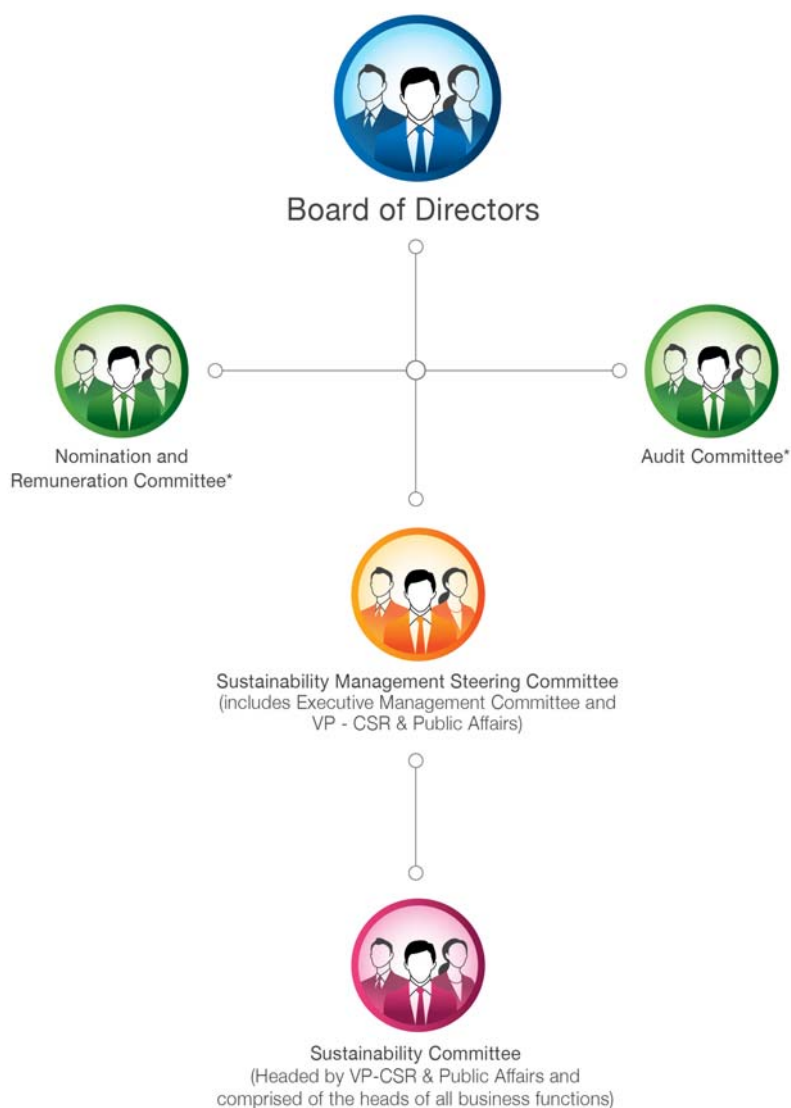
The Board of Directors and Executive Management Committee (EMC) are GLOW's highest governing bodies. They are responsible for the strategic direction of the organization and the effective monitoring of performance. The EMC, which as of the end of 2018 comprised six men and one woman, meets monthly to discuss performance and future plans. The Board of Directors, which as of the end of 2017 was comprised of nine men and three women from five different countries, being Thailand, Belgium, France, Australia and Hungary, meets quarterly, as well as on other occasions, to approve the

quarterly operational performance, financial statements and to provide guidance on strategic matters, including in the area of sustainable development.

Our sustainability management structure comprises two committees, which are the Sustainability Management Steering Committee and the Sustainability Committee. The Steering Committee's role is to define our strategies and targets in the area of sustainability and report to and seek advice and support from the Board of Directors on sustainability-related issues. It also works closely with the Sustainability Committee to drive our sustainability practices to have more systematic planning with concrete targets as we have committed in our "2020 Sustainability Targets".

GOVERNANCE

Sustainability Management Structure



*Note : The Nomination and Remuneration Committee and Audit Committee are existing committees under the Board of Directors.

Aspect:	Business Development	Operational Excellence / Environment		Employees		Ethics and Compliance	Communities	
Most Material Aspects:	Innovation	Reliable and Sustainable Energy Supply		Environmental Management and Climate Change	Occupational Health and Safety	Human Capital Development	Corporate Governance and Anti-Corruption	Livelihood of Local Communities
Target:	SmartSave Program • Initial target saving amount (2016-2018) THB 750 million	SAIFI: Interruption per customer per year less than 0.4	Ensure water efficiency not more than 0.8 (m3/KWh for electricity generation)	• Establish at least 5 low carbon projects • All plants in MTP certified as Eco-Factory	• 100% of liaison persons (including contractors) have received H&S training • Zero frequency rate of occupational accidents for employees, contractors	• 80% staff participation in employee engagement • 100% of employees complete at least 1 training course per year	100% of executives received anti-corruption training	• 10,000 beneficiaries of "Solar for Schools" or other energy-related CSR projects in off-grid areas in Thailand • Establish at least 1 CSV (Creating Shared Value) project • 100% of sites have integrated environmental management plan drawn up in collaboration with stakeholders

10.2.2 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.

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

Our Code of Conduct and related policies, including Anti-bribery Policy, Conflict of Interest Policy, Gifts and Hospitality Procedure and Insider Trading Policy, set out ethical principles that guide the work we undertake and our interactions with stakeholders. We regularly update them to our employees and ensure the implementation of ethical principles in GLOW's development strategies and activities.

Our Ethics Officer answers employees' questions and gives advice on ethics and compliance; runs awareness-raising, training and communication initiatives and identifies the entity's ethical risks.

In 2018 GLOW Group had no cases of non-compliance with laws and/or regulations including social, economic and environmental laws and/or regulations.

10.3 Stakeholder Engagement

Stakeholder management is of the utmost importance to GLOW Group. We have a range of internal and external stakeholders that we engage through a variety of mechanisms to gain an understanding of their expectations and concerns which have been identified and prioritized as our "material aspects" on which we have based our business and sustainability strategy.

GLOW conducts a stakeholder engagement survey every year and maps stakeholders in relation to issues that matter to GLOW. We have 18 categories of stakeholders which can be classified into 7 main groups:

1. Shareholders and Investors

2. Customers
3. Business Partners
4. Employees
5. Government Agencies
6. Communities/Society
7. Other Related Organizations

In addition to an annual stakeholder engagement survey, our Sustainability Committee also conducts dialogues with relevant stakeholders at regular intervals to identify and respond to their needs and expectations. The survey and these regular dialogues, either directly or via proxies, i.e. our employees who provided inputs that they have received from stakeholders, allow us to better meet the needs and expectations of our stakeholders.

In 2018, we engaged with our internal proxies to confirm concerned issues and below is the result of the engagement:

Group	Stakeholders	Engagement Channels	Concerns and Expectations
1. Shareholders and Investors	• Shareholders/Investors	• Shareholders Meeting • Open-house activity	• Equal rights for every shareholder • High return on investment/dividend • Transparency of information disclosure especially with small shareholders
	• Analysts	• Quarterly Analyst Briefing	
	• Financial Institutions		• NPLs or postponed payments • payment guarantee
2. Customers	• Customers	• Seminars • Customer Satisfaction Survey	• Reliability and immediate problem-solving
3. Business Partners	• Contractors	• Contractor Meeting Day	• On-time payments • Abide by the contracts
	• Fuel Suppliers		
	• Technology Suppliers		
	• Professional Consultants		
4. Employees	• Employees	• Internal Affairs Committee (IAC) meetings • Welfare Committee meetings • Quarterly Briefings • Suggestion Box	• Safety/standard equipment provided • Good compensation and benefits • Fair treatment and comply with the labor laws
5. Government Agencies	• Government Authorities (Energy)	• Meetings and seminars	• Compliance with the laws and regulations

Group	Stakeholders	Engagement Channels	Concerns and Expectations
	<ul style="list-style-type: none"> Government Authorities (Others) 	<ul style="list-style-type: none"> Public Consultations 	
6. Communities/ Society	<ul style="list-style-type: none"> Local Communities 	<ul style="list-style-type: none"> Tripartite Committee meetings Plant visits by various environmental management monitoring committees and communities Knock-door visits Open-house activity Public Consultations 	Concerns: <ul style="list-style-type: none"> Economic Environment Health Pollution Expectations: <ul style="list-style-type: none"> Career promotion Support for local economy and business Environmental care Educational support, such as scholarships, English development activities, etc.
	<ul style="list-style-type: none"> NGOs and Non-profit Organizations (NPOs) 	<ul style="list-style-type: none"> Public Hearings Press conferences 	Concerns: <ul style="list-style-type: none"> More pollution and destruction of natural resources as a result of our business operations Compliance with the laws and regulations Expectations: <ul style="list-style-type: none"> Effective environmental measures Community involvement in project monitoring Disclosure of information that is transparent and credible Effective measures in case of emergency and impacts on communities
	<ul style="list-style-type: none"> Media 		
7. Other Related Organizations	<ul style="list-style-type: none"> Competitors 	<ul style="list-style-type: none"> Meetings 	<ul style="list-style-type: none"> Compliance with the laws and regulations Disclosure of information that is transparent and credible
	<ul style="list-style-type: none"> Private Industrial Estates 		
	<ul style="list-style-type: none"> Independent Organizations 		
	<ul style="list-style-type: none"> Embassies 		

In addition to such engagement, the company also has procedures that enable internal and external stakeholders to file complaints or make recommendations at all times. For more details, please refer to the **Corporate Governance and Anti-corruption** section.

10.4 Materiality Assessment

GLOW uses the GRI Standard Guidelines and the GRI G4 Electric Utilities Sector Supplement to inform the materiality assessment process. The materiality assessment sets out the targets for the next reporting year and guides the content of the Sustainable Development Report 2018.

10.4.1 Materiality Approach

GLOW conducts a formal materiality assessment in accordance with the GRI Standard guidelines to identify and prioritize our primary sustainability issues, as well as associated key performance indicators (KPIs) and targets for improvement.

The results of internal and external stakeholder engagement were the primary sources of potential material issues which had been reviewed by the **Sustainability Management Steering Committee** and the **Sustainability Committee** based on the Reporting Principles for defining report content:

- **Stakeholder Inclusiveness:** We value the opinion of our stakeholders, including employees, local communities and interest groups, non-governmental organizations (NGOs), customers, suppliers and contractors. In preparing our report, we are listening and responding to stakeholder's reasonable expectations and interests.
- **Sustainability Context:** We are moving towards more efficient and effective operations with fewer social and environmental impacts along the entire value chain. Our sustainability approach has been shaped by regulatory requirements, communities, the specific context of Map Ta Phut, the site of Thailand's largest industrial park, and most importantly rising concern over climate change impacts. We focus our efforts in the area of sustainability in three dimensions: environmental stewardship, social responsibility and economic prosperity.
- **Materiality:** We identify and describe the material issues that reflect significant economic, environmental and social impacts and are considered important to our stakeholders and business. The material issues set out our associated performance and KPIs as shown in the "2020 Sustainability Targets" in order to gear the organization to meet our sustainable development plan.
- **Completeness:** We defined the boundary for each material aspect to identify where the impacts occur and how we have been involved with those impacts during the reporting period. If the boundary is outside of GLOW, indicators are expected to be reported where data quality and availability allow.
- **Balance:** We report both positive and negative aspects of our performance as well as actions that we have taken to improve our performance.

Our materiality approach includes the following steps:

Step 1: Identification

We use the universe of potential issues identified by the GRI as a starting point and identified a range of potential issues that can be reasonably considered important for reflecting our social, economic and environmental impacts or influence the decisions of our stakeholders.

Step 2: Prioritization

We review the range of potential issues every year through the stakeholder engagement process*. Each material issue is assessed on a matrix in term of its importance both to GLOW and its stakeholders. We rank the issues based on the average score of frequency with which they are identified by both internal and external sources. We also use global trend to assess aspects that we considered important to our stakeholders on the Y-axis. This step allows us to prioritize issues in terms of low, medium and high importance.

Step 3: Validation

The ranking of each issue was reviewed and validated by the Sustainability Committee which comprises of representatives from different functions.

Step 4: Endorsement

Finally, the list of material aspects and their respective boundaries were reviewed and approved by the Sustainability Management Steering Committee which includes the Executive Management Committee.

***Note:** For more details of stakeholder engagement process, please refer to **Stakeholder Engagement** topic.

10.4.2 Materiality Matrix

We have reviewed our list of material aspects that we identified last year and conducted a stakeholder engagement process to reconfirm issues that are most material to us. The revised list comprises of 17 material aspects, seven of which are considered our most material aspects.



All of the above material aspects relate to our value chain. The seven most material aspects are the key elements of our business, requiring our greatest focus to obtain a “social license to operate” from our stakeholders. We have targets in place that have been developed specifically to address each of our most material aspects. Our progress against the targets and KPIs are provided in the **Most Material Aspects** section.

10.4.3 Summary of GLOW’s Most Material Aspects in 2018

Most Material Aspect	Relevant Internal Stakeholders	Relevant External Stakeholders
1. Reliable and Sustainable Energy Supply	Operation/Reliability and Integrity/Asset Optimization	Customers including EGAT and industrial customers
2. Environmental Management and Climate Change	EH&S/All employees	1. Government Authorities 2. Local Communities 3. Contractors 4. Suppliers 5. Private Industrial Estates 6. Professional Consultants 7. Independent Organizations 8. NGOs and Non-profit Organizations (NPOs) 9. Media
3. Corporate Governance and Anti-Corruption	Legal and Corporate Affairs /All employees	All involved
4. Occupational Health and Safety (OHS)	All employees, especially EH&S	1. Contractors 2. Suppliers 3. Local Communities
5. Human Capital Development	HR	Not applicable
6. Livelihood of Local Communities	CSR and Public Affairs	1. Local Communities 2. Government Authorities (Others) 3. Private Industrial Estates 4. NGOs/Non-profit Organizations (NPOs) 5. Media
7. Innovation	Business Development/Operation	1. Shareholders/Investors 2. Customers 3. Contractors 4. Local Communities

10.5 Most Material Aspects

As the largest producer and supplier of electricity for industrial customers in Thailand, the most material aspects are considered important factors for GLOW to obtain a “social license to operate” from our stakeholders. By mapping our value chain and engaging our stakeholders at all levels, we can identify the aspects that are most important to our business. These most material aspects are the elements of our business requiring our greatest focus.

10.5.1 Reliable and Sustainable Energy Supply

GLOW is committed to operating the power generation business with ensured efficiency of both electrical and steam processes surpassing the industrial standards to ensure sustainable business operations for our customers.

The core of GLOW's business is to enable our customers to achieve their goals by providing reliable and sustainable energy. It is part of our duty to uphold our commitments to supply both electrical and thermal power efficiently and to properly meet the needs of our customers, the Electricity Generating Authority of Thailand (EGAT) as well as the industrial customers. Reliability can be considered to be the heart of the power generating business. It is among the top requirements of our customers, especially the petrochemical businesses, since any uncertainty in the electricity supply could inflict the consequences of financial losses for them and also have environmental impacts on the surrounding community.

Internally we have an extensive and yet sophisticated list of policies and procedures, each of which is specifically devised to set boundaries, guidelines, and best practices for all critical processes to guarantee the reliability of our energy supply.

On the preventive side, the Network Management Policies along with Reliability Taskforce Teams have been established with clear responsibilities for performing Failure Modes and Effects Analysis (FMEA), from identifying potential failures and risks, to setting up priorities for corrective action and improvement plans as well as for the financial resources required, through to documentation and providing summaries for both electrical and steam networks for presentation to the management.

To ensure that the diverse collection of GLOW's power and steam generating assets are maintained in a reliable condition, outages for minor inspections and major overhauls of the assets are routinely scheduled and performed. The Outage Planning Procedure defining the process of developing and maintaining the 8-Year Outage Plan has been adopted for scheduling and tracking the inspections and overhauls across all GLOW's turbines, HRSG or boilers, generating units, and major transformers. The plan is reviewed and updated annually based on the customer dispatch demand forecast.

GLOW also has the Emergency Response Plan in order to tackle unplanned interruptions, abnormal events, and emergency situations, both during and after an incident. We make sure that all people involved understand their roles and responsibilities clearly and are prepared to respond should an unplanned incident occur, in order to eliminate, minimize, and mitigate the risks, including preventing the loss of life, property, and environmental impacts.

As we strive to maintain business excellence and increase and solidify our good reputation to retain customers and to attract new customers, GLOW's Operations and Maintenance team monitors, maintains and improves operational excellence and effective maintenance in order to supply quality products with high power plant efficiency. At the same time, our Engineering team is in charge of coming up with the design of new concepts and process improvement initiatives to push forward our capabilities to satisfy the needs of both existing and potential customers.

With the strong belief that operational efficiency and the reliability of our power plants not only reduces our costs and improves our financial performance but also contributes to conserving resources, protecting the environment and minimizing our impact on the global ecosystem, GLOW's Asset Optimization team works relentlessly towards finding the best optimizing solutions based on refined and systematical data collection.

Reflecting our commitments to avoid unplanned incidents, GLOW has set the target to maintain and push beyond our capability in keeping the System Average Interruption Frequency Index (SAIFI), the interruption per customer per year, to be less than 0.4.

More on GLOW's reliable and sustainable energy supply as well as the figures with regards to the production and transmission efficiency can be found in the performance summary in our **Sustainable Development Report 2018**.

As part of our aim to continuously improve our customer service, GLOW is continuously maintaining and improving the efficiency and reliability of our power plants. To measure the performance of the cogeneration plants under SPP contracts, GLOW annually reports both electrical and thermal cogeneration efficiency to EGAT, who expects an electrical efficiency that is greater than 45%, a thermal process that has an efficiency greater than 10% and a Primary Energy Saving (PES) capacity that is in line with the SPP contract. If our efficiency is lower than the stated efficiencies, our prices will be impacted.

Following the major interruption in 2016, the risk assessment of all equipment and the mitigation plan has been carefully drafted, endorsed, and carried out over the past years. Our relay protection system has been reviewed and the associated equipment has been upgraded for all feeders. We expect the improvement and all planned corrective actions to be fully executed in 2019.

Apart from the reliability and efficiency issues, another key challenge for several of our power plants and parts of the transmission and distribution system with prolonged service years is the scarcity of spare parts available in the market. The preventive assessment program has been conducted on all major equipment in both power and steam networks over an extensive period of time, matching with the planned overhaul, in order not to interfere the optimized generation. This helps maintain our power plants' availability and reliability and boosts the confidence of our customers.

10.5.2 Environmental Management and Climate Change

GLOW performs its business by implementing environmentally and socially responsible projects and has committed to not develop any more coal-fired units. It is also our commitment to control emission levels to meet, and, where possible, not to exceed all the applicable legal requirements and standards at all times. We are also committed to fully complying with all the environmental mitigation measures and the monitoring programs required by the Environmental Impact Assessment (EIA) and the Environmental Health Impact Assessment (EHIA) reports, and to meet the requirements of all applicable standards established by the environmental regulations, the plant site permits and the corporate objectives.

As a key player in the power generation, cogeneration and industry utilities, the environmental management has always been among GLOW's top priorities. Given the nature of the business, GLOW shall recognize local and global environmental challenges to reduce greenhouse gas (GHG) emissions, promote highly efficient energy services, preserve biodiversity, save resources, protect the environment, and strive to operate and develop our business while addressing these constraints. Apart from being highly regulated by national regulators in terms of the environment and emission management, the seriousness and urgency of the climate change issue that has just been brought to light in this decade also drives our customers' demands towards low-carbon alternatives.

Apart from our Environmental Policy which is publicly disclosed on the GLOW website, www.glow.co.th, standardized frameworks have also been set forward in order to make sure that our business is being steered towards good governance for sustainable environmental management. To maintain the intended outcomes of environment protection and to improve response to the changing environmental conditions for the entire organization, GLOW has put in place a comprehensive management system, has implemented procedures with regard to the identification, monitoring and measurement of environmental aspects, data reporting, as well as risk assessment. This has enabled us to enhance our environmental performance, improve processes to help leverage opportunities, prevent and/or mitigate the potential impacts, and most importantly, to generate beneficial environmental impacts with strategic and competitive implications for our stakeholders e.g. customers, suppliers and contractors.

On top of the EIA and EHIA schemes required by laws and regulations, we have also adopted international standards. All GLOW's power plants in Thailand are accredited under the ISO 14001:2015

Environmental Management System. The applicable legal requirements and mandatory level of our environmental compliance have also been implemented at the Houay Ho Power Plant in Lao PDR as well. In our operations and for the development of new business we take into consideration applying the international best practices.

At the national level, all of our power plants in Map Ta Phut have been operated in compliance with the Federation of Thai Industries (FTI) since 2016 and were certified as “Eco Factory”. In addition, all GLOW Group power plants, including GLOW SPP 11 in Pluakdaeng, Rayong Province and GLOW IPP in Sriracha, Chonburi Province, have received Green Industry Awards from the Ministry of Industry. To meet “Green Industry” requirements means that we have a strong commitment towards operating our business in an environmentally-friendly way to achieve sustainability goals by continuously developing and improving production process and environmental management including corporate social responsibility, both internally and externally, throughout the supply chain.

To ensure the effective, efficient and quality management of environmental aspects across the company, all of GLOW’s power plants have Environmental Health and Safety Managers who have been dispatched to work closely with the Operation teams and to make sure that the environmental procedures have been implemented and are integrated with the day-to-day optimization and monitoring.

As one of the largest power producers in Thailand, we need to be conscious of greenhouse gas emissions and climate change. The environmental topic cannot exclude the organization’s impact on living and non-living natural systems, including land, air, water and ecosystems. The Carbon Footprint Working Committee has been set up since 2016 especially to drive the actions on climate change, including greenhouse gas emission control and to efficiently reduce the emissions from the power plants, through the assessment and verification of the Carbon Footprint for Organization (CFO).

Tripartite meetings between GLOW, local government authorities and communities have been held quarterly in order to transparently report our environmental monitoring results, new and on-going issues, actions that are being taken or are to be taken to remedy such issues, and to gather feedback from these key stakeholders. Besides addressing their interests, concerns and expectations in the meetings, community members can also voice their opinions through our Community Relations (CR) team. GLOW’s CR team are also local community members and engages with local communities and gathers feedback on a regular basis. We aim to maintain a relationship of trust by open communication with the community, authorities, policy-makers, customers and other stakeholders.

As GLOW takes into account the importance of the processes concerned, changes affecting the environmental performance and continuously strives for quality improvement, an internal audit on the environmental management system is done at least once a year. This is to ensure continuity, suitability, adequacy and effectiveness of our environmental management programs across all functions and departments.

As a normal practice, after the internal audit, GLOW’s Environment, Occupational Health and Safety data will be validated by the third party: Deloitte and AJA Registrars.

In 2018, as a pilot project, we hired a third party: BSI Group (Thailand) Co.,Ltd.to witness the internal audit process at GLOW Energy Phase 1&2 located in the Map Ta Phut Industrial Estate, Rayong Province and GLOW IPP located in WHA Chonburi Industrial Estate 1 (WHA CIE 1), Chonburi Province. The objective of the evaluation was to evaluate the competency, skills and internal audit performance of GLOW’s Internal Auditors according to the Environmental, Health and Safety Management System (EHSMS) and look for positive evidence to ensure that the internal audit was effectively addressed by the objectives of EHSMS, the relevant needs and expectations of interested parties and the applicable legal requirements and other requirements.

Furthermore, there were no complaints from the community and no legal cases regarding environmental issues in the reporting year of 2018.

Following our official announcement in 2015 that going forward we would not invest in any additional coal-fired units to be added to our generation fleet, our Business Development team has been focusing its efforts exclusively on contributing to the “low-carbon” energy mix in Thailand, with gas-fired units, hydro plants and (non-hydro) renewable energy projects.

In 2018, GLOW has succeeded in making our first stable steps in Business to Business (B2B) Renewable Energy Solutions for industrial customers both inside and outside industrial estate areas. The 870 kW Solar Rooftop electricity supply unit at Michelin Siam Co., Ltd. located in WHA Saraburi IE, Saraburi Province, started its commercial operations in November 2018 while another 1,000 kW unit in Amata City IE, Rayong Province for Continental Automotive (Thailand) Co., Ltd. is starting in early February 2019. Another 440 kW unit is undergoing the design and construction process for the Holiday Inn Resort Mai Khao Beach in Phuket and is expected to start the commercial operations by October 2019.

Furthermore, our greenfield industrial non-hazardous waste-to-energy (WtE) project (incineration) with a total capacity of 9 MW in WHA Chonburi IE is set to start its commercial operations before the end of 2019. We aim for it to contribute to reducing GHG emissions and to provide other environmental impacts from waste disposal operations such as landfilling. More details about this business expansion can be read under the topic of **Innovation** in this report.

On the process improvement side, in 2018 we initiated a change in the refrigerants used in our power plants from Hydrofluorocarbons (HFC) to Hydrochlorofluorocarbons (HCFC) which have a lower global warming potential (GWP) according to the assessment report of the Intergovernmental Panel on Climate Change (IPCC) leading to less impact on global warming.

We have implemented various improvement projects for our facilities that are directly reducing greenhouse gas emissions (e.g. boiler efficiency improvement). 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, which results in lower emissions and lower energy use. Our replacement of conventional lighting fixtures with LEDs in our power plants has received formal recognition of reducing greenhouse gases (GHG) under the Low Emission Support Scheme (LESS) of the scheme of the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO - Thailand’s Designated National Authority for the Clean Development Mechanism).

GLOW’s power plants have obtained Carbon Footprint for Organization (CFO) certifications of our carbon footprint, which is an indicator of the quantity of GHG emitted (in equivalent tons of carbon dioxide; Ton CO₂ eq) from all the activities of the operations; such as fuel combustion, electricity use, waste management and transportation. Moreover, we are taking steps beyond Carbon Footprint of Product (CFP) certification by obtaining the Carbon Footprint Reduction (CFR) label – the label given to a product that contributes less GHG than GLOW’s local competitors (i.e. baseline emissions). GLOW’s electricity, steam, clarified water and demineralized water production from GLOW Energy Phase 2 are **CFR-certified, being the first of its kind in Thailand.**

In addition, GLOW Energy Phase 1&2 has been accredited for its energy efficiency improvement project by changing from conventional lighting to LED lights under the Thailand Voluntary Emission Reduction (T-VER) program. The reforestation project of GHECO-One had also received the Community Green Community Support Program award from TGO.

GLOW’s Corporate Social Responsibility efforts are also well aligned with our commitment to bring clean energy to the community and to reduce carbon footprints. Part of our CSR initiatives is to bring clean energy such as solar energy to the community in off-grid areas. Further details on our community work can be found in **Livelihood of Local Communities** section.

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

As a result, the annual air emissions report for the reporting year of January 2018 to December 2018 was well below the control limits required by the EIA and EHIA.

The real-time figures of metered NO_x, SO_x, and TSP are displayed on the screens in front of GLOW's power plants as well as in local areas with a high population density. The average figures are disclosed in GLOW's magazine 'Jai Diaw Kan' published and distributed to local communities twice a year.

Water is an important resource for our operations and at the same time is central to the local agriculture businesses. Large volumes of fresh water are required to operate our power plants each year. We use water in the cooling systems and in the production of clarified as well as demineralized water for internal usage and for industrial consumption. The 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 based in Map Ta Phut Industrial Estate which is home to the most energy-intensive (predominantly petrochemical) industries in Thailand.

The major sources for the supply of fresh water to Map Ta Phut are the Dok Krai, Nong Pla Lai and Klong Yai reservoirs located in Chonburi and Rayong Province which are also the water source for the farmers in the surrounding area.

With those elements in mind, water scarcity is one of the important challenges requiring collaboration with all relevant parties. A committee was established (the Eastern Seaboard Water War Room) with representation of all relevant stakeholders to develop, implement and monitor mitigation plans and to take preventive measures against water risks, including the water-shortage impact on local communities.

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.

On the other side, we set the target for ourselves to maintain the water efficiency rate at no more than 0.8 m³ per kWh.

As important as the air quality and emissions, which are the two environmental topics that GLOW, as a player in power generation business, is most concerned about, is waste management and wastewater management. GLOW has established a Waste Management Procedure to provide guidelines for the operational control and management for all relevant parties with regards to granting permission, for the collection, storage, transportation for treatment and for the disposal of industrial waste, including wastewater sludge, fly ash, bottom ash and by-products to prevent environmental impacts.

Some projects have been implemented at GLOW SPP2&3 Coal-Fired Units Complex in order to mitigate the environmental impacts during the operating period. For instance, we have improved our processes by:

- Installing a bottom ash recycling system to reduce the volume of bottom ash generated by 120 tons per year and to reduce sand accumulated inside the furnace of CFB1 unit to 15 tons per month
- Installed water spray nozzle at RC-2 and RC-3 to reduce coal dust at the return belt system

More information can be found in the sections dedicated to **Waste Management** and **Wastewater Management** in GLOW's **Sustainable Development Report 2018**.

10.5.3 Corporate Governance and Anti-Corruption

10.5.3.1 Corporate Governance

Good governance is the cornerstone of our business. It encompasses the processes, practices and policies that we rely on to make formal decisions. It helps us regulate risk and reduce the opportunity for corruption as well as mismanagement of company resources. Corporate governance is essential for our management and long-term growth.

GLOW's Board of Directors is committed to conducting all its activities and operations in accordance with the core principles of good corporate governance. We are also in strict compliance with all applicable laws, relevant rules, and regulations of the countries in which we operate.

In addition, we regard compliance with anti-bribery laws as crucially important and everyone who works for GLOW is expected to apply the highest standards of integrity to all their activities and to comply fully with our ethical principles, policies, procedures and processes.

Our Performance on Corporate Governance

GLOW has deployed our good governance policy and practices to our Board of Directors, who represent our shareholders, and business partners, while we have continuously promoted our anti-corruption campaign among our employees and other related stakeholders, especially suppliers and customers.

GLOW has internal systems of rules and practices by which the company is governed. Our Code of Conduct and related policies, including Anti-bribery Policy, Conflict of Interest Policy, Gifts and Hospitality Procedure and Insider Trading Policy, set out ethical principles for all activities we undertake as well as our interactions with stakeholders.

As 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 as well as effective monitoring of performance.

To have a good corporate governance system in place, we have an Audit Committee to govern activities and operations to ensure effective internal controls, compliance with laws and regulations, adherence to relevant standards, and efficient operations with support from Corporate Affairs team and Ethics Officer.

Our composition of the Board of Directors is highly effective, including a mix of directors with diverse skill sets, expertise and experience to fulfill essential oversight roles. Having a breadth and depth of experience allows the Board to provide advice on a wide range of GLOW's business issues. An adequate number of independent directors (i.e. 4 out of 12 or 1/3) helps us bring in objective scrutiny on behalf of the shareholders and to be available in case there are concerns that cannot, or should not, be addressed by the Chairman or Executive Directors.

Major activities that we have deployed to reinforce our corporate governance include:

- We have updated our Code of Conduct (CoC) to align with Private Sector Collective Action Coalition Against Corruption (CAC)'s requirements.
- We provide mandatory training sessions on CoC to GLOW's employees, management and the Board of Directors

10.5.3.2 Anti-Corruption

Corruption Risk Assessment

At GLOW, we have classified corruption risks into four categories:

1. Political contributions
2. Charitable donations
3. Sponsorship of various activities
4. Gifts and hospitality

There are eight major areas in GLOW that have high risk for corruption. Those areas, which comprise 32 procedures, include procurement, application for permits, business development and corporate social responsibility (CSR).

According to the result of our corruption risk assessment, GLOW Group has strong policies and procedures. An example of this is our Power of Attorney (POA) process that limits delegated authority and requires dual signatures in all circumstances to ensure our transparency and zero corruption in all transactions.

For the most effective risk management, we have improved our work instructions for the jobs that are related to the government authorities, the Tambon Administrative Organization (TAO) and community leaders as well as the approval procedure for disaster relief activities and public donations requested by local government authorities.

Internal control is therefore very crucial to preventing possible losses and negative impacts by maintaining corruption risk at an acceptable level.

The company also has an **Ethics Reporting** (“Whistleblowing”) **Procedure** available for all employees and outside stakeholders to file their complaints in the case that a discriminatory or unethical practice is found. Available channels/persons to file complaints or make recommendations to include:

- **Suggestion Boxes**, which are placed in different locations that are easily visible so that employees can submit complaints and recommendations to the company
- **Ethics box**, a channel allowing “whistleblowing” with respect to any ethical issue that all employees and external parties can access
- **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
- **Designated Ethics Officer** who is directly responsible for the code of conduct governance to ensure fair treatment to all parties

We have also set procedures to ensure that issues are addressed within a set period of time. If a complaint is verified and proven to be valid, the company will assign a responsible person to resolve the issue on a case-by-case basis as soon as possible.

Any employee who is found to be in willful violation of the anti-bribery policy is subject to disciplinary action as deemed appropriate by his/her Division Head, in consultation with SVP of Human Resources & Administration and/or the CEO.

In 2018 GLOW Group had no cases or incidents of corruption or cases violating laws related to corruption.

Major activities that we have deployed to reinforce our anti-corruption program include:

- Joined the Private Sector Collective Action Coalition Against Corruption: CAC (2014) and have maintained our CAC-certified company (level 4) since 2016. We are due to renew the CAC certificate in 2019.
- Updated anti-corruption related policies and procedures to align with CAC's requirements
- Provide mandatory training sessions on anti-corruption related policies to GLOW's employees, management and Board of Directors
- Included Anti-Corruption Section in every Operation & Maintenance Agreement to ensure that our suppliers comply with GLOW's business practices
- Started a corruption risk assessment program (2015)
- Put in place a monitoring program of anti-corruption measures to ensure that there is zero corruption in all activities
- All key ethics policies and procedures were distributed to all employees for signing-off (2017) to ensure that all employees, including new hires, have acknowledged and will adhere to these anti-corruption related policies.
- Included ethics on employee performance review
- All suppliers and customers have clearly and officially been informed and have acknowledged our no gift policy
- All donations as well as gifts and hospitality offered to the public and the community must be verified and receive prior approval from Ethics Officer to avoid corruption risks.

Anti-competitive Behavior, Anti-trust and Monopoly Practices

Towards the end of our reporting year 2018 it was announced publicly that GPSC, a PTT Group company, would take over ENGIE's portions of shares and become the majority shareholder of GLOW, which is considered "a merger" as stipulated in the Regulation of the Energy Regulatory Commission ("ERC") regarding the Rules Preventing a Business Consolidation Which Could Result in Monopoly or Reduction or Limitation of Competition on the Energy Business B.E. 2552 (the **ERC Regulation**). As such, both GPSC and GLOW, as licensees for the energy industry operation under Energy Industry Act B.E. 2550, are required to obtain ERC's prior approval for the merger.

Taking into account all concerns of all stakeholders, ERC has finally made its consideration on December 26, 2018 to approve the merger based on certain criteria that GLOW shall strictly follow to enable the competition environment. GLOW would like to address that GLOW can comply with such criteria in respect of being anti-competitive as GLOW's current code is intended to enable a fair and equal treatment to all stakeholders and so far GLOW has expressly conducted its business with anti-competitive behavior and been in compliance with all relevant laws regarding anti-competitive behavior, anti-trust and monopoly practices, which is substantially in line with the criteria provided by ERC as part of GLOW's license's conditions.

10.5.4 Occupational Health and Safety (OHS)

GLOW is committed to continue striving to reduce, and ultimately eliminate, hazards and to minimize the occupational health and safety risks by taking effective preventive and protective measures to provide a safe and healthy workplace, achieving the best possible health and safety performance and developing correct safety behaviors.

The management of occupational health and safety is a key ingredient of our core values and is critical to all interested parties who may be affected by our operations, including employees and contractors. We consistently seek to identify significant workplace hazards at all GLOW's premises, appropriately control the risks, provide a safe and healthy workplace, and implement safe work processes to protect employees and contractors from inherent dangers.

GLOW has a Health and Safety Policy and an Occupational Health, Safety and Environment Management System Manual as a guideline to ensure that all activities are carried out safely and that all risks to the health, safety and welfare of all interested parties involved are removed. This H&S Policy covers the whole group.

All power plant sites of GLOW in Thailand and Lao PDR are certified to OHSAS 18001:2007. Our Occupational Health, Safety and Environment Management System is voluntary*. 100% of our employees and contractors (excluding contractors and subcontractors under construction projects) at all plant sites are covered by such a system and have been audited both internally and externally.

Employees and contractors participate in the EHS Management System through the SHE Committee where concerns are communicated. Information on H&S issues and safety best practices are also communicated through safety talks and staff meetings led by the SHE Committee that are scheduled at plant sites and at the head office.

***Remarks:** According to the Occupational Health, Safety and Environment Management System (EHSMS) Manual, the scope of management system certification covers only plant sites while the head office is excluded because it entails mostly support functions.

GLOW's Occupational Health and Safety Strategy

GLOW had implemented the 5-year safety culture roadmap during 2014-2018. We carried out various activities, including the promotion of behavioral-based safety campaigns; contractor safety evaluation; Stop Work Authority; and a Managing Rule-Breaking (MRB) tool for root cause analysis of occupational accidents and incidents at work.

Risk and Hazard Identification

We follow the Occupational Health, Safety and Environment Management System (EHSMS) Manual in risk & hazard identification. The EH&S manager who acts as a Safety Management Representative (SMR) will ensure safety standards are complied with in every facility.

To prevent those risks we have conducted an On-site JSA and Fresh Eyes Observation and have given Stop Work Authority (SWA) to all workers and visitors to immediately stop any activity that could lead to safety and environmental accident or incident to prevent ourselves and our colleagues from having an accident or incident at work.

Reporting by workers is based on documents, including the Excursion and Incident Report, the Near-miss Report, and the Review of Risk Assessment Inventory (done by a working team or the SHE committee of each power plant site), at least once a year.

GLOW has defined the process to identify level of risks (negative impact) and opportunities (positive impact) and continuously improve our H&S performance through the EHS Management Review Procedure.

Training on Occupational Health and Safety

There are four major training exercises on Occupational Health and Safety at GLOW, including Safety Orientation for newcomers; EHS Annual Refresher; EHS training courses as required by EHS laws; and contractor safety training.

In addition to those training exercises, we also conduct an annual emergency drills at every plant site and head office according to the Emergency Response Plan for Plant Sites and the Emergency Response Plan for Head Office.

Employee Welfare and Promotion of Worker Health

Major medical and well-being benefits that GLOW provided for employees in 2018 included:

- An annual physical health check
- The provision of an Influenza vaccination injection
- A health risk assessment and stress and depression assessment by the Department of Social and Environmental Medicine, Faculty of Tropical Medicine, Mahidol University
- Football match competition among power plant sites
- The White Factory Program which is a drug-free workplace program organized by the Department of Labour Protection and Welfare of the Ministry of Labor.

GLOW has also promoted H&S performance of suppliers and contractors through various programs, including work instructions for contractors' safety, safety pre-qualifications for procurement, safety performance evaluations, alcohol and drug tests, etc. We also include EH&S issues under the Terms and Conditions section of every contractor and supplier contract.

Measures of Success

GLOW defined the review at least one time per year of the EHS Management System in the EHS Manual to ensure its continuing suitability, adequacy and effectiveness of all activities as well as their impacts on financial performance. We continually measure our safety performance through core KPIs including Zero Frequency Rate of Occupational Accidents (FR) and Zero Major Incidents.

We have also carried out an annual internal audit on the EHS Management System and management safety visit (MSV) at all power plant sites under GLOW's Behavioral Based Safety (BBS) practices. In addition, we have a surveillance external audit every year and a recertification audit every 3 years.

Initiatives on Occupational Health and Safety

In 2018, GLOW organized the Managing Rule-Breaking (MRB) Workshop for employees from Band C up (manager and supervisor level) to provide a common understanding of behaviors relating to human errors and violations as well as consequences management in order that a "just and fair" decision will be made should their subordinates involved with an accident or incident at work.

This workshop allows employees from all functions to understand why people break rules and how to manage and change their behaviors. Participants also learned how to apply the MRB concept during the root cause analysis (RCA) investigation and how to develop guidelines for safety performance evaluation (PA).

We have received positive feedbacks from participants of the workshop as they have implemented and applied the MRB concept in the RCA process and have developed guidelines for consequences management and safety performance evaluation to support changes to safe behavior at work.

Managing Rule-Breaking is one of the Hearts and Minds Toolkits to help in classifying behaviour on "Human Error and Violation" as to whether to apply appropriate consequences to meet the expectations of the organization. For more information on the MRB tool, please visit the following website: <https://heartsandminds.energyinst.org/toolkit>.

10 Million Man-hours without Lost Time Accident

On May 30, 2018, GLOW Group organized a celebration ceremony on the achievement of more than 10 million man-hours without a lost time accident from December 6, 2015 to the end of March 2018 at the Auditorium of GLOW SPP2&3 in Map Ta Phut Industrial Estate, Rayong. Present at the event were representatives from our head office and from all power plant sites as well as those from 20

contractor companies that had a safety performance that had met the criteria of the contractor safety evaluation of GLOW during the aforementioned period.

10.5.5 Human Capital Development

GLOW Human Capital Development Principles

At GLOW Group, talents are at the core of our heart and are crucial to running our business. We have diversity in our workforce and skilled talents to meet the growing demands of our business. We create a work environment where our people are able to realize and develop to their full potential, and have a rewarding career with the company. We invest in the future of our people through various trainings and development programs and activities.

Previously we mainly focused our time and investment in a technical development program. But from 2017 onwards, we aimed to balance our human capital development program by investing more in Leadership and Soft Skills. Currently, almost half of our human capital development investment goes to a Leadership and Soft Skills training and development program, followed by a Technical and Functional training and development program respectively.

Developing and Retaining Talent

Our training and development programs have been designed to meet business needs as well as to provide development opportunities for employees at all levels in all locations. The percentage of employees who attended at least one training session during the year increased from 96.6% in 2017 to 100% in 2018.

All training and development programs are vital to engaging, motivating and retaining employees. In addition, this human capital development devotion is our assurance to all investors and stakeholders for the availability of a skilled workforce to run the business in a sustainable manner.

Employee Training and Development Policy and Commitment

We maintain our development commitment to business and employees by having had a standard and a clear Employee Training and Development Procedure since 2003. In November 2018, we released a new major updated version (version 4) of our Employee Training and Development Procedure to cope with a challenging work environment, digitalization and human capital development transformation.

This procedure has been developed and updated based on our company vision, mission, Human Capital Development Principles, our governance structure and by ensuring the allocation of resources. The latest version of the procedure covers our new initiatives for the development of personnel to prepare our employees for the future. Those initiatives include GLOW's Leadership Model and GLOW's People Development Framework.

GLOW's Leadership Model reflects a belief that the energy sector is changing fast, and that we need to prepare for the future. Together with our current effort on improving technical and functional competencies in all functions, our new leadership model provides a simple framework which is designed to help our company achieve our goals based on three critical areas:

- (1) Preparing for the Future;
- (2) Working Together; and
- (3) Achieving Our Goals.

Since the 2nd half of 2017, we have already aligned our Leadership and Soft Skills training programs with this new leadership model. The GLOW Leadership Model and leadership competencies for each leadership level are available in booklet and on our intranet.

The GLOW People Development Framework has envisioned our ambitions in personnel development by putting together different people development programs and activities based upon 70:20:10 Model for Learning and Development, including development enablement for all levels of employees. We provide all these development plans since we believe that we are not likely to meet economic performance without the performance of our people.

Since 2014, we have established a Technical Development Program called “**Employee Qualification Training**” which is part of our Operational Excellence (OE) principle for Operations and Maintenance functions, and we continuously developed it for other relevant functions such as Reliability & Customer Maintenance, Environmental Health & Safety, Asset Optimization and Supply Chain Management, etc.

Our Employee Qualification Training has a clear training and development roadmap for target employees. The Inner and Middle Core levels of the Employee Qualification training take two and three years to complete respectively. The target employees have to pass 80% of the knowledge, skill and oral tests. To date, this Employee Qualification Training program is fully established and is one of our technical development programs that we are proud of.

Additionally, we have applied the **ADDIE** model (i.e., Analyze, Design, Develop, Implement, Evaluate), — a five-phase approach to build effective training and development solutions. This five-phase approach gives us a streamlined and focused training and development process and provides feedback for continuous improvement. In this model, each phase has an outcome or process that feeds into the subsequent step or process.

Lastly, our Employee Training and Development procedure is governed by a Non-Discrimination Policy, a Business Process Ownership (BPO) Policy, an Internal Control Process and other relevant GLOW Group policies/procedures, in particular with IPOA and GPOA, with clearly defined business objectives, roles and responsibilities for everyone in the organization.

People Development Goals

First, we aim to maintain our great record that 100 % of our employees attend at least one training session during the year. Second, we want to ensure that 100% of our target employees attend mandatory business trainings, including Corporate and Plant Site Orientation, Code of Conduct, EH&S Refresh Training, and an Inner Core level of Qualification Training Program.

Third, we aim to continuously increase the penetration rate of employees who attend Leadership and Soft Skills training sessions during the year. The rate has improved from 52% in 2016 to 79% in 2017 and 86% in 2018. We expect to reach 90% in 2019. Fourth, we aim to provide more Functional Training and Development programs for supporting functions.

Last but not least, we aim to instill a culture of continuous learning and capability development for our people by implementing GLOW People Development Framework, including its development programs e.g. Technical training, Leadership and Soft Skills training, Functional training, with development tools such as a Career Development Plan (CDP) and online learning resources.

Statutory and Mandatory Technical Training

Every year, we provide Statutory and Mandatory Technical Training courses to all concerned employees to meet legal requirements and business needs. In 2018, 324 out of 335 employees (97%) passed statutory training sessions and 424 out of 432 employees (98%) passed mandatory technical training.

Corporate Governance, Ethics and Compliance

GLOW has focused on ethics and compliance for many years. Our Code of Conduct sets out values and rules of integrity that underpin the way in which GLOW does business. We take a firm stance on promoting corporate governance, anti-bribery, and avoiding conflict of Interest within the Group. The Code of Conduct applies to all GLOW's employees, including the Board of Directors, and forms a basis for our business partners' Code of Conduct. Doing business in an ethical manner has a positive impact on each of the GLOW's employees, encouraging a collaborative approach to building a sustainable business.

GLOW rolls out a Code of Conduct mandatory training program for all employees. At the end of 2018, 97.8% of our employees had taken the training program. For more information, please refer to the **Corporate Governance and Anti-corruption** section.

Besides, we also embed Code of Conduct and Conflict of Interest statements in our employment contract to ensure that all employees, including newcomers, are aware of our Code of Conduct.

Environmental, Occupational Health and Safety (EH&S) Training

GLOW organizes EH&S Procedure Training for employees from all related functions at plant sites every year and we have achieved 100% attendance every year since 2016. In 2018, the average number of training hours per eligible employee was 17.2 (11,312.5 hours/659 eligible employees) or 2.9 man-days for the Occupational, Health and Safety training and 19.01 hours (12,547.5 hours/660 eligible employees) or 3.2 man-days for the Environment, Occupational, Health and Safety training.

Overall Training Achievements and Satisfaction

In 2018, we provided 483 in-house training sessions for 738 employees and sponsored 204 employees for 193 external training sessions in Technical, Functional, Leadership & Soft Skills training areas to sharpen professional competencies and improve the performance of our people.

We use an online survey to track the training effectiveness of all in-house training sessions and follow-up feedbacks of all external training sessions. The overall training satisfaction level of all in-house training sessions in 2018 was 3.44 out of 4. The rating scale ranges from 1 (Strongly Not Agree) to 4 (Strongly Agree). Meanwhile, the long-term impact is under development.

Knowledge Management

- Apart from those training sessions, GLOW also has a knowledge management system in place by providing resources in GLOW's e-library to help improve employees' knowledge and ability in various areas, e.g. technical, functional, leadership and soft skills, environmental and safety, innovation, etc. Since the inception of the e-Library in 2012, over 65,000 visitors have visited our e-library on various topics.
- In mid-2018, GLOW introduced a Knowledge Sharing Portal which is our Knowledge Management Digital Platform for exchanging ideas, experience and information among our employees on various business-related topics. This portal has helped us promote learning and innovation culture as well as building our future organizational capabilities. Since the Knowledge Sharing Portal is more flexible and expandable than e-Library, from the 3rd quarter of 2018 onwards we have migrated all technical, functional and leadership resources to the portal and positioned e-Library specifically only for Qualification Training Program resources.

Student Career Experience Program (SCEP)

- GLOW has continued investing in the company's internship program, called "Student Career Experience Program" (SCEP), which aims to develop and increase the capabilities of students who will be able to apply their academic knowledge in the industry and gain practical work

experience to prepare them for the real workplace. In 2018, 24 students from 11 institutions participated in our SCEP Program. From 2009 - 2018, GLOW had recruited 27 candidates from those who joined the SCEP Program.

- Every year, GLOW in collaboration with leading academic institutes organizes job fairs and a roadshow to provide career orientation and opportunities to the students. Throughout 2018, GLOW organized 14 job fairs at 14 academic institutes nationwide and received 1,052 applications from students of those institutes. We also organized a career roadshow at a university in Chiang Mai. There were 900 attendees who participated in this event.

Future Development Investment

- In 2019, we are going to introduce two more Functional Academy programs. The first is the **GLOW Business Academy program** which is a functional training program for senior and middle management, aiming to increase business acumen and build cross-functional collaboration within the group. The second is the **GLOW Sale Academy program** which aims to introduce new-trend sales skills and build cross-functional collaboration within sales-related areas using a gamification learning technique via board games blended with workshop learning with a 3-month online learning journey.
- In 2019, we will also introduce a leadership program for middle management and executives called "**Leadership Lab**" which also applies a gamification learning technique via board games.
- We will introduce a **Bite-Site Learning Newsletter** which contains interesting open-sourced digital learning resources to instill a learning culture and inspire our people with lifelong learning skills. We will also embed Bite-Site learning resources into our Knowledge Sharing portal.
- We will provide two talent development projects in 2019. One is the **Operations and Maintenance (O&M) Technical Competency project** which will uplift the competency profile of our O&M professionals. Subsequently, we will update our technical training program to meet the new competency profile and to develop a career path for our O&M professionals. After we complete the O&M Technical Competency project, we will continue with the non-O&M competency project. Another project is the **Revamp Talent Acquisition Process** which aims to improve candidates' recruitment experience by uplifting the recruitment and selection assessment process and tools.
- Lastly, to enhance our current HR practice in providing personal retirement assistance to each retiring employee, we plan to introduce **In-House Wealth Management Training Courses** to extend personal financial planning and retirement planning knowledge to all employees. This will help employees plan and manage their finances wisely at every stage of their career.

Holistic Development and Performance Integration

In early 2018, we officially launched the GLOW Leadership Model and Leadership Competency to all employees and informed employees that the GLOW Leadership Model and Leadership Competency have already been integrated with the Leadership and Soft Skills training program and the Annual Performance form. Furthermore, our Leadership training program has been designed to enable leaders from all levels in the organization to speak the same leadership language.

At the end of every year, all employees will receive a regular annual performance review to measure their performance, technical and leadership competencies and to discuss development plans with their supervisors. Inputs from the discussion will be used for training needs analysis in the following year.

For a technical development perspective, we will continue our standard measurement of the Employee Qualification Training program and enhance the program after we complete the O&M Technical Competency Project.

For Leadership, Soft Skills and Functional development perspectives, apart from current effort in measuring training effectiveness of all training sessions, we plan to introduce a more long-term ROI development approach, such as reinforcement tools and activities before and after training and to gather feedback from supervisors.

Key Results of 2017 Engagement Survey and Action Plans

In 2017, GLOW conducted an employee engagement survey and reached a 69% response rate (503 respondents). According to the survey results, the engagement rate was 81% which was very inspiring and indicated that our employees have a positive working experience with GLOW Group.

Based on the 2017 employee engagement survey results, we are committed to three action plans, including:

- 1) To further enhance an internal communications channel and the quarterly business briefings;
- 2) To devise additional ways and channels to identify and recognize our successes, innovative ideas and best practices, be it at the individual, team or company level; and
- 3) To instill a culture of continuous learning and capability development for our people, including the improvement of IT facilities & Internet access in all locations so that employees can conduct self-learning and engage in any digital/technological activities.

We have implemented these action plans since the 2nd half of 2018.

10.5.6 Livelihood of Local Communities

Community relations and development play an important role for GLOW not only to obtain a license to operate but also to coexist with communities and to maximize the benefits for society. We therefore commit to having an open communication and engagement with communities in order to build a strong relationship and to maintain trust with them.

We have both **risk prevention** and **value creation** processes to ensure the Livelihood of Local Communities.

10.5.6.1 Risk Prevention Process

We have a **CSR and Community Relations Plan** in place to guide our community relations team on how to effectively and proactively engage with the community.

To ensure constructive coexistence with the local community and the environment, GLOW has conducted social, health and environmental impact assessments as required by the EIA and EHIA based on participatory processes with the scope being for communities around our power plants in three major areas: Map Ta Phut complex, Pluakdaeng District and Sri Racha District.

In the case of new projects, we abide by EIA/EHIA guidelines and are set to conduct four sessions of public participation as early as one year before the commencement of the new project and to conduct local community engagement four times a year before commissioning and at least two times a year over the project lifetime.

We have three key committees in which community representatives are involved, including the Tripartite Committee, the White Flag Green Star Committee and the EIA Monitoring Committee that meet on a regular basis. Members of these committees include community leaders and local government authorities. We also disclose the results of environmental and social impact assessments to the public.

GLOW's community relations team has continuously engaged with the community and proactively communicates with them through different channels, including door-to-door visits and meetings. They can also file their complaints or reach us in case of emergency via email or by telephone with the number available on website. Our community relations team, which comprises mostly local people, is on standby 24 hours a day to provide an immediate response to all complaints and notifications. For effective communication in case of emergency, we conduct an emergency drill every year and strictly follow the **Crisis Management and Communication Procedure**.

In 2018, there was **no significant negative impact** to a local community and **no case of a public safety incident**. Also there were **zero injuries and fatalities to the public** involving company assets, as well as **zero legal judgments, settlements and pending legal cases regarding diseases**.

10.5.6.2 Value Creation Process

GLOW carries out community development programs to create values based on the **CSR and Community Relations Plan** which focuses on three main areas: education, environmental conservation and quality of life improvement.

To achieve our sustainability goals, we have planned and implemented CSR activities and other sustainability initiatives more strategically, starting from the stakeholder engagement survey which enables us to identify concerns and the expectations of our stakeholders and creates sustainable development as well as CSR programs that can better serve the three dimensions of sustainable development, i.e. economic, social and environmental.

Our community development program does not only serve the local community but also serves those who live in remote areas nationwide.

1) Local Community Development Programs

In 2017, we conducted a community survey and found that the major concerns of people in the local community included economic, environmental and health aspects while they mostly expected GLOW to support local businesses and the local economy and to employ local people. In 2018, we have responded to those concerns and expectations by implementing such community development activities as a career development program, reforestation activity, GLOW Yoga (a health promotion program) and a mobile clinic, etc.

Safety in School

GLOW provided safety training to 50 students at Baan Khao Hin School in Chonburi province to promote a safe environment in the school. After the training, the students were able to identify which areas or behaviors were not safe and knew how to prevent themselves from any harmful situation. Our H&S staff also shared their experience and technical know-how on how to extinguish fires and how to separate waste for recycling.

GLOW Hero

GLOW organized an innovation contest related to local community development. There were 45 students from local secondary schools and vocational schools who participated in the contest. There were three out of eight projects that were selected, including **mobile solar pump** and **beach volleyball court in school**.

Students who participated in the contest benefited in terms of hands-on experience outside the classroom. Joining the contest, the students have learned, for example, how to work as a team, how to manage the project within the available budget, how to think out of the box, and how to apply what they have learned in the classroom in real life.

The community also benefited from the awarded innovations, for example, six communities have saved their electricity cost after using the mobile solar pump innovated by Rayong Technical College to water their agricultural farms. The students of Baan Chang Kanchanakul Wittaya School and seven nearby communities benefited from using a beach volleyball court in terms of better health through exercise and serving as a platform to unite the community.

“It is a very useful project for the public in general. It enables young people to spend their leisure time wisely and in turn to have good health and minds. Young people will learn through sports competitions to compete, either to lose or win, and to forgive and respect others and rules. It is a good project that should be continued,” said Mr. Pattanapat Boonbamrur, a sports competitor from Plu Ta Luang School.

To strengthen Rayong’s economy, we have employed local people and purchased goods and services from local firms and communities.

Key figures of our contribution to the local economy in 2018:

- 51.22 % of our employees are local people*
- 77% of our Selling, General and Administrative (SG&A) Expenses are purchase of local goods and services from companies registered in Rayong
- THB 246.9 million contribution to community development activities, including those required by the Energy Regulatory Commission (ERC)

***Note:** Local people means those who have house registration certificates issued by Rayong Province

We also have collaboration projects with business partners and alliances with the government sector, such as the Community Partnership Association (CPA), the First Naval Area Command (NAC-1) and the Office of Her Royal Highness Princess Maha Chakri Sirindhorn's Projects (OPSP).

2) Nationwide CSR Programs

In 2018, our nationwide programs focused on providing energy to off-grid areas, such as for Koh Kham in Chonburi Province where we improved the existing solar system and installed a new solar system to extend the number of hours for which electricity is available.

Solar System Development on Koh Kham in Chonburi Province

GLOW improved an existing solar system and provided a new solar system on Koh Kham in Chonburi province to extend the period during which the electricity is available for everyday use by the NAC-1 officers posted on the island. Apart from allowing the necessary work on the island to run smoothly with stable power 24/7, the system also provides several charging hubs for tourists’ electronic devices.

This stand-alone system has an overall production capacity of 4,105 W (DC) and can supply power through batteries at 1,000 W-h per day. The project helps us to achieve one of our 2020 sustainability targets which is that there will be **10,000 beneficiaries of energy-related CSR projects in off-grid areas in Thailand** and can be compared to the figure for 2017 when there were 1,861 beneficiaries in Thailand of our energy projects in off-grid areas.

Mushroom Cultivation Project in Chantaburi Province

A group of GLOW employees proposed this project for funding from the company. It was first initiated by a school in Chantaburi province to provide know-how in mushroom cultivation to students who can further apply this know-how to earn their living.

The granted fund was used to improve existing grey oyster mushroom cultivation facilities and processes, including a learning center for mushroom substrate preparation; a substrate bag packing machine which helps speed up the packing process; a mushroom substrate incubator which is safer than its traditional method; and a new fruiting room.

The improvement has **reduced the time to prepare mushroom substrates from 14 days to three days and the fuel cost by 33%**. Forty students from grade 3-6 have hands-on experience in every process from substrate preparation to marketing.

By taking into account the UN Sustainable Development Goals (SDGs) and the inevitable impacts of climate change on our business operations, we have then developed our approaches to sustainability by focusing more on concerns and expectations of our stakeholders and community development programs that can better serve the three dimensions of sustainable development, i.e. economic, social and environmental.

Traditional CSR activities are still the key to maintaining relationship with local communities but our higher goal is to improve the community livelihood in a sustainable manner by using our expertise in the energy business. For nationwide community development programs, we aim to provide more renewable energy for people in off-grid areas

10.5.7 Innovation

While a reliable power supply, regulatory compliance, resource management and social responsibility are essential to maintaining our license to operate and to secure GLOW's outstanding position, it is only by striving for innovation that we capture opportunities and take the further step as a competitive player in the power utility market.

Despite the numerous erupting players in the market, we see ourselves leading and pushing towards the Business to Business (B2B) decentralized renewable energy business, with our economy-of-scale and expertise in the industry that has accumulated through decades of experiences. GLOW views innovations not only as the source of distinction and competitive advantage, but also as the mechanism to generate a positive impact on both society and the environment. In this aspect, it can be said that fostering the passion for innovation in our organization also brings multifold value-added benefits for our investors.

Aiming for sustainable business growth requires knowledge, continuous development and, most importantly, the ability to adapt and adopt new technologies. It has become our commitment to reinforce our people to be the leaders of change in their work functions or across the company, starting with an improvement in efficiency. This is also in alignment with our group's strategy of 3D and 1E, which stands for Decarbonization, Decentralization, Digitalization, and Energy Efficiency.

At the front line, our Business Development team works to identify innovative solutions, tailored to meet the B2B energy demand in Thailand which are central to our business. On the efficiency improvement side, we have the SmartSave program that encourages each business function beyond Assets Optimization to be actively involved and to initiate approaches to manage GLOW's capital more efficiently in order to deliver consistent or even better results.

GLOW set the target for the SmartSave program to achieve a THB 750 million saving over the period of 2016-2018 against the 2015 baseline. Therefore, we have been implementing methodologies to keep track of the financial value saved by implementing the SmartSave projects. The overall estimated operational savings made during the reporting year of 2018 is THB 1,350 million, which is better than the target. Moving forward, we are preparing to quantify the non-financial impacts of each project, if applicable, on the environment and on society as well.

<< Info 25: SmartSave against target>>

Amidst the era of digitalization, GLOW has adopted digital transformation and implemented many automated smart projects to ensure we are up to speed with modern trends and even excel in what we are doing. In 2018, we advanced the implementation of the control system called “Balance+” at our circulating fluidized bed (CFB) boilers units. The system employs a machine learning method to optimize quantity and rates of fuel, air, water and other factors necessary for power generation, resulting in better efficiency and reliability of the plant.

To keep up with our relentless endeavor to serve our customers better we expanded the scope of our Remote Monitoring System (RMS) service by working with EnergyLens™. This system upgrade included the tracking of more information, such as peak demand, average price, Minimum Take Obligation (MTO), historical invoices, procedures, reports and other related parameters. Improved monitoring allows our Industrial Customers Management team to ensure the satisfaction of both power and steam customers.

Around the end of 2019, the new industrial waste-to-energy (WtE) power plant in WHA Chonburi Industrial Estate 1, initiated by GLOW, in cooperation with WHA Utilities & Power and SUEZ Asia, will commence its commercial operations. This industrial waste incinerator plant will be the first of its kind in the Eastern Seaboard. We aim for it to play a significant role in the responsible treatment of waste in Thailand that not only utilizes resource efficiency but also reduces emissions of greenhouse gases (GHG) and other environmental impacts from waste disposal operations such as landfilling, which does not recover any energy or resources from the waste disposed.

One of GLOW’s medium-term targets which roots deeply on innovation is to establish at least 5 low-carbon projects by the end of 2020. Up until the end of 2018, we have commissioned 4 low-carbon units and we still strive to surpass our aim. More information on GLOW’s renewable and low-carbon projects can be found in the previous chapter on the most material aspect of **Environmental Management and Climate Change**.

10.6 Other Material Aspects

Furthermore, GLOW identified 10 other relevant aspects that are important for GLOW to meet different levels of stakeholders’ expectations in three areas: economic, environmental and social. Details of these material aspects are available in our Sustainable Development Report 2018.

Economic	Environmental	Social
• Risk Management	• Biodiversity	• Human Rights (Social Impact on Communities)
• Crisis Management	• Waste Management	
• Supply Chain Management – Feedstocks	• Wastewater Management	
• Supply Chain Management – Products & Service and Chemicals		
• Customer Relationship Management		
• Tax Paid to the Government		

11. Internal Control and Risk Management

11.1 Internal Control

The Audit Committee consists of three 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.

In 2018, the Audit Committee assessed the adequacy of the Company's existing internal control management programme 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 management programme in place is adequate and appropriate. Additionally, the Company's Statutory Auditor commented that there were no material deficiencies in the Company's internal control management system in accordance with Thai Standards on auditing.

11.2 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 employee.
- During the past years, the Company has dedicated substantial time and effort on continuing to improve its internal control management framework.
- Comprehensive policies and procedures have been developed and approved, 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.
- In order to reduce or eliminate business process operational risks, the Business Quality function aims to ensure that all compliance, control or improvement gaps that are found to exist between the approved policies/procedures and real-world practices are tracked and implemented by respective Business Process Owners ("BPOs") on a timely basis.
- A Code of Conduct has been put in place, and 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 times each year.
- The Company is also subject to audits performed by the Internal Audit function, which is also responsible for coordinating and following-up on the implementation of all audit recommendations.
- As a part of internal control management programme, Company's Executive Management Committee ("EMC"), comprised of all Division Heads, commits, by signing an annual internal control management attestation letter, to designing and implementing internal controls within the scope of their respective responsibilities. This is based on existing monitoring programmes, and takes into consideration the conditions and constraints relevant to the internal control function. This process

includes evaluations that are carried out using control self-assessment questionnaires on the general control environment.

11.3 Risk management

- Business risks, present and future, that are 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 measures to reduce such risks.
- Identified risks are monitored continuously.
- Risks are discussed during the Board Meetings and monthly Executive management meetings.

11.4 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 on an annual basis, or as and when required and approved by the Board of Directors. The POA clearly specifies employee 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.

11.5 Information and communication system

- 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 continuously strives to improve information and communication management 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.

11.6 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 management system and business processes are audited continuously.
- Each year, the Company agrees on an Internal Audit Plan based for identified high-risk business processes to be included in the Internal Audit’s planning.

11.7 Regulations on internal control

- The Company’s corporate governance principles and internal control requirements have been undergoing reforms for several years.
- In 2003, the Company launched the Internal Control Management Programme in response to increasing regulatory pressures regarding internal control management and disclosure requirements. Beyond the importance of ensuring compliance, the Programme 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 management system.
- The Internal Control Management Programme’s scope was expanded in 2009, for the purpose of focusing on effective management of internal controls and their efficiency benefits.
- The internal control management programme required a significant effort to implement. All processes and relevant internal control procedures related to operational processes and financial statements were documented and assessed by the Business Process Owners (“BPOs”) for design effectiveness (completeness of documentation of the internal controls on paper) and operating effectiveness (effective execution of the internal controls in real-world practices). This self-assessment process reinforces ownership and responsibility. It also guarantees the sustained operational effectiveness of the internal control management system, and ensures its ability to adapt to organizational, procedural, or regulatory changes. Human Resources management, financial management, accounting management, asset management, sales management, procurement and fuel supply management, inventory management, operations management, asset management, corporate

governance, and information technology management are among the processes that are documented.

- BPOs are assisted by an Internal Control Coordinator (“ICC”). The ICC ensures the internal control management programme’s proper implementation within the company, and prepares information in support of the Executive Management Committee’s (“EMC”) signing of the annual internal control management attestation letter.
- Internal Audit and Statutory Auditor conduct extensive tests on the Company’s most critical internal controls in business processes. These tests, which include assessments of design and operating effectiveness, help improve internal control management system 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 August 2018, the Company’s EMC signed the Internal Control Management Attestation Letter for the 2018 Financial Year
- The Company will continue to embed the above noted internal control management system into the corporate culture and business processes of its organization.

11.8 Internal Audit

Management appoints, removes and replaces the Internal Auditor with the consent of the Audit Committee.

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

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 subsidiaries, comprising of Glow Co., Ltd., Glow SPP 1 Co., Ltd., Glow SPP 2 Co., Ltd., Glow SPP 3 Co., Ltd., Glow SPP 11 Co., Ltd., Glow IPP Co., Ltd. and GHECO-One Co., Ltd. jointly entered into Support Services Agreement and Engineering Services Agreement dated 9 February 2009 and Novation Agreement dated 25 November 2014 with ENGIE Asia-Pacific Company Limited whereby, ENGIE Asia Pacific Company Limited 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 without periodic fixed fee. The term of the agreements is two years from 11 July 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 ENGIE S.A. (the ultimate shareholder) holds directly or indirectly less than 25 percent of the shares of 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, similar to the transactions provided to other unrelated parties. 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 to 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 or a stakeholder who might have a conflict of interest, 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 in order 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.