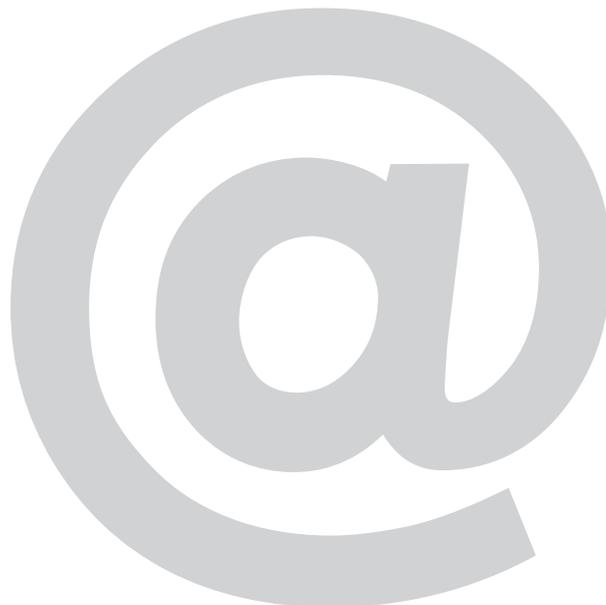
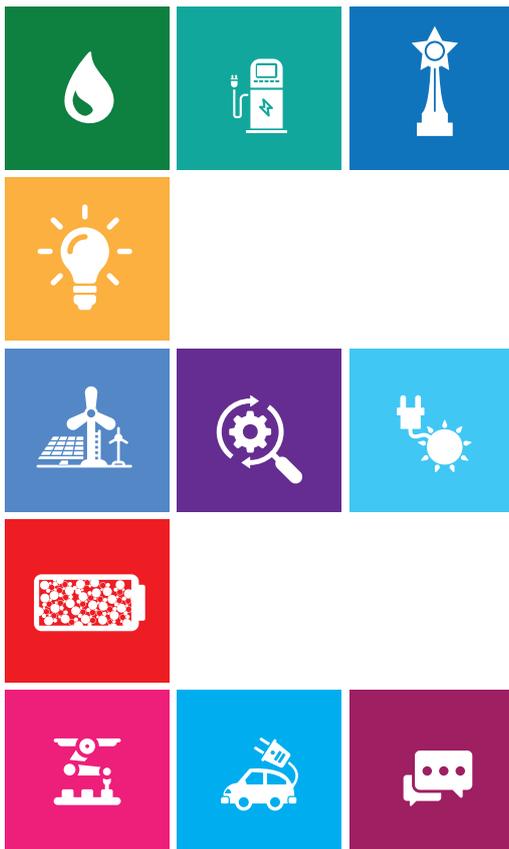


# BEYOND ENERGY

Mobilize



**COSYSTEM**





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## Message from the CEO



“

According to the policy of environmental-friendly business operation based on the advanced technology as a driving force, the Company has strictly adhered to and will carry on with long term plan, and the great support from all related parties such as government and the private sector in country and overseas. Since 2018 onwards, it has marked the significant progress of the Company from surging in another business using more advanced technology and will create stable growth and sustainability of the Company.

”

A handwritten signature in black ink, appearing to be 'Somphote Ahunai'.

Mr. Somphote Ahunai  
Chief Executive Officers

## To Shareholders,

The year 2018 considered as a significant brink and a challenging year of Energy Absolute Public Company Limited. The year where the Company carries out biodiesel and renewable energy power plant business to more advanced technologies and step toward the world of more extensive competition, from the nation to region and to the world scale. According to the long term strategic plan of the Company, it is our determination to become a leader of the energy business and related business by using the cutting edge technology which is harmless to the environment.

Throughout recent years, the proportion of biodiesel consumption is set at a fixed level 7 percent. The Company's production and distribution of biodiesel and glycerin and generating electricity from solar and wind power plans with a total production capacity of 404 megawatts, and other businesses generate total revenue of Baht 12,490 million and a net profit of Baht 4,975 million.

In addition, the success of improving efficiency and production process of biodiesel and glycerin, the Company has accomplished the research and development of advanced biodiesel or the Green Diesel (GD) and the Phase Change Material (PCM). These two products will generate products based on crude palm oil to more advanced technology.

Currently, the development of GD and PCM for the production and distribution within Thailand and abroad are on high demand. These are an innovation that adds value and enhance the business opportunity for the Company and business partners in the supply chain. The idea will generate a positive outcome where the agriculturists can growth together with the Company, following the Share Value concept.

The Company has installed machinery for testing the product. Meanwhile, the marketing campaign has been started in June 2018 and receives good feedback. Accordingly, the Company has prepared a work plan and budget for construction of a new plant.

Regarding the renewable energy power plant, the executives and employees have put together the effort to push forward the Hanuman Project, the wind power plant with the capacity of 260 megawatts located in Chaiyaphum province, the project value approximately Baht 20,000 million. The construction is partially completed in December 2018 and the entire construction project is expected to be complete in the early of 2019.

The Hanuman projects generate electricity from wind power and transmit to the transmission line of the Electricity Generating Authority and Provincial Electricity Authority feeding over 200,000 households, and reducing the dependency on fossil energy that causes pollution to the environment.

The advanced electrical innovation that the Company has continuously operated since 2017 according to the long-term business plan is applying energy storage technology to build energy security and to create energy security and to increase the use of renewable energy in a proportion that is environmentally friendly. With an aim to move forward to the energy storage industry, after acquiring shares in Amita Technologies Inc., Taiwan, the Company gradually increases its shareholding until as of 31<sup>st</sup> December 2018, the shareholding reaches 77.21 percent. The Company plans to build a manufacturing plant of lithium-ion batteries in Thailand, with a total production capacity of 50 GWh per year.

The lithium-ion batteries are used for electricity storage for the electrical power industry and electrical automotive industry. Since the Taiwanese Government sees the determination and intention of the Company to apply the technology for the highest benefits and to enhance competitiveness in international level, on 8<sup>th</sup> October 2018, the Minister of Economic Affairs, Taiwan has signed his name affirming the intention to support the Company with information, problem-solving and assistance in business operation as the Company will need. The assistance also includes an introduction to business opportunity, facilitating the technical and business term between the Company and other entities in Taiwan.

Furthermore, the Company receives technology support from the Industrial Technology Research Institute or ITRI Taiwan, which highlight the readiness and confidence of the Company. The battery production in Thailand during the first phase has a capacity of 1 GWh per year. For the next phase, the Company will expand the facilities to reach 50 GWh per year.

With the vision of the Board of Directors seeing that the battery is the most significant driving force to create energy security and to move forward to a modern and pollution-free automotive industry, the Board of Directors supports researches and development of electrical automotive which is designed and developed by a Thai team. Eventually, the Company launches the introduction for MINE Mobility, the first and genuine Thai electric car in Bangkok International Motor Show 2018.

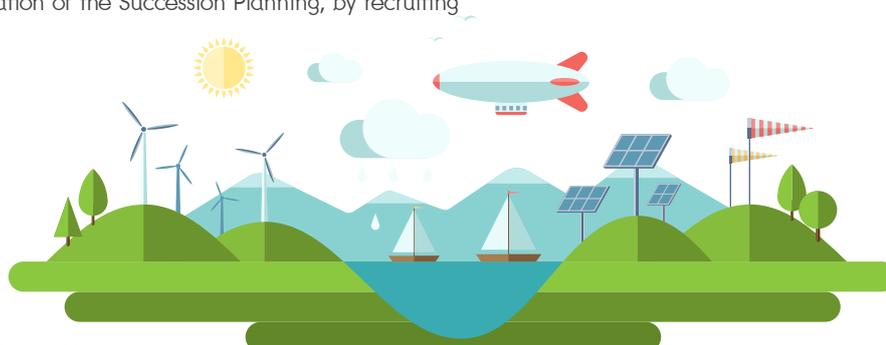
The path of automotive business through the transformation of technology from oil fuel and natural gas (fossil energy) to electric power, reducing pollutions cause to soil-water-air and the global warming issue, bringing back the livelihood for society and our nation in the sustainable future. The lithium-ion battery will become the key of success. The Company prepares to install electric charging station – EA Anywhere throughout Bangkok Metropolis, vicinity and nationwide, creating a proper ecosystem before launching the sale of MINE electric car in the following year. This will leverage Thai society to become a pollution free society in the near future.

Besides, the Company prepares the readiness in other parts to support the growth in the long term covering the economy, society and environment coupling with the study, research and development, intensively passing on technology knowledge to personnel in various business lines. The preparation includes the implementation of the Succession Planning, by recruiting

new people to join the business development, providing training courses to existing personnel in all levels, managing risk by preparing important work system, preparing financial structure and structure of the Company Group, seeking for new investment opportunity regarding renewable energy aboard, developing communities in terms of education to allow the communities becoming a part of EA Group, promoting careers and well. being of surrounding communities through project of Corporate Social Responsibility Department.

According to the policy of environmental-friendly business operation based on cutting edge technology as a driving force, the Company has strictly adhered to and will carry on with long term plan, and the great support from all related parties such as government and the private sector in Thailand and overseas. Since 2018 onwards, it has marked the significant progress of the Company from stepping beyond its existing business and surging in another business using more advanced technology. The positive outcome is gradually shown now and will create stable growth and sustainability of the Company.

On this occasion, I would like to thank you, shareholders, Board of Directors, employees, customers, vendors and business alliances, financial institutions, government agency and state enterprise, communities as well as all stakeholders who considered the vital part of our business success, the creation of innovation and the progress to achieve long term goal of the Company. The Company is committed to becoming a leader of alternative energy by using advance and environmental-friendly technology for the highest benefits returning back to shareholders, trading partners and employees with fairness. This is the target to create sustainable growth for the Company following the Company's motto **"Energy Absolute, Energy for FUTURE."**



## About EA

Energy Absolute Public Company Limited or the "Company" was registered as a company on March 6<sup>th</sup>, 2006, in original name Suntech Palm Oil Co., Ltd., with initial registered capital of THB 50 million. Currently, the Company has registered capital of THB 373 million, divided into 3,730,000,000 ordinary shares at par value of THB 0.10 per share.

### Vision

To become the leader of alternative energy by using cutting-edge and environmental-friendly technology for the highest benefit returning back to shareholders, trading partners and employees with fairness.



### Mission



- To use advanced technology in order to increase production efficiency
- To support using energy corps as well as natural energy in order to reduce pollution released to the environment.
- To support government policy, building the energy security of the nation.
- To conduct a business based on fairness, build confidence among partners and shareholders.
- To build a robust foundation on human resource for sustainable and stable growth

### Values

# FIRST



**F**

Friend

Friends of our stakeholders



**I**

Integrity

Conduct business in line with integrity and reliability



**R**

Resourcefulness

Efficiently use the acquired resources



**S**

Security

Build energy security



**T**

Transparency

Operate business with transparency and corporate governance



The Company has passed on its vision, mission and values mentioned above to its employees and subsidiaries through various channels and implemented as a strategic plan to create the prosperity to the Company sustainably.

The major business target for the year 2018 is to develop the wind power plant project "Hanuman Project" with a total capacity of 260 megawatts, located in Chaiyaphum. The Company has signed the Power Purchase Agreement (PPA) within the prescribed time, together with improving production efficiency, operation, reducing the unnecessary loss on expenses and energy for renewable energy power plant and biodiesel business. The Company encourages its

employees to bring about the new ideas to develop their work as well. Moreover, "EA Inside EA" is a project launched to develop potentiality of employees.

Meanwhile, the Company follows the long-term plan to support the growth in existing business line as well as related ones both within the country and overseas by expanding its investment to other business namely manufacturing of lithium batteries, electric automobiles and EV station. These businesses are the preparation for the future growth with target to generate the sustainable long term return on investment coupling with the opportunity to grow more.

## Business of the Company

The Company's business is divided into :

### 1) Biodiesel (B100)

The Company is a producer and distributor of biodiesel (B100), purified glycerin and byproduct. The Company has been granted a license of Oil Trader pursuant to Section 7 of the Fuel Trade B.E. 2543 by the Ministry of Energy on 14<sup>th</sup> October 2009.

### 2) Renewable Energy Power Plant

The Company has been broadened to 4 projects in solar power plants, the total production capacity of 278 megawatts, 2 projects from the wind power plant (consisting of 8 sub-projects), with the total production capacity of 386 megawatts.

### 3) Battery Development and Manufacturing

The Company acquired shares in Amita Technologies Inc. ("Amita-Taiwan"). Being incorporated under the law of the Republic of China (Taiwan) and also listed in the Emerging Stock Market (ESM) of the Stock Exchange of Taiwan, Amita-Taiwan is the developer and manufacturer of Lithium-Ion Polymer batteries with total production capacity approximately 80 megawatts per year. The said investment aims to expand and enhance

the competitiveness of the Company including to conform with the business policy that thrives for the environmental-friendly concept.

As of 31<sup>st</sup> December 2018, the Company holds 77.21 percent of the issued and paid-up ordinary shares in Amita-Taiwan, the Company's subsidiary.

### 4) EV Charging Stations and Electronic Transaction Business

The Company as broadened the scope of operation by establishing an electric charging station for electric vehicles under the trademark "EA Anywhere". The aim is to utilize the clean energy in the automotive industry and to reduce the emission of carbon dioxide gas and to promote the use of environmental-friendly energy.

The electric charging station is directly operated by the Company's subsidiary - Energy Mahanakorn Co., Ltd., the service provider of EV stations for plug-in hybrid and battery. The electric charging station is based on conductive charging technology. The electric vehicle is connected to the charger by cable (or charging cable) which is widely used nowadays. The charging is available



for direct current and alternating current. The alternating current can be charged up to 44 kilowatts/hour, depending on the onboard charger of each automotive model. Meanwhile, the direct current charger can charge up to 150 kilowatts/hour.

To facilitate the convenience among users, the Company plans to install 1,000 EV Stations to throughout Bangkok, vicinity and provinces across the country. Additionally, the Company has developed an application on the mobile phone and communication devices to allow users to search and book the chargers and to make a payment conveniently. This application will support an ecosystem of the electric charging which building confidence and draw attention and stimulate the rapid growth of electric vehicles. This business plan, in addition to enhancing the competitiveness of the Company regarding the electricity, it also conform to the business policy that aims to generate an environmental-friendly.

## 5) Research and Development Business

In the previous year, the Company has established a subsidiary - Green Technology Research Co., Ltd., Energy Beyond Research Co., Ltd. and MINE Mobility Research Co., Ltd. to research and develop products related to palm oil, lithium-ion batteries and electric vehicles respectively. The purpose of these three new subsidiaries is to continue the development and creation of new products, to improve potentiality and product quality, and to enhance the competitiveness of the Company Group to be sustainable in the long run. The three subsidiaries are listed below.

(1) Green Technology Research Co., Ltd. conducts research and development on the high value-added using the crude palm oil as a primary material. Such a method is a know-how of production developed from biodiesel production which is known as Green Diesel and the Phase Change Materials (PCM). The products will add value to the business and return on investment to the Company and its business partners

in supply chain since the newly developed products is high in value and is in high demand in the local and overseas market. As of the end of year 2018, the Company has registered the patent and is not preparing the construction of the new plant.

(2) Energy Beyond Research Co., Ltd. is established to conduct the research and development of lithium-ion batteries. The company is now under the progress of transferring primary technology from Amita-Taiwan and the subordinates of Taiwanese government to build the manufacturing factory in Thailand under the name Amita Technology (Thailand) Co., Ltd., ("Amita-TH). As of ending of the year 2018, the company prepares the construction as stated in the investment plan for the total capacity of 50 GW per hour per year. The products are for use in the electricity industry which will build the energy security and promote the production proportion as well as the proportion of the clean energy from renewable energy and for further use in electric automotive industry and other industries.

In this matter, the Company has studied the feasibility to invest in neighboring countries and other countries in Asian region. The investment is to build the renewable energy plant with energy storage system based on lithium-ion battery to enhance the power generation from clean energy and meet the demand at a more stable level.

(3) MINE Mobility Research Co., Ltd. is a designer and developer of Electric Vehicle (EV) with the teamwork of Energy Absolute under the brand "MINE Mobility". The brand name is derived from the concept Mission no Emission which indicates that the driving of this electric vehicle with electricity stored in the battery manufactured from the Company Group will not release pollution to the air or generate noise pollution. If there will be more use of electric vehicles and replace the vehicles driven by fossil energy, Thai society will step into the era of consuming energy that does not cause carbon in the near future.



## Revenue from business operation

The Company and subsidiaries have revenue from sales of products. Revenue from biodiesel business accounts 28.11 percent of total net sale revenue where the primary products are biodiesel, Purified Glycerine and the byproducts. Renewable energy power plant business generates 61.49 percent of revenue. The primary products

are electricity from solar power, electricity from wind power and the contribution from Adder.

Revenue from other business accounts 2.88 percent and accounting profits resulting from business combination and other incomes 7.51 percent. Detail are as follows:

Revenue type	Year 2016		Year 2017		Year 2018	
	MB	Per-centage	MB	Per-centage	MB	Per-centage
<b>Biodiesel</b>						
1. Biodiesel oil	4,721.13	45.23	4,205.23	36.02	3,194.23	25.57
2. Purified glycerin	169.49	1.62	267.07	2.29	296.16	2.37
3. Byproducts	11.32	0.11	14.16	0.12	20.76	0.17
	<b>4,901.94</b>	<b>46.96</b>	<b>4,486.46</b>	<b>38.43</b>	<b>3,511.15</b>	<b>28.11</b>
<b>Renewable Energy Power Plant</b>						
4. Electricity from Solar Power Plant	1,786.31	17.11	1,933.05	16.56	1,934.12	15.49
5. Electricity from Wind Power Plant	-	-	489.07	4.19	802.48	6.42
6. Revenue from Adder Purchase price of electricity	3,704.14	35.48	4,670.94	40.01	4,944.22	39.58
	<b>5,490.45</b>	<b>52.59</b>	<b>7,093.06</b>	<b>60.76</b>	<b>7,680.82</b>	<b>61.49</b>
<b>Other business groups</b>						
7. Revenue from other businesses	-	-	-	-	359.99	2.88
<b>Total revenue from sales and services</b>	<b>10,392.39</b>	<b>99.55</b>	<b>11,579.52</b>	<b>99.19</b>	<b>11,551.96</b>	<b>92.49</b>
8. Accounting profit arising from business merging	-	-	-	-	894.58	7.16
9. Other income	46.86	0.45	93.98	0.81	43.69	0.35
<b>Total incomes</b>	<b>10,439.25</b>	<b>100.00</b>	<b>11,673.50</b>	<b>100.00</b>	<b>12,490.23</b>	<b>100.00</b>
Share of profit (loss) from investments in associates and interests in the joint venture	-		(62.27)		(6.31)	



## Business strategy

### 1. Business strategy for biodiesel

The Company realizes the importance of procurement of raw material for the production of B100 biodiesel as a part of continual development in the production process which currently provide biodiesel 800,000 liters per day and glycerin 80 ton per day.

The Board of Directors' Meeting No. 2/2012 held on 30<sup>th</sup> March 2012 passed a resolution to appoint a board of procurement which comprised of representatives from production, procurement and sale department under the supervision of the Executive Committee. The procurement board is appointed to enhance the efficiency of the procurement plan to be in line with market situation by information provided from the production department as a supplementary factor.

- Crude palm oil (CPO), stearin and refined bleached deodorized palm oil (RBD) : The purchase is made based on reservation quantity as regulated in Section 7, advanced sale plan, the risk of cost of raw materials, situation in the market as well as price announcement from the Energy Policy and Planning Office.
- Methanol: purchase from local chemical suppliers
- Catalyst: purchase from local chemical suppliers and distributors
- Activated Carbon: purchase from local chemical suppliers

### 2. Business strategy for renewable energy

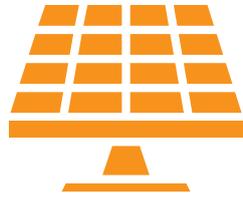
The business scope has been broadened to 4 projects in solar power plants, the total production capacity of 278 megawatts, 8 projects from wind power plant, with total production capacity of 386 megawatts.

#### Solar Power plant



#### Wind power plant





## Solar Power plant

- Lopburi (8 MW)
  - Nakhon Sawan (90 MW)
  - Lamphang (90 MW)
  - Phitsanulok (90 MW)
- Total production capacity**  
**278** megawatts

## Solar Power plant

The Company Group is a producer and distributor of electricity generated from solar power plants. There are 4 projects commercially operated with total production capacity of 278 megawatts. Details are as follows.

## Wind power plant

The Company Group is a producer and distributor of electricity generated from wind power. There are 8 projects consisting of those with commercially operated and the project under preparation for commercial operation with total production capacity 386 megawatts.



## Wind power plant

### Hadkanghan Projects (Nakhon Si Thammarat, Songkhla)

- Hadkanghan 1 (36 MW)
- Hadkanghan 2 (45 MW)
- Hadkanghan 3 (45 MW)

**Total production capacity**  
**126** megawatts

### Hanuman Projects (Chaiyaphum)

- Hanuman 1 (45 MW)
- Hanuman 5 (48 MW)
- Hanuman 8 (45 MW)
- Hanuman 9 (42 MW)
- Hanuman 10 (80 MW)

**Total production capacity**  
**260** megawatts



### 3. Business strategy in battery development and manufacturing

Amita-Taiwan is the manufacturer of Lithium Ion Polymer batteries which include Lithium Nickel Manganese, Lithium Iron Phosphate (LFP) and Lithium Titanate (LTO) for use in electric automobiles, electric motorbikes, electric bicycles, UPS and energy storage.

The customer base is from within the country and overseas. Since Amita-Taiwan is a significant partner with Industrial Technology Research Institute (ITRI) - the Taiwanese research institute, Amita-Taiwan receive help and assistance in research and development of battery on a regular basis until it has become a leader in the industry. The help and assistance is forwarded to Amita-TH which is established to expand the production base to Thailand to accommodate the industrial demand in various fields.

### 4. EV Charging Stations (for Electrical Automobile) and Electronic Transaction Business

The Company has broadened the scope of operation by establishing an electric charging station for electric vehicles under the trademark "EA Everywhere" operated by a subsidiary - Energy Mahanakorn Co., Ltd. The aim is to utilize the clean energy in the automotive industry and to reduce the emission of carbon dioxide gas and to promote the use of environmental-friendly energy. The expansion of business to EV charging station is to become a part of the infrastructure development to accommodate the electric vehicles or next-generation automotive.

The business strategy is to open the EV Station by becoming an ally with potential property owners. EMN designs and invests in equipment and the decoration while the property owner will prepare the area. The outstanding features of the EV Station - EA Anywhere is the modern and efficient equipment, located in the prime area and distributed to the potential areas in Bangkok, vicinity and major provinces.

EMN also develops an application called "EA Anywhere" to facilitate users to search, reserve and make a payment for the charging service. Call Center is established to advise on the information and to receive the opinions that may be useful.

### 5. Business strategy for research and development

With the vision to drive the business using technology as a vital part, the Company hence prioritizes the investment on the deep research and development. The Company registered and establishes the following subsidiaries for development and research purpose.

- (1) Green Technology Research Co., Ltd.: established to develop and conduct researches on innovation to continue and add value to agricultural products in Thailand. The products or services of the Company is the production process related with raw materials from the palm. The research and development are aimed to add value to the products where the invention can be registered for the patent in many countries and will be applied to the commercial business operation of the Company Group.
- (2) Energy Beyond Research Co., Ltd.: established to conduct research and develop the innovation for lithium ion batteries and energy storage system. The products and services are the production process of lithium ion batteries and battery control system and other innovation related. The innovation invented can be registered for the patent. The target groups is affiliated companies.
- (3) MINE Mobility Research Co., Ltd. : established to conduct research and development for electric vehicles to carry on the electric automotive that truly meet the need of users under the concept Mission No Emission. The company target is to create a vehicle that does not generate pollution, eco-friendly, cost-saving and safe, easy to maintain, providing the cost-effective in the long run under the brand "MINE Mobility".



### Marketing strategy

Our marketing and publicity strategy is performed by maintaining production quality that meet the standard, building good relationship with customers to retain existing customer base, including continuing the operation development, obtaining industrial certification to build confidence in the Company's business. Meanwhile, the Company also expands the customer base regularly.

### Marketing strategy : Renewable energy business

The Company has strong determination to become a leading producer of alternative energy by using cutting-edge technology, choosing quality equipment from reliable manufacturers to ensure the smooth and stable performance of the power plants.

Through the operation of the Company Group, the teamwork are assigned to design the construction plan, maintain the solar power plant and wind power plant to ensure the efficient operation and the maximum production capacity that meets the specification under the natural environment. The project aim is also to develop communities and societies around the power plant who considered as an important part of the business operation.

Besides, the Company Group has arranged training courses and workshop training its employees on a monthly basis. The courses cover the management and maintenance of the factory and power plant, safety at work, caring of environment and community, compliance with the code of ethics of the Company. These courses are to ensure that the employees will comprehend the knowledge, understand, gain experience and skills which is an essential part of the strategy to create an outstanding difference as a leader of technology that drives the business together with self-development continuously.

## Good Corporate Governance

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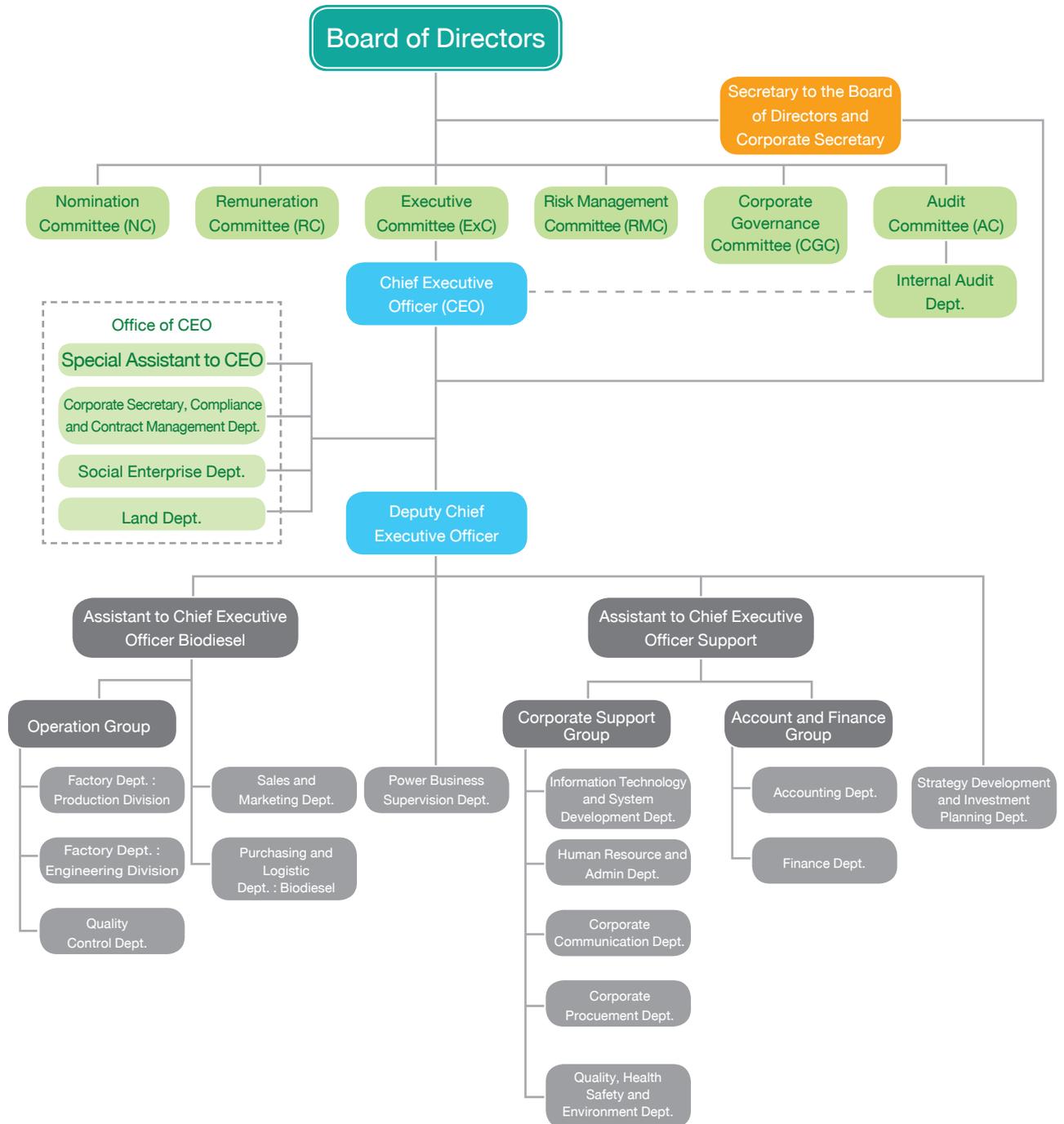
With an understanding on the importance of implementing Good Corporate Governance 2017 as announced by SET, and therefore, implements such "**Good Corporate Governance**" as a guideline to enable effective and transparent management which will ensure trust and confidence among shareholders, investors, stakeholders and all related parties.

### Management approach

The Company's policy on the Good Corporate Governance is consistent to the policy set forth by the Stock Exchange of Thailand (SET) and the ASEAN Corporate Governance Scorecard. The Company applies such policy as a standard of business operation that adheres to morality, ethics and the good corporate governance for compliance among the Board of Directors and employees in all levels.

### Corporate strategy and policy

- Corporate Governance Policy
- Anti-Corruption Policy
- Discrimination policy
- Confidentially of Information
- Antitrust/Anticompetitive practices
- Insider Trading/Dealing
- Policy and measures that concerns the Safety, Health and Environment
- Whistleblowing policy





The Board of Directors is appointed by the meeting of shareholders. The Board has an authority to approve the management structure taking into account the importance of having the management structure that is consistent to the business operation strategy in the long-term. To enhance the efficient and transparent business operation, balancing the care for stakeholders, the Company has determined the management structure to meet the size, type and the complexity of the business with the audit and balancing of the power which will build trust among stakeholders.

The Board of Directors appoints the Nomination and Remuneration Committees to screen and consider to ensure that the nomination procedures of the Board of Directors and high executives will proceed with transparency and fairness. To appoint the directors, there will be an advance notification at

least 3 months for opening for nomination from shareholders. The consideration is made without discrimination due to the difference in genders, ages, races, nationalities or religions but mainly concern on the variety of each career or skills in order to seek for the person that best suit to the organization. The Company has determined the criteria and forms of compensation for directors and sub-committee in a clear written form.

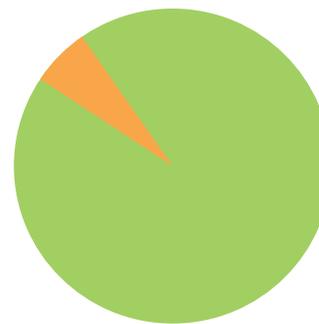
The compensation must be approved by shareholders and must be consistent and variance to the operating result or annual operating result, long-term business plan and the result of performance assessment of the directors.

**ความรู้ความชำนาญ**



**The Board of Directors comprises of 11 members**

There are 2 executive directors, accounting 18.20 percent.



There are 9 non-executive directors, accounting 81.80 percent.

**Independent Directors**

There are **6**

from total directors, accounting

**54.55** percent

(the President holds Independent Director and is a different person from the CEO)

The executive directors cannot hold directorship in more than 2 listed companies.



None of the board members hold directorship in more than 4 listed companies.





### Annual performance assessment of the Board of Directors - for the entire board and individual

	Assessment result Entire board (%)	Assessment result Individual (%)
Board of Directors	98.02	98.41
Audit Committee	98.65	97.92
Nomination Committee	97.37	98.48
Remuneration Committee	96.25	98.64
Risk Management Committee	99.68	99.54
Corporate Governance Committee	98.26	98.87
Executive Committee	95.71	96.50

### Subcommittee Structure

The Board of Directors appoints sub-committee to oversee and filter important issues and to report the operative result to the Board of Directors on a regular basis. Sets of the sub-committee consist of:





Sub-committee	Independent Director	Executive Director	Non-Executive Director	Main duty
Executive Committee	-	2	3	<ul style="list-style-type: none"> <li>Consider and review direction of business operation to be in line with policy, target, operation plan, business strategy and the budget approved by the Board of Directors.</li> <li>Consider the code of practice and operation manual of the Company</li> </ul>
Audit Committee	3	-	-	<ul style="list-style-type: none"> <li>Review the financial reports and internal control system, compliance with the laws and criteria related to the Company.</li> <li>Consider the internal audit plan</li> <li>Consider the disclosure of company information in case of a connected transaction or the transaction that may have a conflict of interest.</li> <li>Consider and appoint the auditor and determine the auditing fee</li> </ul>
Nomination Committee	3	-	-	<ul style="list-style-type: none"> <li>Consider the policy for the nomination of directors and high executives</li> <li>Prepare the succession plan</li> <li>Nominate and select a person for director and high executive</li> </ul>
Remuneration Committee	3	1	1	<ul style="list-style-type: none"> <li>Consider and propose the compensation for the Board, sub-committee and the CEO</li> </ul>
Risk Management Committee	3	2	1	<ul style="list-style-type: none"> <li>Establish the policy and acceptable risk level</li> <li>Monitor the compliance with the policy and operation to ensure that there will be adequate and proper risk management</li> </ul>
Corporate Governance Committee	3	-	1	<ul style="list-style-type: none"> <li>Consider the policy and practice for the good corporate governance</li> <li>Assess the good corporate governance within the company by using corporate governance to determine the topics that should be improved.</li> </ul>

### Good Corporate Governance Practice

Realizing the rights of all shareholders, and stakeholders when conducting business, the policy that focuses on a business operation that maintains basic rights of shareholders and stakeholders as stipulated by law will build trust and confidence on the operation of the Company Group.

To be compliance with the good corporate governance for the listed companies year 2006 notified by the Stock Exchange of Thailand, the Company has applied 5 principles as a guideline for

code of conduct which are rights of shareholders, fair treatment to shareholders, roles of stakeholders, disclosure of information and transparency and responsibilities of the board of directors to facilitate the effectiveness, transparency and audibility of its management system, which will create confidence and assurance among shareholders, investors, stakeholders and all related parties.

The main subjects of the corporate governance operation are as follows:



## Corporate Governance (Corporate Governance – CG)

### Section 1: Rights of shareholders

- Rights of the Shareholders
- Shareholder's meeting

### Section 2: Equitable Treatment of Shareholders

- Use of internal information for the purchase and sale of the Company's securities
- Conflict of interest
- Report of interest

### Section 3: Roles of stakeholders

- Treatment to stakeholders
- Risk Management Policy
- Safety and hygiene of the workplace environment
- Society and Environment policy
- Policy on Handling Complaint
- Right Protection for employee, contractors or temporary staff

### Section 4 : Disclosure of information and transparency

- Information disclosure
- Auditor and quality of financial report

### Section 5 : Responsibilities of the Board of Directors

- Structure of the Board of Directors
- Qualifications of directors
- Term of directors
- Meeting of the Board of Directors
- Duties and responsibility of the Board of Directors
- Appointment of Sub-committee: Executive Committee / Audit Committee / Nomination Committee / Remuneration Committee / Risk Management Committee / Corporate Governance Committee
- Evaluation of the Board of Directors' performance
- Training and Development Course for Directors
- Succession plans and policies regarding succession plans

For more information about the Good Corporate Governance, please visit  
<https://www.energyabsolute.co.th/corporate.asp>

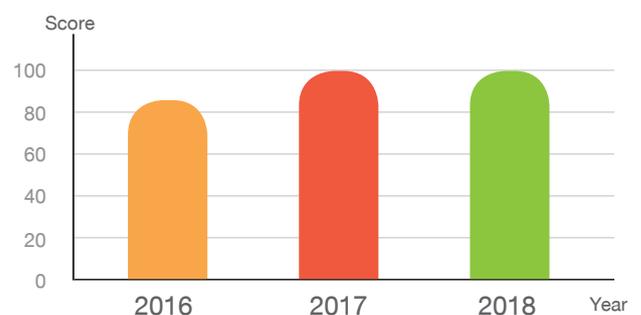
## Performance/success indicator

Performance of the Board of Directors is assessed by the Board of Directors annually. According to the Corporate Governance Report of Thai Listed Companies 2018 by the Thai Institute of Directors (IOD) and the Stock Exchange of Thailand.

The assessment result is "Excellent" (5 star) and received a higher average score than the average of the entire listed companies while the SET100 Index is increased for the past 3 consecutive years.



The Company holds the General Annual Meeting of Shareholders to present the operation result annually. In year 2018, the Company was rated 100 scores out of 100 from the Assessment of the shareholders' meeting quality program for the year 2018 by the Thai Investors Association for two consecutive years.







# Economic dimension

## Ethics in business operations

Being committed to a business operation that is adhering to the ethical code of conduct which is transparent, accountable, the Company has determined the "Ethical Code of Conduct in Business Operation" as a guideline for directors, executives and employees. The code is divided into various topics as follow.

1. Human rights and treatment to employees
2. communities, societies, environment, health, and safety
3. Accepting or offering properties or any other benefit which may influence decision making
4. Conflict of interest in transactions of the Company
5. Acquisition and disposal assets of the Company and use of internal information
6. Compliance with laws, regulations, provisions
7. Application of properties, information, IT and intellectual property of the Company
8. Treatment to customers and product quality / marketing communication
9. Treatment to contract parties (trading partner and creditors)
10. Treatment to competitors

The vision of the Company and the Company Group ("Company Group") are committed to becoming a "leader of alternative energy by using advance and environmental-friendly technology for the highest benefits returning back to shareholders, trading partners and employees with fairness." Therefore, the Company has set the policy to manage the sustainability in all dimensions, maintain the balance of economy, society and environment, operate the transparent business with continual development.

The said policy is a framework for management, operation strategy and business plan to consistent with the sustainable management principle that meets the international standard for compliance among executives and employees. For instance,

- Good Corporate Governance Policy
- Ethical Code of Conduct Handbook

- Anti-corruption Policy
- Tax Policy
- Whistleblower Policy
- Conflict of interest Policy

### Management approach

The personnel should acknowledge that they must perform work by following the Corporate Governance requirement and the Ethical Code of Conduct to create sustainability in the entire corporate governance. To cultivate the ethical operating culture, the Company sets as a part of corporate value and as one of the performance indicator of executives and employees. Additionally, the ethical culture is promoted regularly in various activities to ensure that everyone acknowledges the business code of conduct, for example,

- Orientation on the Ethical Code of Conduct to new employees
- Publicize handbook and practice guideline on the Company's website

### Anti-corruption Policy

Energy Absolute Public Co., Ltd., and affiliated companies are with determination to conduct business adhering to social responsibilities and stakeholders under good corporate governance and the business ethics as well as policy and practice guideline for all stakeholders.

The Company has in place the policy that defines the responsibility and regulations of inappropriate operation to prevent corruption in all corporate activities. Besides, the ensure that the decisions and business operation that may have a risk of corruption will be considered and rectified prudently, the company has prepared the "**Anti-Corruption Policy**" in written form as a clear practice guidance in business operation and to achieve the sustainable development.<sup>1</sup>

<sup>1</sup>Approved by the meeting of the Board of Directors No. 1/2557 on 28 February 2014.



- Definition of Anti-Corruption Policy

Corruption is defined as any types of bribery by means of offering, promising or soliciting of money, assets or other advantages which are considered inappropriate for government agencies, private agencies or the particular person whether directly or indirectly in order for them to act or refrain such person from acting or omitting one's duty to acquire any other benefits which are not appropriate for the business unless the laws, rules, announcements, regulations and local customs or business practices have allowed so.

- Anti-Corruption Policy

All Directors, Management and employees of the Company are prohibited from operating or accepting directly or indirectly any type of corruption covering every business and concerned sectors. This also includes their regular examinations on the Anti-Corruption Policies as well as their reviews and revisions of guidelines and procedural requirements which are in compliance with business changes, rules, regulations, and stipulations of laws.

- Scope and Responsibilities

1. The Board of Directors :

The Board of Directors has duties and responsibilities to determine policies and oversee the effective Anti-Corruption policy, to ensure that the management is aware of and realizes the importance of anti-corruption and cultivate into the corporate culture.

2. Audit Committee :

The Audit Committee has duties and responsibilities to review the Company's financial and accounting reports, internal control system, internal audit function and risk management system to ensure that they are concise, appropriate, updated, and efficient.

3. Executive Committee and Executives :

Their duties and responsibilities is to establish the anti-corruption system, to promote and support

the Anti-Corruption policy. Then communicate to employees and all related parties. Moreover, the Executive Committee and Executives also have to review the adequacy of systems and measures to be in conformity with the changes of business, rules, regulations and law provisions.

4. Internal Auditor :

The Internal Auditors are responsible for auditing and reviewing to ensure the business operation has proceeded accurately in line with the policy, code of conduct, authority, practice guideline, law and regulations to ensure the adequacy and sufficiency to the risks of corruption that may occur. After reviewing and auditing, the Internal Auditors must report the result to the Audit Committee.

### Guidelines

- 1.) The Board of Directors, executives and employees must comply with the Anti-Corruption policy and the Company's Code of Conduct without interfering with corruption whether directly or indirectly.
- 2.) Employees must not ignore or negligent to any actions which may lead to corruption related to the Company. Such an issue must be informed to the head or chief or person of responsibilities for acknowledgment. Employees must coordinate in an investigation. In case of any doubts or questions, an employee should discuss with his/her supervisor or the responsible person assigned for monitoring the compliance of code of conducts, through various channels provided.
- 3.) According to the Whistleblower Policy set forth, the Company will treat with fairness and protect the employee who refuses or report the corruption issue related to the Company or the person who reported the corruption issue.
- 4.) The person commits corruption is deemed as breaching the Company's Code of Conduct and is subject to the discipline penalty as prescribed in the regulation as well as subject to the legal penalty if such action is judged as a legal offense.



- 5.) The Company is aware of the importance of dissemination, distribution of knowledge and understanding other persons who performing their duties related to the Company or that may affect the Company in respect to the complaints with the anti-corruption policy.
- 6.) The Company persists in creating and preserving the corporate culture, denying corruption in transactions made with the government and private sector.

### Regulations on operation

- 1.) This Anti-Corruption policy shall cover the procedures of human resource management from recruitment or selection, promotion, training, performance assessment for employees, compensation. The supervisors in all levels must communicate and create the understanding among employees to ensure the business transaction under his/her responsibility and the supervision on compliance is efficient.
- 2.) Any actions under Anti-Corruption Policy shall be conducted in accordance with the guidance set forth in the Ethical Code of Conduct, Corporate Governance guideline, policy and practice guideline to all stakeholders, including regulations, and related business operation manual of the Company and any other practice guidelines which will be formulated by the Company in the future.
- 3.) For clear operation in the matter that has high possibility of corruption, the Board of Directors, executives and employees of all levels shall be careful in the following matters:
  - Gift, banquet, the expense for giving-deliver or accepting of the gift shall be as stipulated in the Code of Conduct.
  - The money donated for charity or supporting or receipt of donation or supporting fund must be given with transparency and in line with the law. The person must assure that such donation or supporting fund will not be used as a reference for bribing.
  - Business relationship and procurement made with the government sector are prohibited from offering or accepting a bribe in all business

operations. In addition, the business operation and contact with the government agencies must be executed with transparency and honesty and in compliance with applicable laws.

### Procedures about Anti-Corruption Policy

To support the operations related to Anti-Corruption policy, the Company has formulated policy on filing complaints and other relevant regulations as a guideline for considerations and practice as following:

- The Board of Directors has approved the policy on receiving complaints to accept complaints made from within and out of the organization. Details are as following:

#### Policy on Handling Complaint

To encourage and support all stakeholders both within and out of the organization to take part in corporate governance, the Company has the policy to accommodate the event when stakeholders have doubts or questions or witness the act that is suspicious to be violating or noncompliance with the law, rules, regulations or the code of business conduct. The person who has a question, doubt or witness the matter mentioned can report the clue or file a complaint together with evidence with the Chairman of the Audit Committee.

#### Conditions and Consideration of Receiving Complaints

- 1) The complaint must be true, explicit and contain sufficient information to conduct an investigation.
- 2) To protect the complainant, he/she may choose not to reveal his name.
- 3) The information received by the Chairman of the Audit Committee is kept as confidential and disclosed as deemed necessary, as the safety of whistle-blower is the main concern.
- 4) Upon the fact-finding and investigation process, the complaint will be reported to the Board of Directors for consideration and issuance of appropriate measure.
- 5) The person filing a complaint will be equally protected



whether he/she is an employee or the third party.

#### Procedures

- 1.) Report the progress/consideration result to the complainant who provides his/her name or address.
- 2.) The Company reserves the right not to disclose the information about an investigation or discipline penalty which may affect personal information and confidentiality.

- In addition to complaint filing by mail directly to the

Chairman of the Board of Directors, the Company has provided another channel to report grievance directly by sending e-mail to Chairman of Audit Committee which shown on the Company's website. In year 2018, the Company did not have any complaint about corruption, non-observance with the Code of Conduct of internal personnel and the third party.

#### The channel for filing the complaint of the Energy Absolute Public Company Limited:

Location : 16<sup>th</sup> floor, AIA Capital Center Building, No. 89 Ratchadapisek Road, Din Daeng Sub-district, Din Daeng district, Bangkok 10400  
Tel. : 02 249 2488-92 11a: 02 002 3667-9  
Fax : 02 248 2493  
E-mail : [chairman.audit.com@energyabsolute.co.th](mailto:chairman.audit.com@energyabsolute.co.th)  
Website : [www.energyabsolute.co.th/complaints.asp](http://www.energyabsolute.co.th/complaints.asp)





## Risk management

With the determination to develop the risk management that respond to the business operation and business plan of the Company continuously, to control the impact level that may occur to the business, society and environment, the Company is aware of the impact level and maintain to be in the acceptable range together with preparing the action plan.

### Risk Management Policy

- Employees of all levels are the responsibility to be aware of risk containing in work operation within the department or organization and to place importance on lowering risks inappropriate and acceptable level.
- To implement risk management procedures which is in line with international standards in order to effectively create manage risk which may impact business operation of the Company to create development and performance which covers risk management through the entire organization by applying risk management system as supporting factor for decision making, strategic planning, targets, working plan and business operation direction of the Company, including to put emphasis on moving forward to achieve objectives, targets, visions, missions and imposed strategies to create excellent work performance as well as confidence among stakeholders.
- To define measures on prevention and minimize risks from business operation in order to avoid potential damage or loss, as well as to monitor and assess the risk management result regularly.

### Operation process

- The Board of Directors appoints Risk Management Committee to support the Board in determination if risk management policy covers the entire organization, to implement risk management system or procedure to reduce/minimize impact on the business of the Company Group efficiently by formulating factors, scope of authority, duties, responsibilities to ensure the Risk Management Committee perform their duties with full effect.

Besides, Risk Management Committee Charter is prepared to describe the three main duties of the Risk Management Committee as follows.

- 1) Establish the policy and acceptable risk level
  - 2) Follow up the implementation, review the report of risk management, ensure the appropriateness and sufficiency of the risk management, ensure the risk management remain in the acceptable level, and to ensure that the risk management has been continuously applied.
  - 3) Regularly coordinate with the Audit Committee by exchanging knowledge and information regarding risk and internal control which impacts or may impact the Company, encourage to have culture of risk management and proper internal control.
- The Company arranges the **"Internal Control and Risk Management Program"** by inviting the qualified and skilled person who is specialized in internal control and risk management to improve knowledge and understanding among executive directors and employees in all levels regarding the scope and framework of the corporate risk management.
    - There are 4 persons attending the Internal Control and Risk Management Program.
    - There are 24 employees attending the Internal Control and Risk Management Program.

The next operation is to collect the analysis result and risk management result to support the business plan and annual operation plan from each division (bottom up). These results will then be collected and prioritized and prepared into a plan

**Risk to the business operation of the Company and the Company Group after approval of the high executives and the Risk Management Committee is summarized as follows.**



Type of risk	Risk
1. Strategic Risk	<ul style="list-style-type: none"> <li>• With the strategy to use the technology as a driving force in business, the Company is one of the first entities that operate project both inside and outside the country. During the initial phase, the Company gradually operated its business until the risk is clear and covered or managed, the investment will be expanded eventually.</li> </ul>
2. Marketing Risk	<ul style="list-style-type: none"> <li>• Risk from relying on major customers in biodiesel business and electricity business which are not many</li> <li>• Expansion of the new customer base or extend the new PPA in local electric business are limited and depended on the government policy.</li> <li>• Risk from the more intense competition in the industry</li> </ul>
3. Financial Risk	<ul style="list-style-type: none"> <li>• Risks from the fluctuation of the biodiesel price under the pricing mechanism of government and the more intense competition</li> <li>• Risk from the fluctuation of the price and volume of raw material used in biodiesel production which is varied by the marketing condition.</li> <li>• Risk from changes of power purchase rate</li> <li>• Risk from acquiring fund to be sufficient, timely and with proper capital for spending in the investment of the Company Group</li> </ul>
4. Operating Risk	<ul style="list-style-type: none"> <li>• Risk from procurement sufficient raw material in a timely manner with the production planning and the delivery schedule of biodiesel</li> <li>• Risk from dependence on the main executives</li> <li>• Risk of the shortage of personnel who is skilled in specific work, especially the field that requires new technologies and innovation.</li> <li>• Risk from the delay of project and investment plan</li> </ul>
5. Compliance Risk	<ul style="list-style-type: none"> <li>• Risk from changes of relevant government policy</li> <li>• Risks from documents related to power plant projects including new investment in Thailand and abroad.</li> </ul>
6. Emerging Risk	<ul style="list-style-type: none"> <li>• Risk of technology</li> <li>• Risks from the issuance of new regulations related with the environment</li> </ul>

### Emerging risk

There are two major risks which are risk of technology and risk from the issuance of new regulation related with the environment

#### Risk of technology

The advanced electrical innovation that the Company has continuously operated since 2017 according to the long-term business plan is applying energy storage technology to build energy security and to create energy security and to increase the use of renewable energy in a proportion that is environmentally friendly.

Realizing the emerging risk that may occur from the invention of new technology to replace the current technology which the Company is investing or the freed trade of electricity allowed in local and global scale where the price will be cheap. As a result, production growth and power storage will be reduced.



With well aware of the changes that may occur in various situations, the Company has formed the business foundation and robust revenue coupling with the seeking of opportunity from new investment, including the study and development of advanced technology.

**Risks from the issuance of new regulations related to the environment**

Since the Company's business is large, using many modern tools and equipment such as solar panels, wind turbine for power generation, lithium ion batteries, therefore, once the equipment and tools are deteriorated, it will be possible to return to manufacturers to proceed in accordance with the proper and accurate procedures.

However, it is possible in the future that the law, in a local or global scale, will become more strict. In this regard, the Company's teamwork has monitored the technology

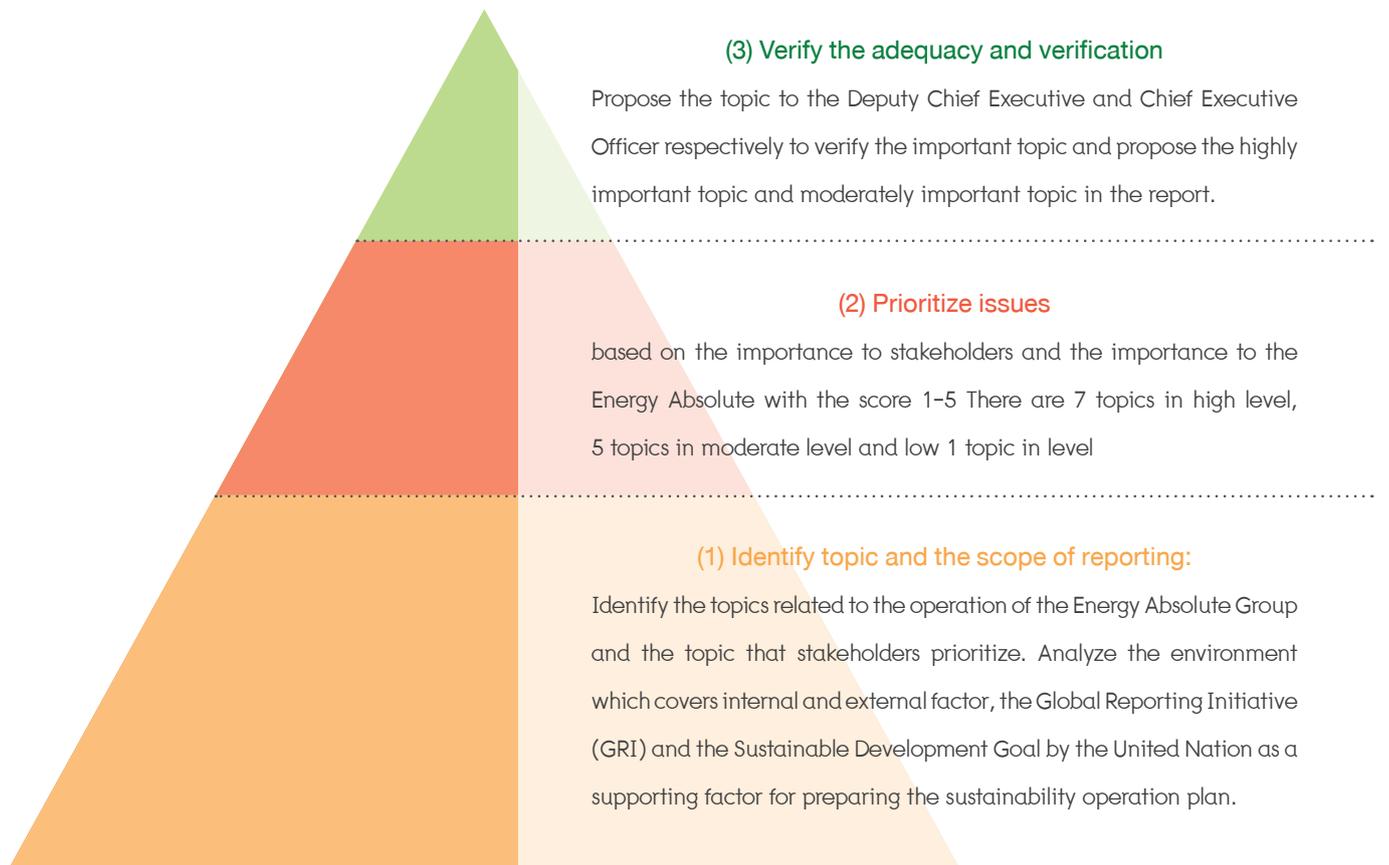
development closely, and cultivate the awareness of the employees to realize the importance of technology as well as to maintain the tools and equipment to extend the lifetime at its maximum duration.

**Sustainability of the Company**

Under the vision of Energy Absolute to become a "leader of alternative energy by using advance and environmental-friendly technology for the highest benefits returning back to shareholders, trading partners and employees with fairness", the Company and its subsidiaries operate business activities and related activities with an aim to grow and develop the Energy Absolute Group toward the sustainability. In preparation of this Sustainability Report, the Company combines the analysis covering internal and external factors, related environment and the assessment conducted under international standard.

**Management approach**

- The procedures for sustainable development assessment are as follow:





- The factors used in the assessment of sustainable development



- Materiality topics of the business  
 The Company has in place the assessment guideline which is the materiality of the business in order to lead to creating value in the long term to the organization and to be the important tool to identify the sustainable operation direction of the organization following the GRI G4 Guideline.  
 Stakeholders are allowed to take part in the significant topics, for example, becoming a leader in alternative energy business by using cutting-edge technology, environmental-friendly. The topic is consistent with the sustainable development target of the United Nations (SDGs) in the 7 Goal - the Affordable and Clean Energy and 9 Goal - Industry, Innovation and Infrastructure.

**Framework for analysis of the sustainable topics**

<p>Analyze the sustainability topics in the Value Chain of the Company Group</p> <p>to continue the business operation of the Group which includes the existing business and future projects.</p>	<ul style="list-style-type: none"> <li>• Biodiesel business: Raw material procurement, sales and marketing, production, research and development, risks</li> <li>• Renewable energy power plant business: Electricity generation management and maintenance, construction of new power plants which already listed in the power purchase agreement (PPA) Risk</li> <li>• The business pending the development in Thailand and abroad</li> <li>• Other important issues for the business group and the same industry</li> </ul>
<p>Analyze the topic that stakeholders prioritize</p> <p>in order that the preparation of operation and improvement plan is consistent to opinions of stakeholders</p>	<ul style="list-style-type: none"> <li>• Engagement survey of employees for analysis and preparing an improvement plan</li> <li>• Take a satisfaction survey and the need of communities around the factory and power plant</li> <li>• Listen to opinions, suggestions, and satisfaction of shareholders, investors, analysts and the general public, employees, business partners, Practice guideline and framework for the report under international stand are included in the planning process</li> </ul>
<p>Analyze the consistency to the scope of risk management</p> <p>to ensure prudent, cautious operation with a proper alternative plan</p>	<ul style="list-style-type: none"> <li>• Analyze the comparison between business direction and business plan</li> <li>• Compare risks of the Company Group which cover the current risks and the risks that may occur in the future</li> </ul>
<p>Continually inspect, monitor to revise and develop</p> <p>to create trust and continual and sustainable development</p>	<ul style="list-style-type: none"> <li>• Propose the assessment on sustainable development issue to the Executive Committee and the Board of Directors for approval in the operation together with the business plan of the Company</li> <li>• Follow-up the operation and regularly review the operation</li> <li>• Disclose the related information in the report of Sustainable Development and on the website+</li> <li>• Open up for suggestions, opinions from stakeholders for continual improvement</li> </ul>



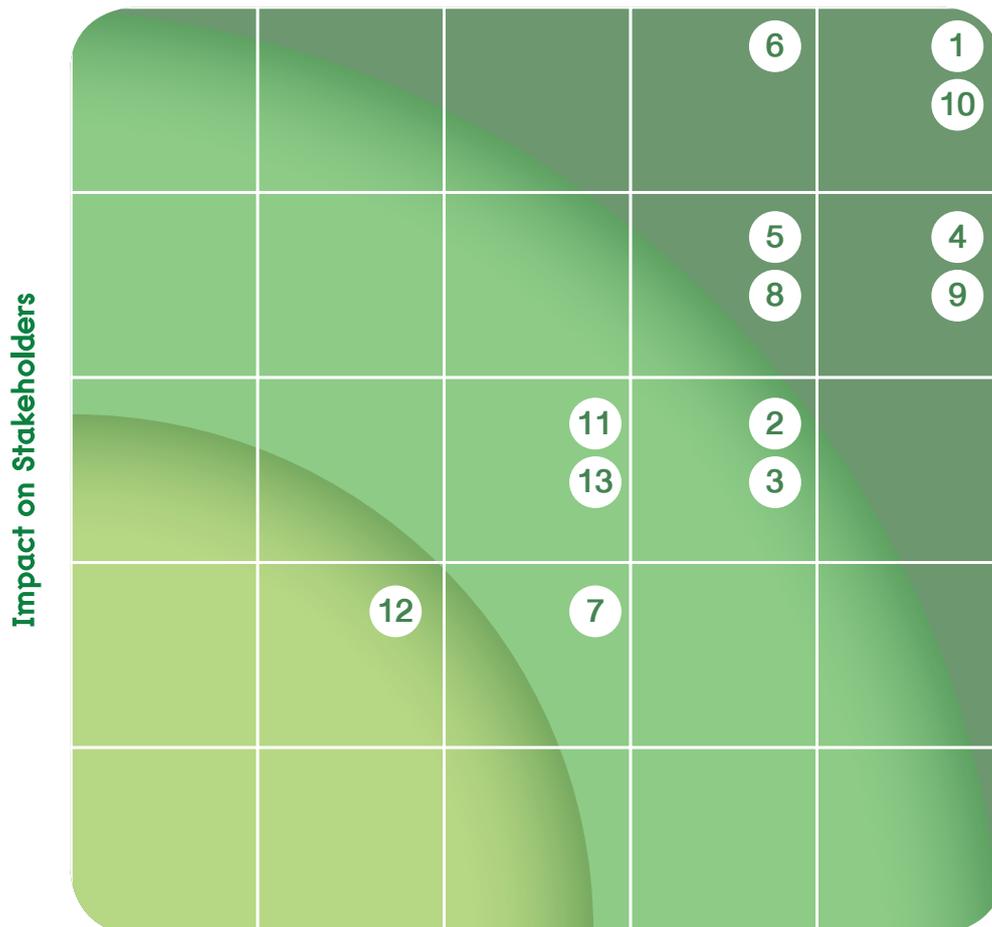
**Performance/success indicator**

The Company adheres to the Global Reporting Initiative (GRI) coupling with the goal of sustainable development (SDGs) by the United Nations in the development of the sustainable assessment which covers economic, environmental and social aspects which may affect the

Company and stakeholders of all groups. The Company has prioritized the important sustainability of the Energy Absolute Group and classified 3 types of impacts to the stakeholders which include the very important topic, moderate important topic and less important topic respectively.

- Material sustainable topics of the Energy Absolute Group

**The Sustainable Assessment of 2018**



**Opportunities and impacts of EA Group**



## Important topics and the scope of impact

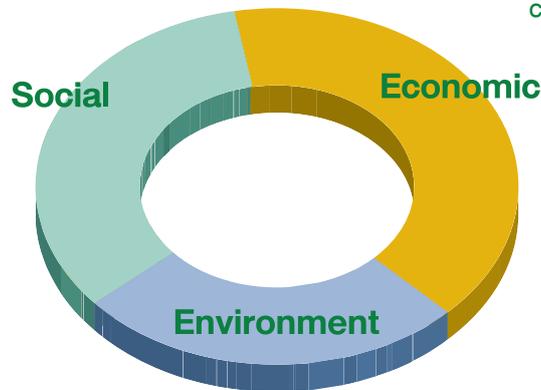
No.	Important topic for the year 2018	Scope of impact								The connection with GRI Standards	Page		SDGs	
		Internal/external									Sustainability Report	Annual Report		
		Employees	Contractor	Business partner/customer	Community / society	Government agency	Investor / Shareholder	Joint investor	Creditors	Environment				
1	Confidence in the equipment and safety of the production process	✓	✓	✓	✓						403	45	111 - 112, 124	
5	Occupational health and safety	✓	✓	✓	✓						305	41 - 42	124	
2	Anti-corruption			✓		✓	✓	✓	✓		205	19 - 21	147 - 148, 168 - 170	
3	Risk management			✓		✓	✓	✓	✓		201	23 - 25	92 - 99, 123, 153	
12	Risk related to water			✓		✓	✓	✓	✓		303	37	172	
											306	37		
4	Human resource	✓			✓						401	39 - 41	112	
13	Human right	✓			✓						404	19	149	
											402	19		
											405	19		
											102	19		
6	Environmental management system				✓					✓	307	35 - 37	146, 149, 163 - 177	
7	Enhancing the efficiency of the eco-production process				✓					✓	305	42 - 45	171 - 177	
											306	42 - 45		
8	Social Responsibility				✓						203	39 - 45	146, 163 - 177	
											413	39 - 45		
9	Management of business partners in the supply chain			✓	✓						414	30-32	164	
10	Innovation management		✓	✓	✓	✓		✓		✓	201	5-7	5, 112	
11	Climate change			✓	✓	✓	✓	✓		✓	302	35	167 - 168	
											201	36		



**Key sustainability issues defined in the business plan**

- Leverage the organization to for recognition of the management with good corporate governance
- Business operation that is consistent to the law and good environmental management
- Develop properties of all related division to be ready for the sustainable assessment
- Implement Employee Management project, prepare the plan that aims to enhance the coalition of employees to organization together with Succession Plan and Talent Management through various programs.

Project  
Employee Engagement  
Succession Plan and  
Talent Management



Enhance the organization to be accepted in management with good corporate governance while seeking business opportunities.



Conducting business in accordance with the law and having good environmental management

**The reward of sustainability**

- The Company is awarded "Thailand Sustainability Investment (THSI)" from SET Sustainability Awards 2018 and was selected for Sustainable Stock, by the Stock Exchange of Thailand.





## Customer relations management

With an intention to develop the business with the Company and the Company group to follow the sustainable development, the Company is ready to advise, assist and to receive the suggestions and provide helps through many activities i.e. giving knowledge, efficiency assessment, a suggestion for improvement guideline.

The EA Business Partner Code of Conduct has been prepared as a guideline for business partners to lead to being a good citizenship coupling with the good corporate governance which taking into account the society and environment and to use as a mutual business standard.

In preparation of the EA Business Partner Code of Conduct, the Company adheres to the principles and practice from related regulations, laws. The Code of Conduct also refers to charters and standards recognized in the global standard i.e. Universal Declaration of Human Right : UDHR, International Labour Organization : ILO, UN Global Compact and Social Accountability International : SAI.

### Management approach

- The Company has prepared the EA Business Partner Code of Conduct
- The Company has prepared the EA Business Ethics.

### Operation process

- The handbook and code of practices are prepared as a guideline to manage customer relations to ensure compliance with Good Corporate Governance. Meanwhile, the documents also promote the fair business operation among business partners, respect to the freedom and rights of the individual, the care for labor and human right, occupational health, safety and environment, including the anti-corruption in all forms.
- Applying for ISO 9001:2008 Certification, the Company aims to develop and improve the quality of its products and services, deliver the products to meet customers/business partners' satisfaction. The Company understands that the satisfaction of customers/business partners is the priority, therefore, collects the satisfaction survey forms from customers/business partners to be a reference for product and service improvement to the maximum effort.

### Performance and indicators

According to the systematic operation on customer relations, the customers/business partners' satisfaction in biodiesel business for the year 2018 achieves the target. Meanwhile, there are no complaints from customers/business partners in 2018 thanks to the preparation of ISO 9001 : 2015. Eventually, the Company carries on the intention to develop and improve product and service quality including the delivery to meet the best satisfaction among customers/business partners.





# Company performance indicators: Customer satisfaction level

## Service for the year 2018



## Product quality for the year 2018





## Sustainable supply chain management

Based on the sustainable management for the entire supply chain, the Company conducts its primary business as a manufacturer and distributor of biodiesel with the production process that meets the standard and certification. Besides, the Company determines to develop and improve continually the supply chain management, supervising the risk through the entire supply chain, enhancing potentiality among business partners to accomplish the sustainable business operation.

### Management approach

Due to the diversity of business at present, the Company has divided the improvement for business partner management in a systematic approach by identifying major business partners and conduct the risk in selecting business partners. Furthermore, the Company has promoted and provides knowledge about the procurement of products and services to purchasing staff on a regular basis to ensure a stable and sustainable business operation.

### Operation process

- Code of practice for managing risk from major business partners
  - 1) Prepare purchasing plan, production plan, delivery plan and distribution plan to be consistent among each division. Coordinate between the Energy Absolute work unit and the external party to lead the smooth process.
  - 2) Issue alternative plan in case the situation is not in line with the schedule set forth. The executive in the related matter shall consider the necessity and the reasonableness to use such alternative plan.
  - 3) Not relying on one business partner to reduce the risk
  - 4) Manage the relations and expectation of business partners to create repeated satisfaction
  - 5) Conduct the satisfaction survey regarding the quality of products and services regularly. Bring

forward the opinions for preparing the improvement plan that covers the entire supply chain regularly.

- 6) Prepare qualification plan for significant business partners on a regular basis. Exchange the help in mutual development
  - 7) Always look for new business partners
  - 8) Develop the technology that enhances the flexibility of selecting raw materials
  - 9) Adhere to the compliance with the business code of conduct
  - 10) Analyze, study and monitor the industrial direction, related external factor, the trends, regulations that influences the transaction with business partners.
- Prepare the Management System Manual to guide the management of work and sustainable management system that covering management procedures, sustainable practice to the business partners, risk management and risk management procedures.
  - Through the Purchasing Procedures, the Company has determined the direction for procurement to be accurate, fast while customers/business partners receive the product with quality that meets their expectation, in a timely manner. The Purchasing Procures is also a guideline for management with the raw material that is not in line with RSPO Supply Chain Certification which will guide on the selection and assessment of delivery party and sub-contractors to ensure it covers the social responsibility, ethical use of labor, non-discrimination, respect to human right, environmental-friendly products.

### Performance/indicator

#### Kosher Certificate โดย Thai Kashrut Services Ltd.

"Glycerin that has been certified for its origin of raw material and production process under Kosher Standard" available for use in the food industry for Jewish customers.



### Benefits within the organization

- Work procedures is more systematic
- Good product quality

### The benefits received from out of the organization

- Customers rely in the products and services
- Increase satisfaction among customers
- Expand the marketing, increase customer base
- Enhance competitiveness
- Move forward to oversea market at ease

## Tax operation

Being well aware that the "Tax" has a vital role in the sustainable development which does not only promote and support the competitiveness in the business sector but also creating a positive outcome to the economy and society including the national development as a whole. Therefore, the Company has set forth the tax policy to implement in business operation to ensure the transparency, to assess the risk that could occur, to protect reputation and image of the Company Group and to create the absolute added value to the Company Group and all stakeholders. The said policy has been approved by the highest executives of the Company Group based on the accuracy, transparency and traceability principles.

### Management approach

#### Policy and practice guideline

1. Prepare the plan and guidance for tax operation
  - Manage tax by complying with the law, promoting the positive image of the Company Group, safeguard the reputation and maintain a good relationship of the organization with the revenue department. Be prudent in any operations taking into account the highest taxing benefit of the Company Group and stakeholders with fairness.
2. Coordination about tax with government agencies
  - Submit taxes and duties within the prescribed period of time and manage the payment or tax refund to allow the highest liquidity among the Company Group.
  - Study and consider the tax impact regularly. Consider tax rights and benefits or the exemption for the related tax upon the imposing of the new law or taxation policy. Conduct any transactions, investment and business operation taking into account the maximum benefits of the Company Group.
3. Tax consultant
  - The Company must assign a person to be responsible for tax and to coordinate with the government tax agency. Such a person must possess the knowledge in taxation and duties only.
  - In case of new transactions that affect significantly the Company Group in the future, the Company must employ the tax consultant who is knowledgeable when it necessary from time to time or when there is a problem that requires consultation to ensure the transparency and compliance with the law.

Data	Unit	2016	2017	2018
<b>Energy Absolute Public Co., Ltd.<sup>/2</sup> (consolidated financial statement)</b>				
• Net profit before tax	MB	3,247	3,775	5,091
• Tax expenses <sup>/1</sup>	MB	(36)	(9)	(44)
• The corporate income tax rate	Percentage	20	20	20

Remark <sup>/1</sup> include Corporate Income Tax, Withholding Tax

<sup>/2</sup> deleted the related transaction





# Environmental dimension

## Air pollution

The Company realizes the importance of taking part in society and environment care to support better life quality, conducting different activities to support social development and sustainable environment.

### Management approach

The Company has prepared the social and environmental policy as follows:

- Consider the impact of the business operation on society and environment
- Determine, reduce and prevent pollution
- Strictly comply with the applicable laws, regulations and related practices.
- Develop and improve work standards to be in compliance with environmental standards

Support the reduction of greenhouse gas: The Company has been approved for listing in the Thailand Voluntary Emission Reduction Program : T-VER with the Thailand Greenhouse Gas Management Organization (public organization) or TGO. TGO develops the project to promote and support all sectors to take part in reducing the greenhouse gas on a voluntary basis. The amount of greenhouse gas reduced or known as 'Carbon Credit' under T-VER or "TVERs" can be traded to the local voluntary carbon market.

TGO has determined criteria and procedures for project development, the methodology for reducing greenhouse gas, listing and certifying the amount of greenhouse gas. The project must cause reduction/absorb the greenhouse gas in Thailand, in order to reduce the emission rate which is the main cause of global warming, increase the source to store the greenhouse gas, generating income from trading the greenhouse gas through the subsidiaries for the following projects:

- 1.) Project Name: Solar Farm at Nokhonsawan, Thailand of the subsidiary – EA Solar Nakhonsawan Co., Ltd. The Sub-Committee of TGO has certified that the amount of greenhouse gas has reduced during as Follows:
  - December 2015 to November 2016 is 106,148 tons of carbon dioxide equivalent ( $tCO_2e$ ).
  - December 2016 to November 2017 is 104,543 tons of carbon dioxide equivalent ( $tCO_2e$ ).
- 2.) Project Name: Solar Farm at Lumpang, Thailand of the subsidiary – EA Solar Lampang Co., Ltd. The Sub-Committee of TGO has certified that the amount of greenhouse gas has reduced during as Follows:
  - December 2015 to November 2016 is 111,104 tons of carbon dioxide equivalent ( $tCO_2e$ ).
  - December 2016 to November 2017 is 112,548 tons of carbon dioxide equivalent ( $tCO_2e$ ).
- 3.) Project Name: Solar Farm at Pisanulok, Thailand of the subsidiary – EA Solar Phitsanulok Co., Ltd. The Sub-Committee of TGO has certified that the amount of greenhouse gas has reduced during as Follows:
  - April 2016 to September 2016 is 63,178 tons of carbon dioxide equivalent ( $tCO_2e$ ).
  - October 2016 to September 2017 is 126,713 tons of carbon dioxide equivalent ( $tCO_2e$ ).
- 4.) Project Name: Wind Farm at Songkla and Nakhon Si Thammarat, Thailand – direct subsidiary EA Wind Hadkunghan 3 Co., Ltd. The Sub-Committee of TGO has certified that the amount of greenhouse gas has reduced during as Follows:
  - March 2017 to September 2017 is 63,907 tons of carbon dioxide equivalent ( $tCO_2e$ ).
- 5.) Project Name: HNM 1, 5, 8, 9, 10 Hanuman Wind Farm Project – the Company Group. The Sub-Committee of TGO has passed a resolution to approve the said wind power plants are listed under the voluntary greenhouse reduction project that meet the standard of Thailand on 25<sup>th</sup> April 2018. The credit term is from



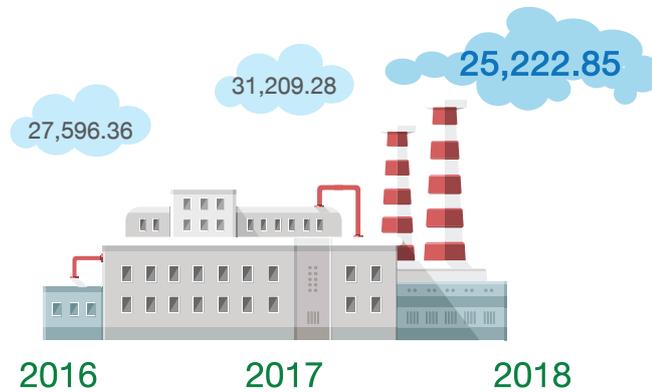
1<sup>st</sup> January 2019 to 31<sup>st</sup> December 2025 which the amount expected to be able to reduce the amount of greenhouse gases 300,089 tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

Besides, the Company also stores the greenhouse gas continuously while supporting the Thailand Voluntary Emission Reduction Program : T-VER — the project that helps to reduce the greenhouse gas emission which is the cause of global warming in Thailand. Meanwhile, the Company expands its operation to the business that promotes the use of renewable energy which is environmental-friendly in

replacement of fuel energy in the local transportation system. The Company Group is a part of infrastructure development that support the Next-generation Automotive by establishing the electricity charging stations for electric cars under the trademark "EA Anywhere". The Company Group promotes researches and development about electric vehicles to carry on the electric automotive that truly meet the need of users under the concept Mission No Emission. The idea is to focus on building vehicles that generate no pollution, harmless to the environment, to lead Thailand to become a city of the future innovation, free of pollution under the trademark "MINE Mobility".

**The amount of greenhouse gas emission of the company Group**

The amount of greenhouse gas that emitted (directly and indirectly) **0.523** (Million tons of carbon dioxide equivalent)



**Waste Water Management**

The management of waste water, the Company has implemented the waste management policy which is consistent with the vision and mission of the Company in order to use resources for maximum benefit, reduce waste and reduce the cost of waste disposal from the business operations of the Company.

**Operation process**

The Company focusing on the waste management under the social Responsibility and Environment Policy. The operation process due to reduce the negative impact to the society and the Environment.

In addition, the Company focuses on minimize the amount of waste produced and re-use in order to reduce wastes to disposal. The Company has set a guideline for waste management practice. From the past operation, the Company has set the Waste Management Practice and adopted the 3Rs strategy by focusing on the reducing, reuse and recycle. Besides that, the Waste Management Procedure has been review regularly, while awareness among employees in the organization about excellence in environmental management and the commitment to comply with relevant laws are set in order to lead to sustainable business development.



**Performance / Indicators**

During the year 2018, the Company has selected and employed other company that has license from the Department of Industrial Works and giving importance to social and environmental responsibility. The waste will be processed into raw materials to compost and make organic fertilizer or as soil stabilizer. And at the end of the process, the Company will receive the organic fertilizer back to use within the organization and community without causing further pollution.

**Reuse and Recycle Resources**

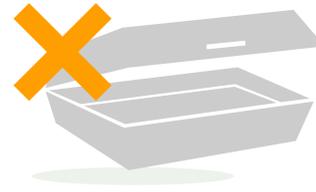
The Company is committed to reusing and recycling resources in order to reduce the amount of waste for disposal by the incineration or landfill. It also reuses and recycles the resources to maximum benefits, while encouraging and supporting valuable and most useful resources' reuse and recycle.

**Management approach**

- Establishment of the Sustainability Policy.
- Establishment of the Quality, Environment, Energy and Occupation Health & Safety Policy.

**Implementation**

The Company has campaigned and instilled cost-effective use of the resources into our employees and personnel by organizing "3Rs Campaign Communication". It focuses on reduce, reuse and recycle. In addition, the company has the management and implementation of cost-effective use of the resources, while controlling and regularly following up the results.



**1.Reduce**



**2.Recycle**



**3.Reuse**

**Performance/ Indicator**

- Reducing the use of water with reusing condensate water project
  - The year 2018 performance saw the company using 162,283 million cubic meters of water in production. The reusable condensate water amounted to 55,489 million cubic meters or 61 percent.
  - Performance on reusing condensate water aiming at exceeding 70 percent of reuse

2016 Goal	2016 Performance	2017 Goal	2017 Performance	2018 Goal	2018 Performance
70	48	70	58	70	61





# Social dimension

## Human Resource Management

With important principles of respect for human rights and operations that must be legal and in compliance with the company's business plan, the company has therefore planned workforce to support the current business operations, as well as future plans of the Company Group. Advertisements are posted openly to anyone, regardless of their gender, religion, ethnicity, language or physical conditions, interested in an opportunity to join the company. Fair and competitive compensation and monetary and non-monetary welfare benefits are provided. Advancement and growth opportunities are merit-based. Personnel are promoted and developed systematically.

- **Personnel development**

The Company believes that competent employees are the cornerstone of business security and sustainability driving long-term operations. Increasing efficiency of human resource management in all aspects to promote employees' self-development and to strengthen employee engagement is believed to be related to employees' performance and happiness in their workplace.

### Management approaches

The Company has a "personnel development policy" of the Group. So, employees have knowledge, ability and skills to work professionally, desirable working behaviors and a good attitude towards their work, and become valuable employees for the organization, society, and the country. Furthermore, the company aims to treat employees fairly and appropriately giving them opportunities, rewards, appointments, transfers, competency development. Also, the Company tries to supervise the work environment for optimal safety. Comments, suggestions and complaints from employees are welcomed, and employees at all levels are treated fairly and equally.

### Operation process

- The Company's human resource management is a comprehensive process covering recruitment, competency development, personnel retention, compensation and benefits and retirement plans.
- The Company provides channels for stakeholders to report to an individual or department in charge, in case of an infringement of rights or if you witness an action that violates the laws/regulations/the company's code of conduct. This is so that the company is an excellent place to work with good corporate culture. Reports can be directed to:

The audit board's chairman

Email: [chairman.audit.com@energyabsolute.co.th](mailto:chairman.audit.com@energyabsolute.co.th)

**Complaints about operations that do not comply with good corporate governance principles in 2018**

**No complaints regarding operations that do not comply with good corporate governance principles.**

- The personnel development plan of the Company focuses on the performance of employees in different positions in 2018. It has been improved to include a more systematic evaluation that is based on key performance indicators (KPIs) and a 360-degree behavior and performance assessment. This plan will encourage employees to adjust themselves to keep up with the modern work environment and promote teamwork. The evaluation is conducted quarterly, four times



a year. The results are taken into account when deciding each employee's rewards in order to give them incentives. All employees' potential is developed through effective work for organization advancement in accordance with the vision and plan of the management. This plan is aimed to support the ongoing business expansion of the Group. In addition, it helps create a more challenging work environment. An EA Inside EA program or a talents' recruitment and development plan is organized through value-added presentations, work efficiency improvement and innovation development to support the business expansion of the Group in the future. A number of employees have shown outstanding performance in solving bottleneck problems and increasing efficiency of glycerin production, which is a by-product that yielded a high profit.

The company also ensures preparedness of the management personnel by providing them with an individual development plan (IDP) and a competency development plan to promote their competitiveness, so that they lead their team to goals and success on an international platform in line with the organization's direction. New executives are also developed to keep up with the needs and support business expansion through an executive program, which is part of the succession planning project.

**Protection of rights of employees, workers or other persons employed by the company**

The company will not do anything unfair to an employee, worker or an individual employed by the company, for example, changing his/her job position, job description or workplace, suspending work, threatening, interfering with work, terminating employment or any other action that is unfair to that person because he/she:

- Provide information to, cooperate with or help, in any way, the board of directors, executives, government agencies or regulators, if that person has reasons to believe in good faith that there is a violation or non-compliance with laws, regulations, or good corporate governance policies; or
- Give a statement, submit evidence or help, in any way, the board of directors, executives, government agencies or

regulators, in consideration or investigation, if that person suspects that there is a violation or non-compliance with laws, regulations, or good corporate governance policies.

**Performance / key performance indicators**

**The Company's personnel development training courses**

The Company sees that training is a way to effectively improve the competency of personnel in the organization in compliance with the company's needs. Training also helps employees share their work experience with newer employees. In year 2018, the following key training sessions were carried out.

**1) Leadership and management skill courses**

- The management development program for directors and those higher positions, starting from a leader as a coach course organized by the company in partnership with Thailand Coaching Academy (Jimi the Coach)
- The supervisory skill course for department heads organized by the company in partnership with Thai Skill Plus Company Limited by Dr. Arporn Puvitayaphan
- 'The Work like a Pro' course for all employees organized by internal speakers, HR, the company
- The internal control and risk management course, management to add value and support strategies organized by the company. Keynote speakers are invited to give speeches on risk management.

**2) Environmental courses**

- Training on environmental governance organized by Office of Industrial Area, Prachin Buri Province
- The "New Health and Safety Standard ISO 45001:2018" course
- The "Environmental Manager" course

**3) Energy conservation courses**

- The "examination, analysis and improvement of energy efficiency" course organized by the Department of Alternative Energy Development and Efficiency, Ministry of Energy
- The "Solar Energy" course organized by the Department of Alternative Energy Development and Efficiency, Ministry of Energy



- The "(Practical) energy conservation potential assessment" organized by the Department of Alternative Energy Development and Efficiency, Ministry of Energy

#### 4) Management system courses that the company has adopted

- The "Increase opportunities for a competitive position using human capital and ISO 45001:2018 Occupational Health and Safety Management System (OHSMS)" course
- The "High quality biodiesel production from palm oil through a combination of trans-esterification and partial hydrogenation" course
- The "Accounting and accurate cost recording for accountants" course
- The "Knowing important financial reporting standards and understanding auditors' reports" course
- The "Supervisor: the manager of the art of proactive people development" course

In year 2018, the company has a goal to develop the potential of 240 employees and personnel at every level. By the end of the year, 268 employees have been training. The number is higher than the set target.



## Occupational Health and Safety

The Company realized that safety, occupational health and good work environment are vital and it is a duty and moral responsibility of the Company to look after the employees' protection. Work place safety is very important for operating and for employee. The Company aim to enhance every unit to comply with the occupational, health and safety policy seriously and continuously in parallel with the development of the Company to be an excellence

### Management approach

The Company has set a guideline by adhering to the principles of compliance of the "occupational, health and safety policy Environment at work place policy" as follows:

- To prevent accidents, injuries and illness due to operations with the strong cooperation of all employee and contractors including the limit and controlling the risk of unsafe operations.

- To cooperate with government agencies and other private sectors in emergency suppression and accidents caused by work rapidly and careful.
- To comply with laws, rules and regulations of safety strictly and to adopt good safety management standards in business operations.
- Providing tools to prevent, mitigate and control the risk of accidents and the health impact that may occur during operations, transportation, services, as well as the guidelines for controlling at the emergency situations in order to reduce losses
- Setting the regulations, action plan and training program to educate employees at all levels appropriately In order to gain knowledge and understanding and receive the adequate information about work safety to prevent potential hazards from work and diseases



- To arrange for the safety of employees and related parties by providing a safe and hygienic working environment
- To provide the adequate personal protective equipment for employees who are in compliance with adequate risks and be ready to use, as well as provide training, rehearsal and to ensure the proper use
- To review safety management policy and to arrange for assessment and arrange the rehearsal plan every year

#### Performance / success indicators

The group of Company recognizes the importance of maintaining a safe working environment for employees' health, health and property. The Company has implemented adequate and appropriate safety, occupational health and environmental measures to prevent accidental, loss and prevent injuries as well as sicknesses from work. In year 2017 and 2018, the employees of the Company group incurred the accidents, sickness from work and taking sick leave as follows



## Building Trust from the Community

The Company is committed to building trust from the community and creating sustainable values for all groups of the stakeholders. Therefore, it has established stable and sustainable directions for business execution, while mutually setting values amongst the stakeholders with balance. It also includes promoting projects and activities for society and the environment with the company's solid directions and process.

#### Management approach

The Company has supervised and executed directions aiming at becoming the organization that earning trust from the society with our plans and policies creating values to the society as follows:

- Establishment of CSR policies.
- Being committed to spreading knowledge to society.
- Running social enterprises
- Creating jobs for the community and society

#### Project/operation Implementations

- The Company's renewable power plants have introduced and fully implemented our CRS policies as it realizes perfecting the education for the community/society as follows:
  - The **Company is spreading knowledge to the community/society** of the benefits and the importance in the production and use of renewable energy to generate electricity by organizing activities for students, community leaders and interested people including analysts, government agencies, state enterprises and all media to participate and visit the company's power plants in Nakhon Sawan, Lampang and Phitsanulok. Information is featured in several exhibitions offering visitors the opportunity to learn a process of power production from solar energy so that it contributes more knowledge and understanding with hands-on experience. In addition, knowledge of



organic agriculture is passed on to the students and villagers living nearby the power plant areas.

- The Company **has created jobs for the community**, hiring local individuals to continuously maintain the power plants, while it has supported community products purchasing and helping develop and process including improving the Company and community's agricultural products' packaging, so the value is added making it more interesting.
- Making choices for the jobs in the community follows the social enterprise direction for sustainability. The Company aims at serving a purpose of creating sustainable prosperity along with the community as focusing on creating jobs increasing incomes and improving the quality of life, in which the community can be sustainably self-reliant on the basis of the developments being beneficial to all parties and also being environmentally friendly. This is the company's

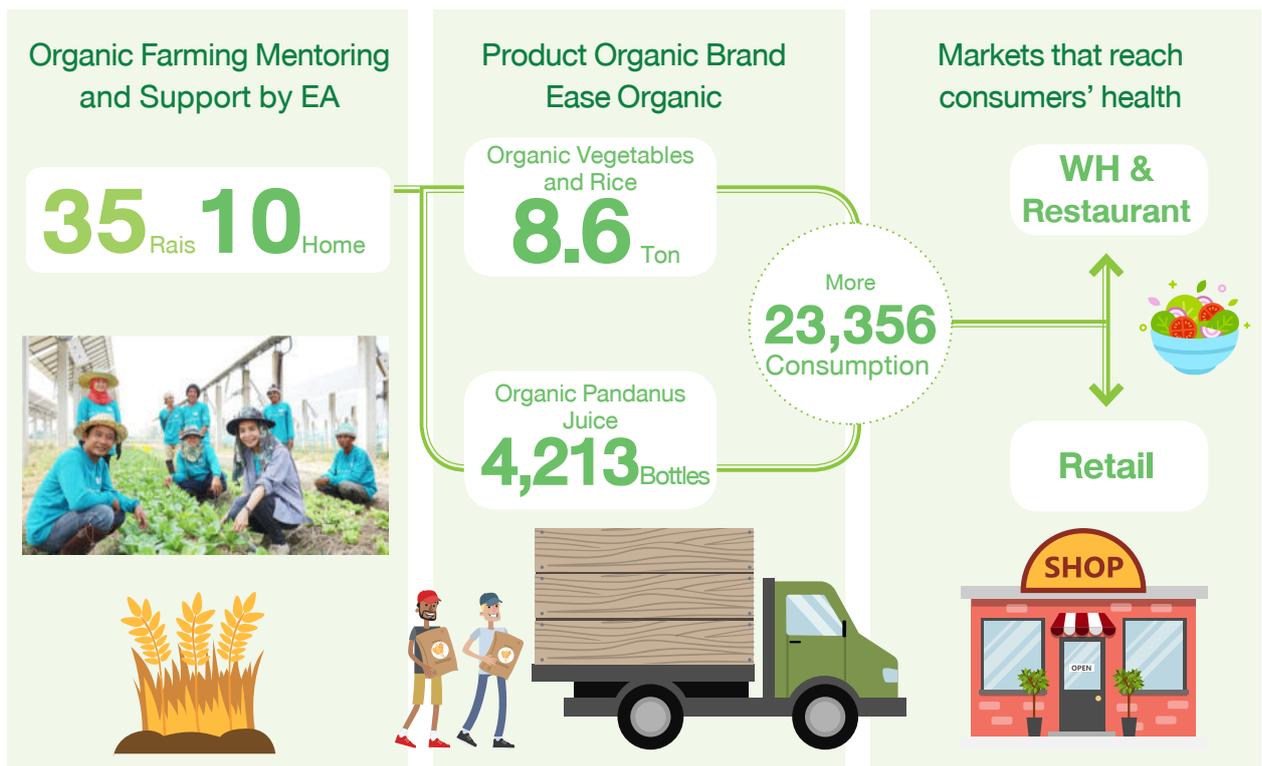
business core value in year 2018. The social enterprise project in the company's power plants areas include:

- Introducing experimental projects on growing plants with the integrated farming system : sustainable organic agriculture
- Making sustainable job choices for the farmer/ community around the power plant's areas
- Cost-saving soil amendments that bring non-valued materials to be added value
- Linking the market and enterprise group management
- Product developments/processes

#### Performance/ Success Indicators

Achieving successful model improving the power plant project along with the community and the environment gives the community the opportunity to participate in making the company's power plants grow while improving ways of life in the community. This model will be applied to every power plant of the company for sustainable growth in the future.

#### Social Enterprise and Creating Shared Valued Activity Direction and Process





## Social Responsibility

The Company realizes the sustainable development of business, environment and society altogether, not only to build the robust business foundation, but also determine to create benefits and develop community to grow along with business operation. The social activity is set in place under the good corporate governance policy to take responsibility among stakeholders, create benefit and develop communities. The Company and the Company Group will apply the social and environment responsibility as a part of business management (CSR-in-Process) under the Corporate Social Responsibility (CSR) policy.

### Management approach

- The Corporate Social Responsibility (CSR) is set in place as a practice guideline for social and environment responsibility as a part of business process. The CSR policy contains 7 topics as follow.
  - Principle 1 : Good Corporate Governance
  - Principle 2 : Conduct Business with Fairness
  - Principle 3 : Human Rights and Treatment to Employees
  - Principle 4 : Responsibility to Consumers
  - Principle 5 : Environment and Safety
  - Principle 6 : Participation in Development of Community and Society
  - Principle 7 : Development and Dissemination of Innovation from Social Responsibility
- The Company has in place the CSR-in-Process
- The Handbook is prepared based on social duty and responsibility as a part of sustainable business management.

### Operation process

The Company carries on its corporate social responsibility and build the relationship with the communities by placing the priority on leveraging education quality, improving life quality of the surrounding communities, conserving environment and promoting public health and safety of the

communities. The Sustainable Development Goal (SDGs) is determined to link with the code of practice of the Company

- Operation of the Company to stakeholders and the awareness on the communities around the plants are as follows:
  - Provide space for suggestions and opinion of the communities as stipulated by the government prior to construction of the power plant; closely follow the suggestions, comments including requirements of the communities on regular basis by assigning community relation team for each factory to monitor and coordinate and receive opinion from communities directly.
  - Assign team work to monitor and control environment quality and safety in factory to under take such task on a regular basis
  - Provide knowledge and training courses to employees, communities, students and general people to create correct knowledge and understanding of the Company's business operation.
  - Arrange budget and fund to support activities of the communities in respect of education, cultures and local traditions, including hygiene and environment
  - Arrange reservoir within the solar power plant and share the water with surrounding communities during shortage of water resource.
  - Support employment of full time and temporary employees from surrounding communities based on knowledge, skill and profession in order to stimulate employment, skill development both during construction period when the employment rate reached thousand digits and after the construction completion and commercial start date to manage the power plant, maintain properties thereof, safeguard the area, maintain landscape and other matters which employed hundreds of people. Therefore, the



- business operation of the Company on power plant generated high rate of employment of the communities surrounding.
- Host the first mixed farming system starting in the solar power plant in Nakhon Sawan, then the Company expands the project to solar power plant in Lampang and Phitsanulok to try the alternative career of sustainable agriculture and also eco-friendly. The Company invited communities members, students from school nearby and people interested to visit and learn method of mixed farming system which include farming of Ubon Jasmine rice, corn, sugarcane, vegetables and trees, improvement of soil quality, animal raising and fisheries. The knowledge from the project is passed on to the local school nearby in Nakhon Sawan. The agricultural productivity is developed into various products, sent to the market the reach out to the consumers directly.
  - The Company joined to "Environment Corporate Governance of Industrial Companies" with the Ministry of Industry with aim to apply the Environment Corporate Governance principles to its business operation to be in compliance and to focus on prevention and reservation of the environment with communities and local societies.
  - The Company places its emphasis on safety of employees during work operation and complies with the laws related to safety strictly. Training courses related to safety are arranged annually while the training result is reported directly to the Executive Committee. In year 2018 the Company launches different training courses and provided safety equipment, tools for employees working in Prachinburi factory as follows:
    - "Safety, Occupational Health and Working Environment for employees and new employees, employees that relocate their work place or changes of machinery or equipment having different risk factors, and employees in foreman position"
    - Executive Safety Officer (Safety Officer-executive), foreman (Safety Officer-foreman) Program
    - "Safety at Work Commission" Program
    - "Crane Operator, Signaler of Crane Operator, Holder of Crane Material and Controller of different Cranes" Program
    - "How to use and maintenance of personal protective equipment for employee" Program
    - Drills on control and emergency response regarding hazardous chemicals, boilers and fire drill and annual fire evacuation.
  - In addition to the fact that the Company assigns the Management to submit a performance report to the Executive Committee, the Audit Committee and the Internal Audit Unit also have to determine the inspection for the plants, projects of the Company Group in the Annual Inspection Report. The objectives of the inspection, plant visits and projects is to ensure that work operations of the Company are performed in accordance with standards, regulations, rules and vision and mission of the Company.

**Performance/success indicator**

The business operation result of the Company and subsidiaries is adhered to the policy which requires attention and concentration to stakeholders which are shareholders, customers, trading partners, creditors, surrounding communities, employees, competitors, control unit and public sectors. The said persons are important to our business operation in a way that they can generate impact and/or is impacted negatively and positively.



## Development educational quality



- A knowledgeable program for Chiang Mai: The program administrates the knowledge about solar panel including the benefits, systematic management procedures. The Company gives to Chiang Mai University the solar panels to promote the cost-effective use of energy and eco-friendly approach.



- Scholarship program: The Company gives to the schools located adjacent to Hanuman project the scholarship. The Company grants students in rural area the good education and that they will eventually apply the knowledge in developing the communities. The aim is to develop the educational quality and improve environment of the schools.
- Supporting Contracted Teachers in Nong Pangpuai School, Takhli sub-district, Nakhon Sawan province: The Company provided supporting fund for contracted teachers and personnel to promote the sufficient educational supplement to meet the school requirement, and to develop academic level of Ban Nong Pangpuai School on 26<sup>th</sup> October 2018.

## Leverage the quality of life



- The Jasmine Rice Experiment Project in Wangudom Village, Village No. 12, Thakoob sub-district, Sapyai district, chaiyaphum: the program aims to promote the well-being of the community, support the sustainable growth by setting up the experiment field for growing Jasmine rice. The Company realizes the importance of the well-being of the community in the long-term, and the opportunity to promote career among villagers to be able to grow the rice and harvest for sale.



- Reforestation program at Ban Sapyai Community: the Company joins the reforestation program with an aim to contribute to the public activity and to cause the collaboration from various parties within the area, as well as to conserve the forest to be in harmony with the community.

- Biodiesel Production Plant: The Company steps into the energy business through development of its own technology as to produce biodiesel oil extracted from the crude palm oil, a natural raw material. The biodiesel is distributed to customers that are a large oil refinery plants of Thailand. These oil refinery plants mix the biodiesel with diesel to reduce demand on imported oil, while increasing consumption of environment-friendly energy. This is how we start our first move to business with consideration placed on environment as a priority. In the previous year, the Company has been certified for various standards from authority related to environment as follows:



- Roundtable on Sustainable Palm Oil : RSPO
- Quality Management System ISO 9001 : 2008
- Kosher standard
- Environmental Management System ISO 14001 : 2015
- Occupational Health and Safety Management System (OHSAS) 18001 : 2007 by URS Thailand (United Registrar of Systems (Thailand) Ltd.)
- Certification of the Green System (GI3)

# The Rewards of our Achievement

## Success Milestone

Mr. Somphote Ahunai, the Chief Executive Officer was awarded the "Entrepreneur of The Year Award" (Mining & Energy Industry in Asia Pacific Entrepreneurship Awards 2018, Thailand by Enterprise Asia

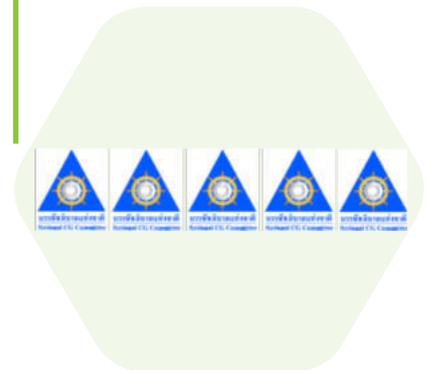


The Company received Global Banking and Finance, London as follows:

- Best Energy Solutions Provider Thailand 2018
- Best Green Project (Energy) Thailand 2018



According to the survey on the Corporate Governance Report of Thai Listed Companies 2017 by the Thai Institute of Directors (IOD) and the Stock Exchange of Thailand, the Company was rated Excellent CG (5 Star) consecutively.



The Company was awarded for "International Finance Magazine" Singapore as follow:

- Most Social Responsible Energy Company, Thailand 2018
- Most Innovative Renewable Energy Company, Thailand 2018



The Company and Mr. Somphote Ahunai, Chief Executive Officer of the Company received the award from International Business Magazine, UAE as follows:

- Best Renewable Energy Company Thailand 2018
- Energy Company CEO of the Year Thailand 2018



 The Company received "Thailand Corporate Excellence Awards 2018", for the Corporate Management Excellence by the Thailand Business Management Association and the Sasin Graduate Institute of Business Administration of Chulalongkorn University.



 The Company received "Thailand Sustainability Investment (THSI)" from SET Sustainability Awards 2018 and was selected for Sustainable Stock, by the Stock Exchange of Thailand.



 The wind power plants, total of 5 Hanuman Projects passed the assessment and listed in the Thailand Voluntary Emission Reduction: T-VER). Subsequently, the Company received the honorable plaque under the T-VER project in the "Hundreds of Heart to Reduce the Global Warming" for the year 2018. The event was launched by the Thailand Greenhouse Gas Management Organization (Public Organization :TGO).

 The Company received "CSR-DIW" award from the project that promotes the industrial factories to take social responsibility and to live in harmony with the communities, launched by the Department of Industrial Works, Ministry of Industry.



 The Company was awarded "Social Empowerment Award" in AREA Asia Responsible Enterprise Awards by Enterprise Asia



 The Company received "Thailand's Top Corporate Brand" from Thailand Corporate Excellence Awards 2018 arranged by Chulalongkorn University.

 The Company received "Thailand Top Company Awards 2018", for Energy Industry based on the excellent rating of performance in the Energy Industry and the outstanding business operation. The award is prepared by the University of Thailand Chamber of Commerce and the Business Plus.

 The Company was honored for the operating premise that operates under the environmental governance criteria regarding the biodiesel plant and solar power plant, Phitsanulok, launched by the Ministry of Industry.

# Questionnaire for the readers of the Sustainability Report

The information from this questionnaire is brought forward as a reference for improvement and preparation of the report in the next year.

Energy Absolute Public Company Limited hereby expresses its sincere gratitude.

## 1. Please specify your group

- |   |                                     |  |                                      |
|---|-------------------------------------|--|--------------------------------------|
| <input type="checkbox"/> Shareholder/Investor | <input type="checkbox"/> Customers  | <input type="checkbox"/> Trading partners      | <input type="checkbox"/> Employees   |
| <input type="checkbox"/> Creditors            | <input type="checkbox"/> Mass media | <input type="checkbox"/> Academic / Researcher | <input type="checkbox"/> Student     |
| <input type="checkbox"/> Government agency    | <input type="checkbox"/> Community  | <input type="checkbox"/> General public        | <input type="checkbox"/> Other ..... |
| State enterprise                              |                                     |  | .....                                |

## 2. Please specify how you receive this Sustainability Report

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> in the Annual Meeting of Shareholders | <input type="checkbox"/> Company website | <input type="checkbox"/> Obtain from the Company |
| <input type="checkbox"/> Obtain from the Company's employee    | <input type="checkbox"/> Other .....     |  |

## 3. Satisfaction on the format of the report

- |  |                               |                                   |                                 |
|--|-------------------------------|-----------------------------------|---------------------------------|
| • The content is easy to read                              | <input type="checkbox"/> High | <input type="checkbox"/> Moderate | <input type="checkbox"/> Little |
| • The design is aesthetic, and illustrators are consistent | <input type="checkbox"/> High | <input type="checkbox"/> Moderate | <input type="checkbox"/> Little |
| • The appropriateness of arranging the content             | <input type="checkbox"/> High | <input type="checkbox"/> Moderate | <input type="checkbox"/> Little |
| • Total satisfaction                                       | <input type="checkbox"/> High | <input type="checkbox"/> Moderate | <input type="checkbox"/> Little |

## 4. Please select the sustainability topic that in your opinion is the top three most important.

- |  |   |
|--|---|
| <input type="checkbox"/> Good Corporate Governance     | <input type="checkbox"/> Pollution, waste and water resource management |
| <input type="checkbox"/> Risk management               | <input type="checkbox"/> Efficient use of electricity/energy            |
| <input type="checkbox"/> Ethics in business operations | <input type="checkbox"/> Human resource management and development      |
| <input type="checkbox"/> Customer relations management | <input type="checkbox"/> Occupational health and safety                 |
| <input type="checkbox"/> Supply chain management       | <input type="checkbox"/> Social Responsibility                          |

## 5. Additional suggestions (if any)

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