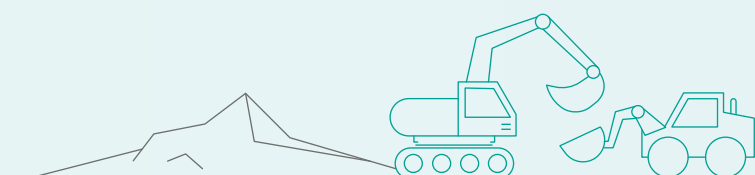


GREENER & SMARTER



ANNUAL REPORT
2017

Contents



Policy and Business Overview	07
Vision & Mission	09
Financial Highlights	10
Operational Results	12
Board of Directors' Review	14
Chief Executive Officer Review	16
Key Financial Results	22
Summary of Major Changes and Development in 2017 and Major Current Events	24
Banpu Group Structure	28
Organizational Structure	30
Management Structure	31
Market and Competition	36
Revenue Structure	53
Risk Management and Risk Factors	54





Internal Control	69
Sustainable Development	72
Human Resources Management	76
Corporate Governance	80
Corporate Social Responsibility (CSR)	100
Board of Directors and Management	109
Shareholding of the Board of Directors and Management	120
Remuneration	121
Major Shareholders	124
Dividend Policy	125
Connected Persons and Transactions	126
Other References	128
Details of the Company, its Subsidiaries and Associated Companies, and Joint Ventures	129

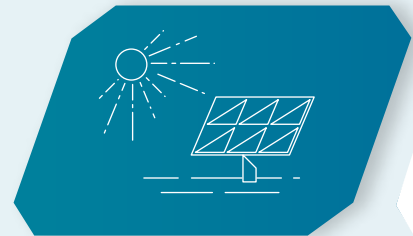
Additional information is available in the Annual Registration Statement (Form 56-1)
posted on www.sec.co.th or www.banpu.com



GREENER

Banpu operates its business with environmental-friendly technologies and continues to expand its renewable business portfolio.

Renewable energy



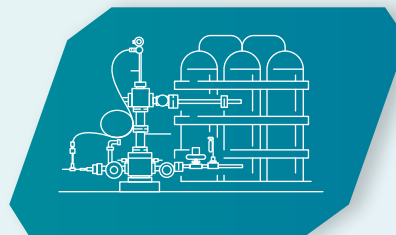
HSEC* excellence



Higher efficiency,
lower emission conventional power



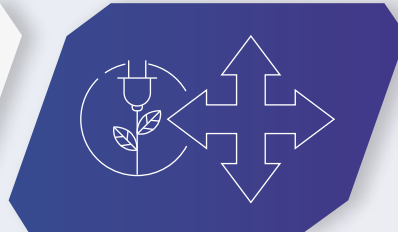
New upstream business with
lower emission e.g. gas



*Health, Safety, Environment and Community



Smart energy, smart city and infrastructure



Synergistic midstream businesses : coal trading and integrated supply chain management



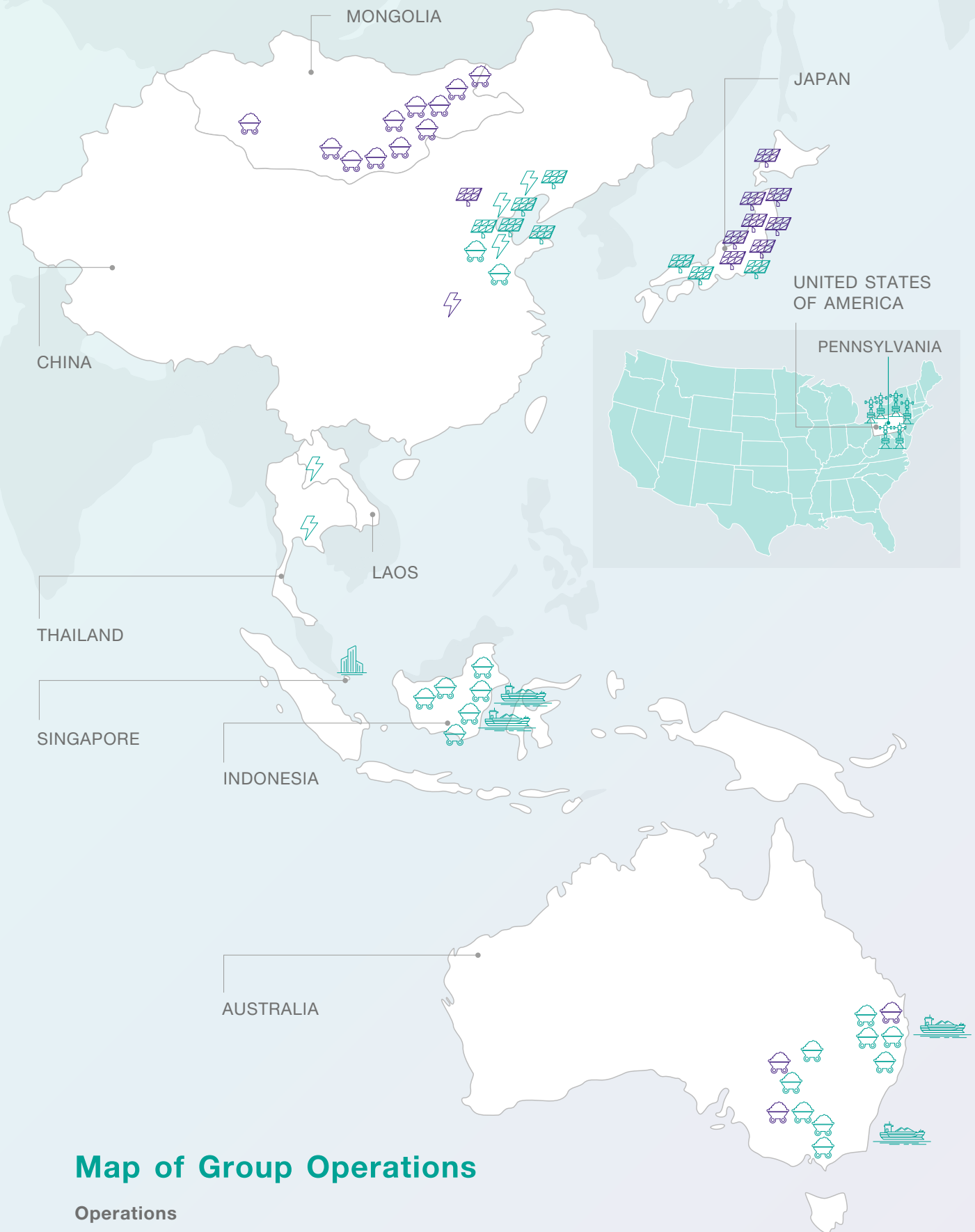
Innovative corporate and financing structures



Working smarter : office and in field; digitally capable

SMARTER

We aim to excel smart business management through the integration of innovation and new technologies with business operation and logistics combined with an effective value chain and financial management. Banpu is committed to investments which offer maximum values to all stakeholders as well as strengthening its corporate culture to facilitate Banpu's working environment.

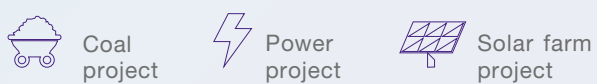


Map of Group Operations

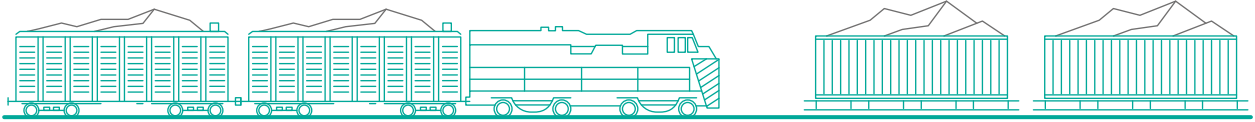
Operations



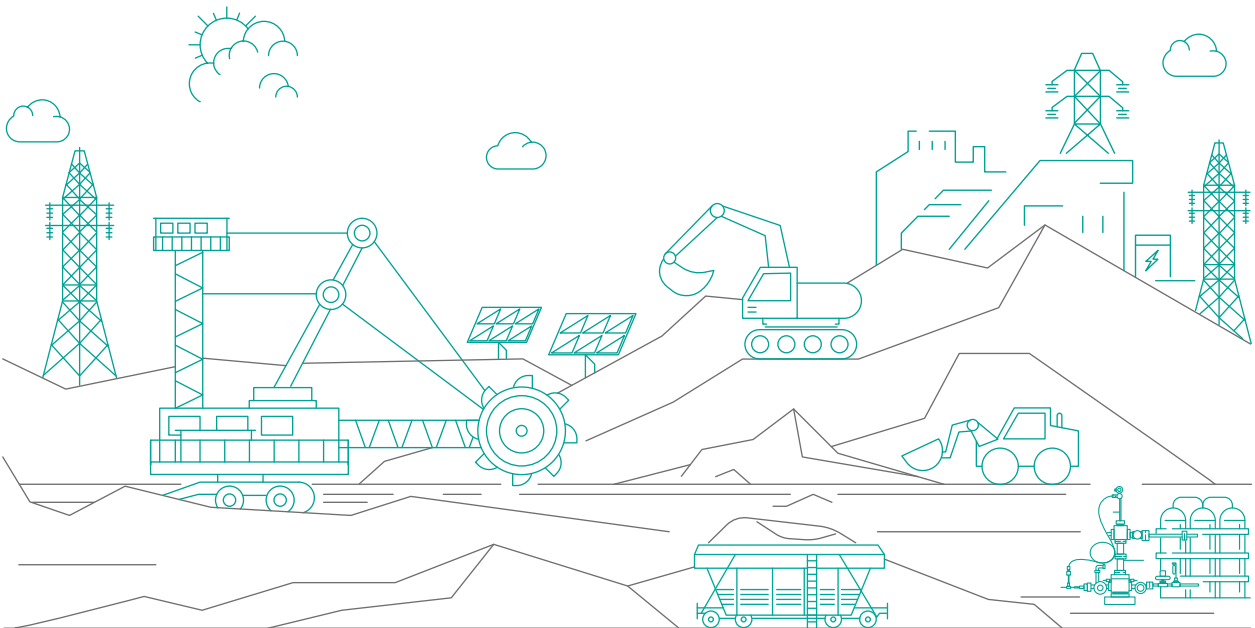
Projects



Policy and Business Overview



Banpu Public Company Limited was established on 16 May 1983 as “Ban Pu Coal Company Limited” with a THB 25 million registered capital. The Company was founded by members of the Vongkusolkit and Auapinyakul families in order to subcontract a coal mining operation at Banpu Mine (BP-1 Mine) located in Li District, Lamphun province from the Department of Alternative Energy Development and Efficiency.



On 4 May 1989, Banpu was listed on the Stock Exchange of Thailand (SET). The Company was later converted into a public limited company on 29 July 1993, and named “Banpu Public Company Limited”.

Banpu went on to expand its coal operations both in Thailand and Indonesia to produce and sell coal in both domestic markets and overseas. Aside from producing and distributing coal, the Company entered into other business areas, including removing overburden and coal for the Electricity Generating Authority of Thailand (The contract ended in September 2001.), producing and selling industrial minerals, operating a port business (Banpu subsequently sold

both the port and the industrial mineral businesses.), and investing in power and steam generation and distribution businesses.

At present, Banpu has a clear policy in pursuing the Greener & Smarter strategy, and the business management that demonstrates its commitment to lead the Company into the new era of energy business as well as sustainability. The Company operates mainly in coal, power, renewable energy businesses in nine countries; Thailand, Indonesia, China, Australia, Lao PDR, Mongolia, Singapore, Japan and the United States of America.



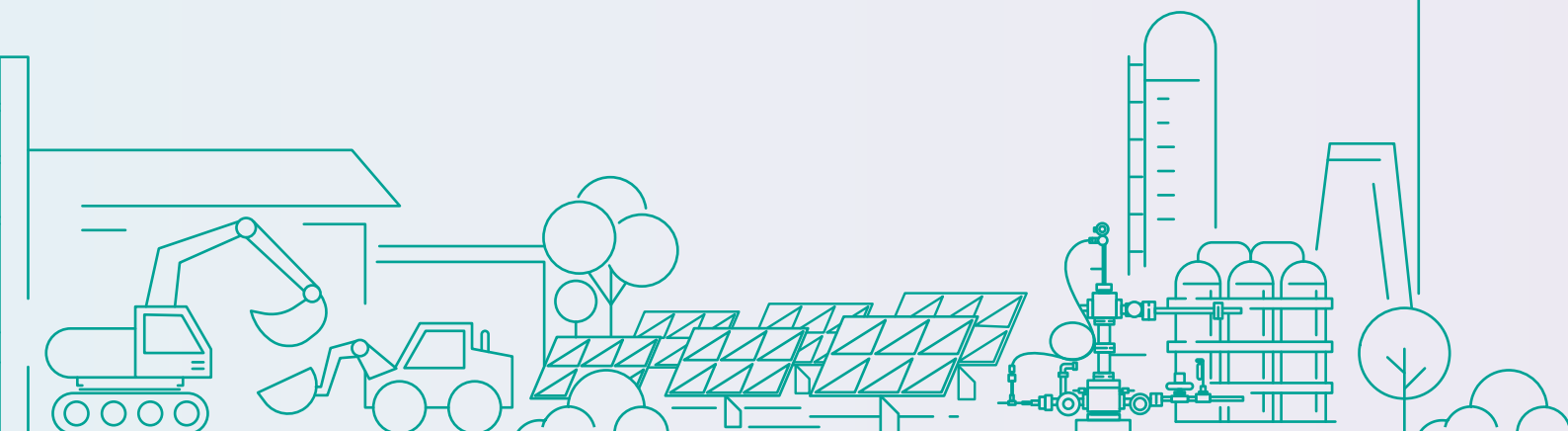


Vision

The Asian energy company at the heart of innovation, technology, and sustainability

Mission

- Build sustainable value for all our stakeholders as a trusted partner, with emphasis on care for the earth and society
- Promote innovation, synergy, sustainability, and integration across the energy supply chain, between conventional and new energy technologies
- Foster our corporate values, operational excellence, and uphold Banpu's reputation for integrity, professionalism and best practices



Financial Highlights

		For the year ended 31-Dec-17	For the year ended 31-Dec-16	For the year ended 31-Dec-15
Financial Position				
Total Assets	(Million USD)	8,223	6,973	6,553
Total Liabilities	(Million USD)	5,013	4,235	4,488
Total Shareholders' Equity	(Million USD)	3,211	2,738	2,065
Issued and Paid-up Share Capital	(Million USD)	150	143	76
Operational Results				
Sale Revenues	(Million USD)	2,877	2,259	2,477
Cost of Sales	(Million USD)	(1,766)	(1,511)	(1,672)
Gross Profit	(Million USD)	1,110	748	804
Selling and Administration Expenses	(Million USD)	(379)	(340)	(395)
Royalty Fee	(Million USD)	(268)	(219)	(239)
Other Revenues	(Million USD)	46	33	51
Other Expenses	(Million USD)	(97)	(44)	(61)
Profit from Operation	(Million USD)	412	178	160
Share of Profit from Joint Ventures	(Million USD)	205	118	52
Interest Expenses	(Million USD)	(135)	(127)	(123)
Financial Expenses	(Million USD)	(5)	(3)	(8)
Corporate Income Tax	(Million USD)	(134)	(69)	(98)
Non-controlling Interests	(Million USD)	(110)	(50)	(26)
Net Profit Attributable to the Owners of the Parent	(Million USD)	234	47	(43)
EBITDA	(Million USD)	968	540	469
Financial Ratios				
Gross Profit Margin	(%)	39	33	32
Net Profits to Total Revenues	(%)	8	2	(2)
Returns on Assets	(%)	3	1	(1)
Returns on Equity	(%)	8	2	(2)
Interest Coverage Ratio	(times)	5.7	5.3	5.9
Net Debt to Equity	(times)	0.99	0.99	1.40

		For the year ended 31-Dec-17	For the year ended 31-Dec-16	For the year ended 31-Dec-15
Data per Share				
Earnings per Share	(USD)	0.046	0.013	(0.017)
Book Value per Share	(USD)	0.62	0.55	0.80
Dividend per Share	(THB)	0.65*	0.50	1.00

* The Company announced a total dividend of THB 0.65 per share arising from its performance during the period from 1 January 2017 to 31 December 2017, of which THB 0.30 was paid on 29 September 2017. The remaining dividend of THB 0.35 per share for 2017 performance will be paid on 30 April 2018

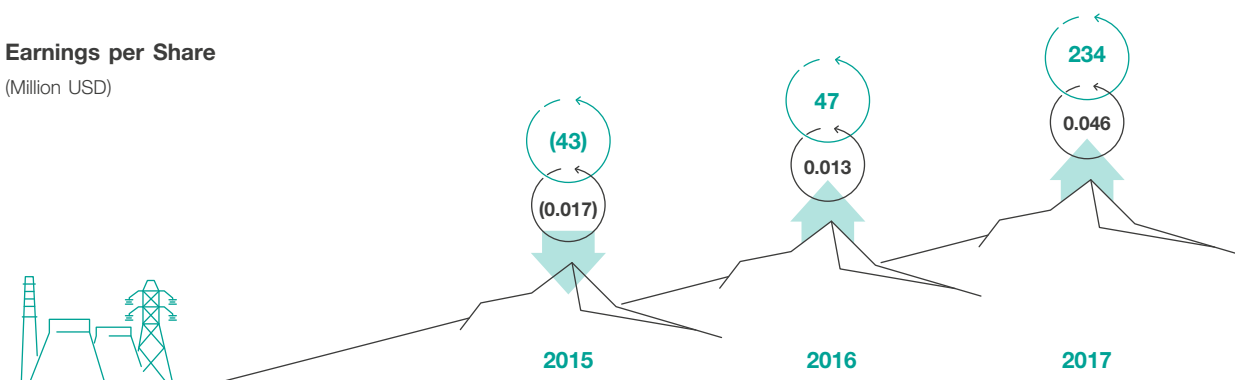
Remark : Financial figures are based on the consolidated financial statement

Net Profits

(Million USD)

Earnings per Share

(Million USD)

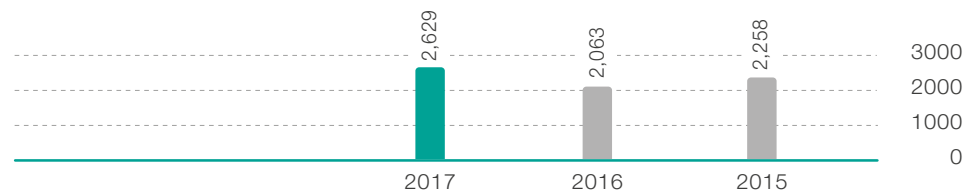
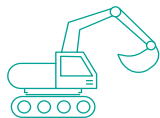


Operational Results

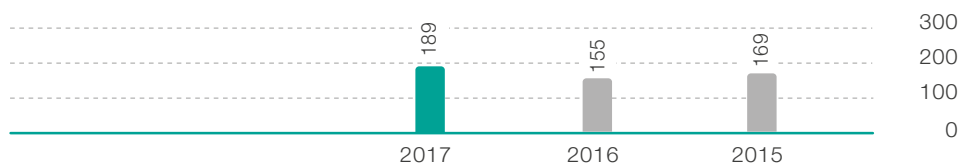
	For the year ended		
	2017	2016	2015
Coal Sales Volume (Million Tonnes)			
Indominco	13.14	15.41	13.00
Trubaindo	4.98	5.97	7.10
Bharinto	2.30	2.50	2.76
Jorong	0.85	1.15	1.26
Kitadin-Embalut	0.94	0.87	1.21
Kitadin-Tandung Mayang	-	0.05	2.42
Sources-Indonesia (ITMG)	22.21	25.96	27.76
Other sources	1.07	0.87	0.39
Sources - Indonesia	23.28	26.83	28.16
Sources - Australia	13.36	13.20	12.99
Total Coal Sales Volume	36.63	40.03	41.15
Coal Sales Revenue (Million USD)			
Indominco	880	722	699
Trubaindo	463	391	478
Bharinto	202	162	177
Jorong	43	42	46
Kitadin-Embalut	67	42	65
Kitadin-Tandung Mayang	-	2	145
Revenue from Indonesia (ITMG)	1,656	1,362	1,610
Other sources	66	41	29
Revenue from Indonesia	1,722	1,403	1,639
Revenue from Australia	883	660	646
Revenue from China (Trading)	24	-	-
Revenue from Coal Business	2,629	2,063	2,285
Revenue from Power Business	189	155	169
Revenue from Gas Business	37	15	-
Revenue from Fuel Business	3	-	-
Revenue from Other Businesses	19	26	22
Total Coal Sales Volume	2,877	2,259	2,477

	For the year ended		
	2017	2016	2015
Gross Profit Margin (%)			
Indominco	42	38	31
Trubaindo	47	38	41
Bharinto	51	44	38
Jorong	35	40	40
Kitadin-Embalut	40	26	27
Kitadin-Tandung Mayang	-	12	36
Gross Profit Margin - Indonesia (ITMG)	42	37	35
Other sources	20	3	50
Gross Profit Margin - Indonesia	43	37	35
Gross Profit Margin - Australia	34	23	25
Gross Profit Margin - China (Trading)	13	-	-
Gross Profit Margin - Coal Business	40	33	32
Gross Profit Margin - Power Business	24	35	38
Gross Profit Margin - Gas Business	36	44	-
Gross Profit Margin - Fuel Business	42	-	-
Gross Profit Margin - Other Businesses	18	51	-10
Total Gross Profit Margin (%)	39	33	32

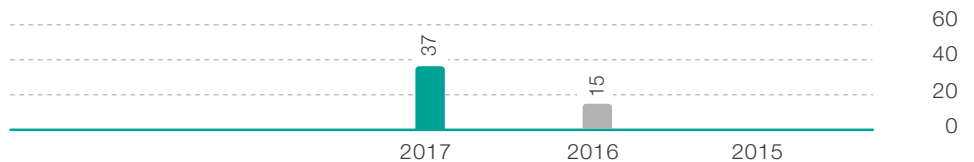
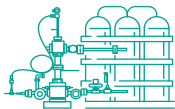
Revenue from Coal Business



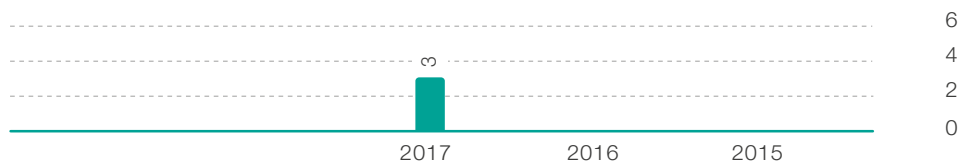
Revenue from Power Business



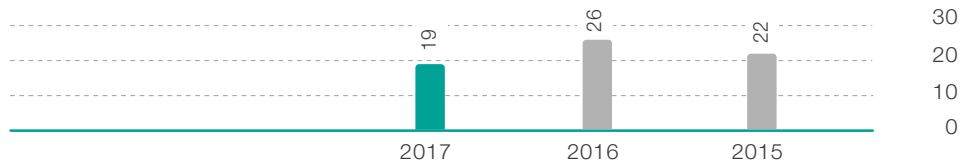
Revenue from Gas Business



Revenue from Fuel Businesses



Revenue from Other Businesses



Board of Directors' Review



The year 2017 saw a dramatic recovery of demand for imported coal in many countries, due to the stronger than anticipated global economic growth, both in Europe and Asia. Major coal exporting countries, such as Australia and Indonesia, had been stagnant given low coal prices for many years. In addition, heavy rainfall in Indonesia and unfavorable weather in Australia had tightened the production and affected the delivery of coal. Banpu Public Company Limited has been adapting to the changes by prioritizing major customers and developing new markets with high-growth potential. We also continue to improve our service systems focusing on logistics and delivery. Meanwhile, we have managed our power and shale gas businesses in line with the potential of domestic markets and energy policies in the host countries where we have investments.

Aside from coal and shale gas, Banpu is also faced with unprecedentedly rapid and diverse changes in technology; hence the Board and the management have studied and deliberated over change management approaches to timely respond to the changes.

In terms of business operations, the Board of Directors is committed to upholding good corporate governance in tandem with being responsible for the society,

environment and all stakeholders. We greatly value the preparation of our human capital and business systems so as to maintain the competitive advantages amid the changing scenarios to steer the Company towards the goals set forth in the “Banpu Greener & Smarter” strategic plan.

In 2017, Banpu moved forward on investment expansion and strengthened the management capacity of various assets from upstream, midstream to downstream with the aim of maintaining the Banpu Group’s financial stability and our potential to create added value and maximize long-term returns for the shareholders. Additionally, we underlined securing concrete benefits for the stakeholders in all countries in which we operate.

On this occasion, the Board of Directors would like to express our gratitude to all our valued customers, stakeholders, and related parties, both in Thailand and abroad, for your continued support. We pledge to adhere to the principles of systematic management and sound, transparent and accountable corporate governance. We are on full steam ahead to establish energy stability for the Asia-Pacific region and create equitable and sustainable value for all stakeholders.



Mr. Chanin Vongkusolkrit

Chairman of the Board of Directors

Chief Executive Officer Review



In 2017, Banpu delivered strong financial results, with group EBITDA¹ approaching USD 1 billion again. We also made important progress towards delivering on our new Banpu Greener & Smarter strategy. Our strategic initiatives are designed to ensure that Banpu is able to continue generating meaningful stakeholder value and robust shareholder returns for many decades to come.

Banpu is bridging the old and the new in the energy sector to ensure energy supplies which are affordable, reliable and eco-friendly. We are leading the transition to greater sustainability in a responsible way with a hybrid fusion of integrated conventional and unconventional energy businesses.

Summary of Group Financial Performance in 2017

Banpu's consolidated group EBITDA increased 79% year-on-year to USD 968 million in 2017. While the contribution from our Power business was roughly the same as the year before at USD 153 million, the EBITDA contribution from our Coal business more than doubled to USD 790 million. Last year also saw the first material result from our new Gas business, with EBITDA for the year of USD 25 million.

Banpu's consolidated Net Profit After Tax more than quadrupled to USD 234 million, up 392% year-on-year. Our balance sheet strengthened with gearing kept at manageable levels. Our TRIS credit rating was confirmed at 'A+ with stable outlook'².

Banpu Coal Business

Coal Sales and Market Analysis

Banpu group coal sales in 2017 totaled 41.3 million tonnes (Mt) just over half of which came from our Indonesian operations (23.2 Mt 100%-basis), nearly a third from our Australian mines (13.4 Mt equity-basis) and the rest from China (4.5 Mt equity basis).

Production from Indonesian operations fell year-on-year due to heavy rains, but output at our Australian and Chinese mines increased.

The Northeast Asian 'premium' markets of Japan, Korea and Taiwan remained the most important destination markets for our coal sales, with 12.5 Mt headed to these countries from our mines in Indonesia and Australia in 2017, up from 11.4 Mt in 2016.

Chinese, Southeast Asian and Indian customers purchased less coal from Banpu in 2017 versus the previous year, with 9 Mt Banpu coals going to China (from our domestic mines as well as from our mines

¹ Earnings before interest, tax, depreciation, and amortization

² Banpu corporate rating and for senior unsecured debentures.

in Indonesian and Australian), 7.1 Mt going to customers in the ASEAN region and 2.6 Mt going to India. Domestic sales to Australian customers also fell slightly to 8.2 Mt.

The benchmark NEX³ Index, representing the thermal benchmark prices at Newcastle in Australia for high-grade export coal, increased to an average level of USD 89.6 per tonne in 2017 versus USD 65.7 per tonne in 2016, a 36% increase. Nuclear plant shut downs in Korea and Japan plus strong winter demand and strong global economic growth were some of the factors boosting coal demand. Bad weather in China, Colombia, Russia, and Indonesia plus strikes in Australia constrained supply increases. The combination provided a stimulus to coal prices, particularly towards the end of the year, with the NEX Index averaging just under USD 105 per tonne in December.

Banpu group's weighted average selling price was USD 71 per tonne in 2017 compared to USD 52 per tonne in 2016, up 38% year-on-year. There is typically a time-lag of several months before spot price increases show through in selling prices and revenues.

Indonesia Coal Business: ITM

PT Indo Tambangraya Megah Tbk (ITM) is listed on the Indonesian stock exchange and is approximately 68%-owned by Banpu. ITM generated EBITDA of USD 448 million in 2017, a 66% increase on the previous year. Despite lower output, the strong financial performance was achieved thanks to a 44% uplift in average selling prices (to USD 73 per tonne) combined with careful unit cost and overhead management.

Coal output at ITM was down in 2017 at around 22.1 Mt due to weather conditions and other factors such as the winding down of Indominco West Block. Output from Indominco was 13 Mt, down from just over 15 Mt in the previous year. Trubaindo and Bharinto also saw a fall in production to a combined 7.3 Mt versus 8.4 Mt in 2016. Jorong and Embalut both registered output of around 0.9 Mt for the year.

ITM took advantage of strong and rising coal prices to optimize coal reserves by increasing strip ratios. This, combined with higher oil prices (up 26%), meant that unit costs (before royalties) increased to USD 56 per tonne, up 27% from the previous year.

Australia Coal Business: Centennial

Centennial's EBITDA in 2017 nearly doubled from the previous year to AUD 287 million. This was thanks to an increase in ASP of 27% (to AUD 83 per tonne) with the majority of legacy contracts repriced, and a minimal unit cost increase, up only 6% to AUD 53 per tonne.

Output at Centennial's New South Wales mines was similar to the year before at 12.3 Mt. This was achieved despite gas management issues and a longwall change-over at Mandalong which reduced output at that mine to 5.5 Mt versus 5.7 Mt in the previous year. Myuna, the other northern operation, achieved a significant increase in output at 1.8 Mt. And at the western operations, while output at Springvale (2.1 Mt) and Airly (0.8 Mt) was stable year-on-year, an increase to 2.6 Mt was achieved at Clarence.

China and Mongolia Coal Business

EBITDA at Gaohe, in Shanxi province (45%-owned by Banpu) increased to USD 408 million, a 133% increase year-on-year. Gaohe's ASP in 2017 increased to an average of USD 81 per tonne, up from USD 54 per tonne in 2016. Gaohe's output for the year was 9 Mt, down from 10.5 Mt in 2016. At Hebi Zhong Thai (40%-owned by Banpu) in Henan province, output increased to 1.3 Mt, up from 1.1 Mt in 2016.

In Mongolia, work continued at the Tsant Uul pilot project including collaboration with potential pyrolysis and oil upgrading vendors to add more value to tar oil and char products. Feasibility study work also continued around the Unst Khudag and Altai Nuurs projects.

³ The Newcastle Export Index (previously known as the Barlow Jonker Index or 'BJI')

Banpu Power Business

Overall Performance

Banpu's power business was listed separately as 'Banpu Power' in October 2016 on the Stock Exchange of Thailand and has entered the SET 50 Index. The initial public offering received the 'Outstanding Deal of the Year Award' by the Stock Exchange of Thailand. Banpu retains approximately a 79% shareholding in Banpu Power.

Banpu Power EBITDA in 2017 was stable at around USD 153 million. The company has a combination of conventional coal-fired power and co-generation operations in the Greater Mekong region⁴ and China plus a rapidly growing solar PV business in North Asia. The total operating capacity of Banpu Power's power generation assets on an equity-basis reached 2.07 gigawatts (GWe) by year end 2017, up 4%. The company also has a pipeline of around 0.72 GWe currently under development for commissioning between now and 2023. Banpu aims to build at least a 4.3 GWe power business by 2025 of which at least one-fifth will be from renewable energy.

Conventional Power Business: Greater Mekong Region

Banpu Power has two major operations in the Greater Mekong region: a 50% interest in BLCP, a 1,434 MW coal-fired power plant in Thailand and a 40% interest in Hongsa, a 1,878 MW coal-fired mine-mouth power plant in Laos.

BLCP reached its tenth year of continuous operation in 2017 with a high Equivalent Availability Factor (EAF) of 88% despite an extended major maintenance overhaul. BLCP's EBITDA was down on the year before at USD 188 million due to the overhaul. Hongsa's EBITDA increased 42% year-on-year to USD 370 million. Hongsa's EAF was up at 81% in 2017 versus a much lower average of 63% in 2016.

Conventional Power Business: China

Banpu Power has three coal-fired combined heat-and-power operations in China (Luannan, Zouping and Zhengding) with total capacity of 435 MWe, up 12% from 2016 due to expansion at Zouping. These operations achieved an aggregate EBITDA of USD 37 million in 2017, down on the previous year due to rising coal costs.

The new 1,320 MW Shanxi Lu Guang coal-fired power project commissioning date has been postponed to around the end of 2019 due to the central government's concerns about excess power generation capacity in the short term.

Solar PV Business

Banpu's North Asian solar PV business includes approximately 165 MW of operating capacity, mainly in China (152 MWe), and another 221 MW under development, all in Japan.

Three new Chinese solar PV farms with aggregate capacity of just under 82 MW commenced operations in 2017, including the 51.6 MW Deyuan project. Banpu's solar business in China generated EBITDA of USD 11 million for the year (increased 429%).

In Japan, the Awaji (6 MW) project was commissioned in 2017. Banpu secured three new projects during the year with total equity capacity under development of 130 MW, including a 51% stake in the 200 MW Yamagata lide project. The new capacity will come into operation between 2019 and 2023.

Banpu gas Business

Since 2016, Banpu has quickly developed a new shale gas business in the Marcellus Shale in Pennsylvania in the US, with six investment transactions totaling just over USD 0.5 billion. The investments have been made at an average cost of USD 0.5 per thousand cubic feet (Mcf) of acquired reserves. Through its local affiliate Banpu is also developing operator positions in two of these assets.

⁴ Thailand, Vietnam, Laos, Cambodia, and Myanmar

Banpu's total attributable gas production from its US asset portfolio is now over 200 million cubic feet per day (MMcfd), equivalent to over 73 billion cubic feet (Bcf) per annum. Banpu's total attributable proved (1P) dry gas reserves now stand at just over one trillion cubic feet.

Banpu's gas business generated EBITDA of USD 25 million on attributable sales of 21 Bcf, up 214% from the previous year. The average benchmark Henry Hub price in 2017 was USD 3.02 per Mmbtu versus USD 2.55 per Mmbtu the previous year.

Banpu Smart Energy Business

Banpu launched a new smart energy business in August 2017, under the name 'Banpu Infinergy'. The new business is initially focused on solar rooftop services. These services have already been rolled out in Thailand with around 12 MW installed for residential and commercial customers so far. Banpu Infinergy also acquired a 25.7% stake in Singapore's leading solar rooftop player, Sunseap. Through Sunseap, Banpu Infinergy now has additional attributable installed solar rooftop capacity of 85 MW in Southeast Asia (Singapore, Vietnam, Philippines, Malaysia, and Cambodia) and India.

Strategic Review and Outlook

Since 2015, Banpu has been developing a new strategic framework with a view to establishing a more sustainable platform for building long-term value for our stakeholders and shareholders. The underlying theme of the new strategy is to ensure that in the medium term Banpu becomes both 'Greener & Smarter'.

Banpu's core principles of Care and Integrity have meant that we have always sought to be eco-friendly in all aspects of our development and operations. Banpu is now becoming 'Greener' through ensuring that all future coal-fired power investment is in high-efficiency and low-emissions technology and through the rapid development of gas and renewable energy businesses. Banpu is also pursuing excellence in all aspects of health, safety and environmental management, and

compliance. Banpu has aligned its strategy with the United Nations Sustainable Development Goals (SDGs) and aims to reduce its attributable greenhouse gas emissions from its coal business by 25% and from its power business by 15% by 2020.

Our 'Smarter' objective stems from our core Banpu Spirit principles of 'Innovation' and 'Synergy' and our new corporate vision aimed at putting the company at the heart of technological progress and innovation in the Asian energy sector. Banpu is becoming Smarter in a number of ways.

First, we are investing in a new smart energy business, Banpu Infinergy. Initially this business will be focused on solar rooftop, with a plan to deliver over 300 MW of installed solar rooftop capacity in Southeast Asia within the next three to five years, but Banpu Infinergy will also aim to diversify into smart building, smart city, electric vehicle infrastructure and energy management system businesses. In 2017, for example, we announced a partnership with Rugby School to develop a 'Smart Campus' at their new school in Thailand.

Second, Banpu is developing synergistic value-creating businesses connected to our existing supply-chains. For example, Banpu is developing its regional third-party coal trading and blending capabilities and has launched a small diesel procurement and marketing venture in Indonesia. Third, Banpu is looking to deploy digital technologies throughout the group from a corporate level all the way through to its operations. By 'working smarter', Banpu should be able to increase efficiencies and productivity while reducing costs.

Innovation is the key to ensuring sustainable energy supplies for the region which are affordable, reliable and eco-friendly. By positioning Banpu at the heart of this dynamic we ensure that our ability to deliver strong shareholder returns is also 'sustainable' well into the future. In this way we see innovation, sustainability and value as being intimately and symbiotically intertwined.

In this light, we take great pride in having been selected for a fourth consecutive year to be a member

of the Dow Jones Sustainability Indices (DJSI). We were again ranked 'Gold Class' in the Coal & Consumable Fuel sector and recognized as an 'Industry Mover' by Robeco Sustainable Asset Management (RobecoSAM). Banpu also received the 'Sustainability Awards of Honor' award and was listed for the third consecutive year in 'Thailand Sustainability Investment' (THSI) granted by the Stock Exchange of Thailand. Banpu also continues to ensure best practices in all aspects of corporate governance. We were honored to receive the 'Outstanding Investor Relations Award' from the Stock Exchange of Thailand for companies with a market capitalization between THB 30 – 100 billion.

Banpu is bridging the old and the new in the energy sector. We are leading the transition to greater sustainability in a responsible way. With a hybrid fusion of conventional and unconventional energy we are developing both horizontal and vertical energy supply chain synergies. A unique group business model is evolving at Banpu with integration from upstream extraction through midstream logistics and marketing to downstream energy generation services. Our portfolio offers the investment community an attractive combination of cashflow stability and upside potential.

Banpu has a three-decade-plus proven track record in 'reaching out' to learn innovative new technologies, new ways of doing things and new markets. From the early 1990s we became pioneers in private sector power development and over the past decade have gone up the learning curve in underground mining, solar PV, solar rooftop and hydraulic fracturing. We took our first steps outside Thailand in the 1990s reaching out to Australia, Vietnam and Indonesia. In the 2000s we took a much bigger step in Indonesia and made our first investments in China and Laos. In 2010, we took a second and much bigger step into Australia – and have since established an active presence in Mongolia, Japan, Singapore, and the U.S.

We have a unique corporate culture, the result of a fusion of Eastern and Western values: Western know-how

and governance standards combined with Asian roots, a long-term perspective – and an emphasis on integrity, trust and loyalty. With our international network of friendships and projects we have a distinct competitive advantage in entering new markets successfully.

The IEA projects that are almost four-fifths of all growth in global primary energy demand will come from the Asia-Pacific region⁵. Banpu is surely well positioned to take advantage of a much wider range of growth options than energy companies who only have experience in their local country of origin.

On that note, I look to the future with great confidence. I would like to thank the Banpu board of directors along with all our stakeholders and shareholders for their active support and engagement in 2017. It will be a great honor and a pleasure for me to serve you all again in 2018.



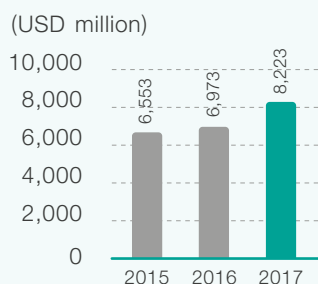
Ms. Somruedee Chaimongkol

Chief Executive Officer

⁵ World Energy Outlook 2017, New Policies Scenario, Asia-Pacific Countries and Middle East.

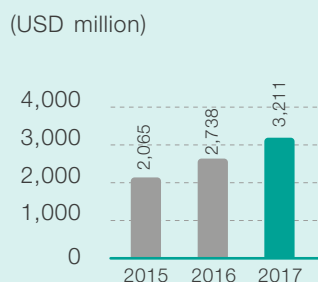
Key Financial Results

Total Assets



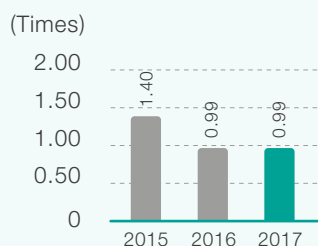
Total assets as of 31 December 2017 amounted to USD 8,223 million, growing by USD 1,250 million, or 18% compared to 31 December 2016. The growth was driven by the increased cash of USD 228 million, and an investment of USD 127 million in solar power business in Japan, and renewable energy business in Singapore. Moreover, there were an increased investment in machineries and equipment of USD 495 million, of which USD 241 million was invested at mines in Indonesia and Australia; an investment of USD 360 million in the shale gas business in the U.S., and solar power business in China; exchange translation gain of USD 59 million; and depreciation of USD 165 million.

Shareholder's Equity



Shareholder's equity as of 31 December 2017 amounted to USD 3,211 million, increased by USD 473 million or 17% compared to 31 December 2016. The increase was mainly due to an increase in 2017 net profit of USD 234 million, a capital increase of USD 32 million, non-controlling interests of USD 138 million, foreign foreign-currency subsidiaries' translation gains of USD 192 million, a fair value gain for trading securities and derivatives of USD 38 million, and a decrease in dividend payment of USD 160 million.

Net Debt to Equity Ratio

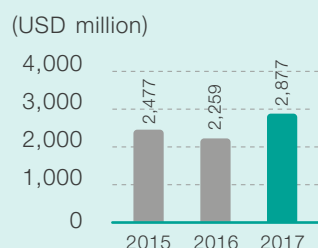


As of 31 December 2017, the Company's net debt to equity ratio was 0.99 times, remaining unchanged from the prior year.

Total liabilities in 2017 was USD 3,169 million, rising USD 453 million, from an increased loan of USD 228 million, and an increase of USD 286 million of newly-issued bonds, as well as the unrealized currency translation losses for the bonds as of 31 December 2017 of USD 160 million.

Cash and short-term investments increased by USD 221 million.

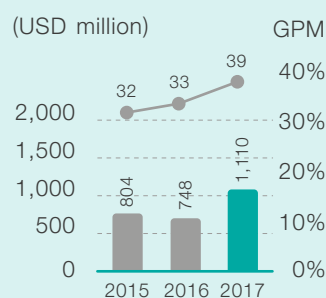
Total Revenues



Total sales revenue was reported at USD 2,877 million, growing by USD 617 million or 27% over the previous year from the continuous rise in the average selling price of coal.

Coal sales volume in 2017 comprised 23.3 million tonnes from the mines in Indonesia, and 13.4 million tonnes from the mines in Australia.

The average selling prices of coal from Indonesia and Australia mines in 2017 were USD 74.55 per tonne, and AUD 86.13 per tonne respectively.



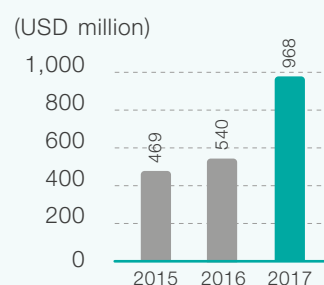
Gross Profit and Gross Profit Margin

In 2017, gross profit amounted to USD 1,110 million, an increase of USD 362 million.

The gross profit margin (GPM) in 2017 amounted to 39%, and the gross profits of coal business, power business, and gas business were 40%, 24%, and 36% respectively.

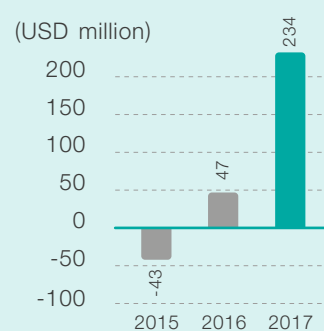
The gross profit margin of coal business saw better growth compared to the prior year, thanks to the growing demand for coal and limited coal supplies, which kept the global coal prices at the a high level throughout 2017.

Meanwhile, the power business' gross profit margin decreased from the previous year due to higher coal cost.



EBITDA

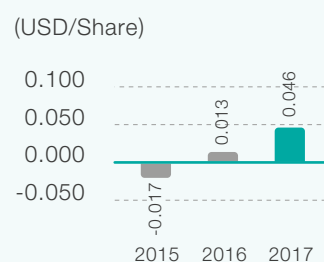
Earnings before interest, taxes, depreciation and amortization (EBITDA) was USD 968 million, an increase of USD 428 million, or 79% over the previous year, comprising USD 790 million from coal business, USD 153 million from power business, and USD 25 million from gas business.



Net Profit (Loss)

Net profit for the year ended 31 December 2017 quadrupled to USD 234 million compared to USD 47 million in the prior year, thanks to higher profits in coal business and stable sales of power. Additionally, gas business began generating significant cash flow from several acquisitions of assets in the previous year.

The net profit before unrealized currency translation loss was USD 310 million, compared to USD 59 million in the previous year.



Earnings per share

Earnings per share for the year ended 31 December 2017 was USD 0.046 per share, increasing from USD 0.013 per share in the previous year.

Summary of Major Changes and Development in 2017 and Major Current Events

- **16 January 2017**, Banpu North America Corporation (BNAC), a subsidiary of Banpu, entered into a Purchase and Sale Agreement on the acquisition of 10.24% working interest in a portfolio of Marcellus Shale gas located in the Northeast Pennsylvania (NEPA CORNERS-I), USA for the total investment of USD 63 million (approximately THB 2,230 million).

On 16 March 2017, BNAC increased its investment portfolio to 12.8 % working interest in Marcellus Shale gas play (NEPA CORNERS-II) for USD 15.8 million (approximately THB 568 million). Banpu benefits from its acquisition of NEPA I and II, as follows:

Approximated 1P reserves of 166 billion cubic feet (third-party reserves estimate)

The equity-based share of production is approximately 22.5 million cubic feet per day, equivalent to a net revenue interest of 18.75 million cubic feet per day. There are over 170 drilling wells on 10,000 acres of the Marcellus Shale area.

- **On 30 January 2017**, Banpu Renewable Singapore Pte. Ltd. (BRS), a subsidiary of Banpu Power Company Limited (Banpu Power or BPP), entered into an investment agreement on the acquisition of 100% of development rights under a TK structure in Japan to develop two new solar projects: Shirakawa Solar Project in Miyagi Prefecture, with a 10 MW generation capacity; and Kurokawa Solar Project in Fukushima Prefecture, with an 18.9 MW generation capacity.
- **On 23 February 2017**, the Board of Directors meeting approved the dividend payment for the 2016 operating profits during 1 January - 31 December 2016, at a dividend rate of THB 0.50 per share. Previously, an interim dividend had

been paid out to shareholders at a dividend rate of THB 0.25 per share on 23 September 2016. The remaining 2016 dividend for the operating profits during 1 July - 31 December 2016 was proposed to be paid out to the shareholders at a rate of THB 0.25 per share. The dividend payment was appropriated from the corporate income tax-exempted profit, on which shareholders are not entitled to tax credits. The dividend was paid on 28 April 2017.

- **On 27 February 2017**, Banpu Power, a subsidiary of Banpu, reported that the Deyuan Solar Power Plant in the People's Republic of China, with a capacity of 50 MW, successfully commenced its commercial operations and thus increased the Company's total generating capacity in China to 140 MW.
- **On 7 March 2017**, Banpu Renewable Energy Co., Ltd. (BRE), a wholly-owned subsidiary of Banpu Power, sold its 100% capital in Thai Solar Consultant Co., Ltd. to a developer for THB 10 million.
- **On 9 March 2017**, holders of the warrants representing the right to purchase the newly issued ordinary shares of Banpu. No.3 (BANPU-W3) exercised their rights for the third time for 123,464,191 units or at the ratio of 9.56% of the newly-issued ordinary shares, amounting to THB 617.32 million. The three exercises of warrants amounted to 92.01% of the total warrants or 1,187,816,388 units, increasing paid-up capital by THB 123.46 million. The capital increase was registered with the Ministry of Commerce on 7 March 2017, increasing the total paid-up capital to THB 5,060,634,213 (at the par value of THB 1 per share).
- **On 30 March 2017**, Banpu Power signed an investment agreement on the acquisition of 100% investment rights to develop the Xingyu solar

project with approximate capacity of 10 MW in Shandong Province, China. The investment was worth about CNY 60,000,000.

Subsequently, on 11 July 2017, Banpu Power reported on the progress of Xingyu solar farm in Shandong Province, China, that it had successfully started commercial operations, and its total capacity has increased to 10.30 MW. Currently, the solar farms in China represents a total generation capacity of 152.09 MW, as detailed below:

- 1) Huineug Solar Farm, with a capacity of 21.50 MW, started its commercial operations in July 2016.
 - 2) Jinshan Solar Farm, with a capacity of 28.95 MW, started its commercial operations in September 2016.
 - 3) Haoyuan Solar Farm, with a capacity of 20 MW, started its commercial operations in October 2016.
 - 4) Hui'en Solar Farm, with a capacity of 19.70 MW, started its commercial operations in January 2017.
 - 5) Deyuan Solar Farm, with a capacity of 51.64 MW, started its commercial operations in February 2017.
 - 6) Xingyu Solar Farm, with a capacity of 10.30 MW, started its commercial operations in July 2017.
- **On 4 April 2017**, the 2017 Annual General Meeting of Shareholders approved the allocation of annual profits after deduction of the accumulated deficit (if any) at the minimum rate of 5% as legal reserves. In 2016, the Company generated net profits and registered the capital increase; and therefore, allocated THB 72,731,610, which is not less than 5% of its net profit, as legal reserves.

The Meeting also approved the increase of the Company's registered capital from THB 5,163,757,100 to THB 5,165,257,100 by issuing 1,500,000 new shares at the par value of THB 1 per share. This was to accommodate the exercise of BANPU-W3 after the adjustment of the exercise ratio from 1 unit of warrant to 1 ordinary share, at the exercise price of THB 5 per unit, to 1.0145 unit of warrants to 1 ordinary share, at the exercise price of THB 4.93 per unit. The increased capital was registered with the Ministry of Commerce on 24 April 2017.
 - **On 21 April 2017**, the Company issued name-registered, unsubordinated, and unsecured debentures for sale at the amount of THB 10,000 million. The maturity period is ten years and the interest rate is 4.17 % per year. The maturity date is on 21 April 2027.
 - **On 11 May 2017**, Zouping Peak CHP Co., Ltd, a 70% owned subsidiary of Banpu, signed an asset exchange agreement with Xiwang Group Co., Ltd, its joint venture, on the investment of a combined-heat and power plant in Shandong, China, worth CNY 220 million (approximately THB 1,104 million). This expansion will increase its generating capacity of power and steam by 25 MW and 220 TPH respectively, increasing the total production capacity to 125 MW and 670 TPH respectively.
 - **On 15 May 2017**, BNAC invested USD 16.25 million (approximately THB 565 million) in the NEPA CORNERS-III venture. The investment yields major benefits, as follows:
 - Working interests in 34 wells
 - Net production interest of approximately 6 million cubic feet per day.
 - Approximated 1P reserves of 33 billion cubic feet
 - The project covers nearly 1,000 acres of natural gas production in Marcellus Shale.
 - **On 9 June 2017**, the holders of the warrants BANPU-W3 exercised their rights for the last time for 99,992,461 units or 7.75% of the total warrants issued for sale, amounting to THB 500.38 million. For all four exercises, the exercise of rights amounted to 99.76% of the total warrants, or

1,287,808,849 units. The 101,291,302 ordinary shares were allocated for the last exercise. The Company registered the capital increase with the Ministry of Commerce on 7 June 2017, increasing its paid-up capital to THB 5,161,925,515 (at the par value of THB 1 per share).

- **On 17 July 2017**, Banpu Power, a subsidiary of Banpu, reported the progress on the investment and development of solar farms. The Company entered into an investment agreement on the acquisition of 100% of development rights via Banpu Renewable Singapore Pte. Ltd. (BRS) under a TK structure in Japan to develop two new solar projects: Hiroshima Solar Project in Hiroshima Prefecture, with an 8 MW generation capacity, and Kesennuma Solar Project in Miyagi Prefecture, with a 20 MW generation capacity.

In addition, on 1 November 2017, BRS entered into an investment agreement on the acquisition of 51% of development rights in a new solar project named Yamagata Iide, with a capacity of 200 MW. It also obtained the right to acquire additional 34% interest once the construction commences, and the remaining 15% interest when the project starts its commercial operations. Totally, Banpu Power now owns 13 solar projects with a total capacity of 358.4 MW, including 233.3 MW equity-based capacity.

- **On 28 August 2017**, Banpu established Banpu Infinergy Co., Ltd. (BPIN), a wholly-owned subsidiary of Banpu, with the aim of studying and investing in a solar power business as a total solution provider of advanced renewable energy systems. BPIN is becoming an important business unit of Banpu Group, diversifying its downstream business to effective renewable business, which deploys effective energy technologies. This will extend Banpu's business and lead the Company to become an integrated energy solutions company as stated in its strategic plan.

- **On 31 August 2017**, the Board of Directors meeting approved the interim dividend payment for the operating profits for the last six months ending 30 June 2017, at a rate of THB 0.30 per share for 5,161,925,515 shares, amounting to THB 1,548.58 million in total. The dividend payment was appropriated from the corporate income tax-exempted profit, on which shareholders are not entitled to tax credits. The dividend was paid on 29 September 2017.

- **On 14 September 2017**, BPIN Investment Co., Ltd. (BPINI), a subsidiary of BPIN entered into a Purchase and Sale Agreement on the acquisition of 25.70% of the newly-issued shares of Sunseap Group Pte. Ltd. (Sunseap), Singapore's leading integrated clean energy solution provider. The investment was worth approximately SGD 75 million (approximately THB 1,860 million), which made BPINI the largest shareholder of Sunseap.

- **On 9 October 2017**, BNAC entered into a Purchase and Sale Agreement to acquire an operatorship position and gas portfolio in the Marcellus shale gas play of the Northeast Pennsylvania, U.S.A. (NEPA CORNERS IV) for the total investment of USD 210 million (approximately THB 7,000 million). The investment yields the following major benefits:

- Working interest 80% in 112 wells
- Net production interest of approximately 100 million cubic feet per day
- Approximated 1P reserves of 414 billion cubic feet
- The project covers approximately 32,350 acres of natural gas production in Marcellus Shale

- **On 7 November 2017**, PT Indotambangraya Megah Tbk. (ITM), a 68.09% owned subsidiary of Banpu in Indonesia, has signed a Share Purchase Agreement to acquire 70% interest in PT. Tepian Indah Sukses (TIS) coal mine who has right in an Izin Usaha Pertambangan (IUP) Mining Business License, with an investment worth USD 9.5 million (approximately

THB 314 million). The TIS mine has a total coal reserves of 4.7 million tonnes (100% of the portfolio) according to the Joint Ore Reserve Committee (JORC), covering a concession area of 2,065 hectares in East Kalimantan, Indonesia. The coal reserves provide premium coal quality with a calorific value of 6,400 kcal/kg. The mine is anticipated to generate 2 million tonnes of coal per year, starting from 2019.

- **On 12 December 2017**, BNAC entered into a Purchase and Sale Agreement to acquire an operatorship position gas portfolio in the Marcellus shale gas play of the Northeast Pennsylvania, U.S.A. (NEPA CORNERS-V) for USD 105 million (approximately THB 3,500 million). The investment yields major benefits, as follows:

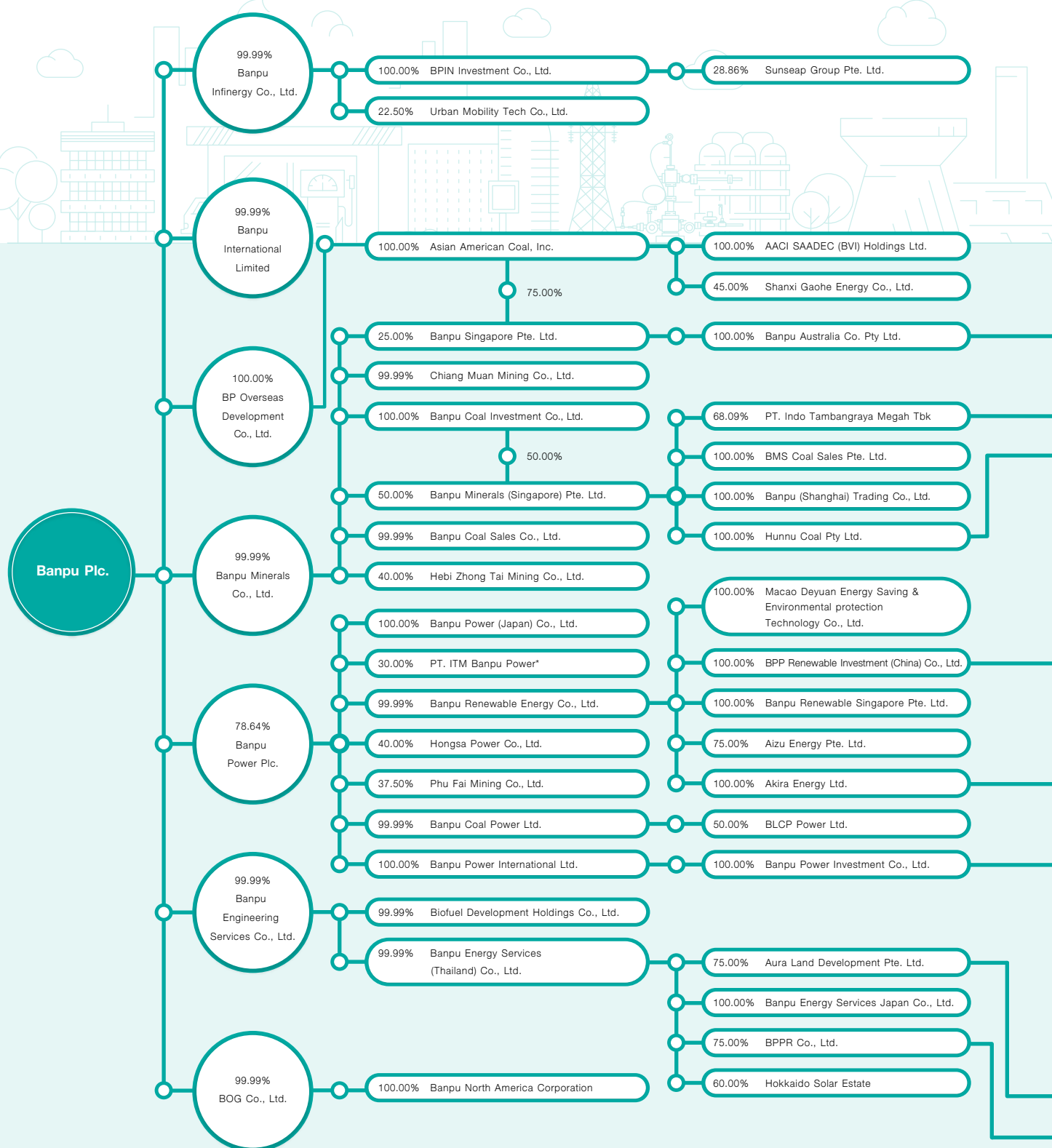
- Working interests nearly 88% in 35 wells
- Net production interest of approximately 52 million cubic feet per day
- Approximated 1P reserves of 292 billion cubic feet
- The project covers approximately 6,700 acres of natural gas production in Marcellus Shale.

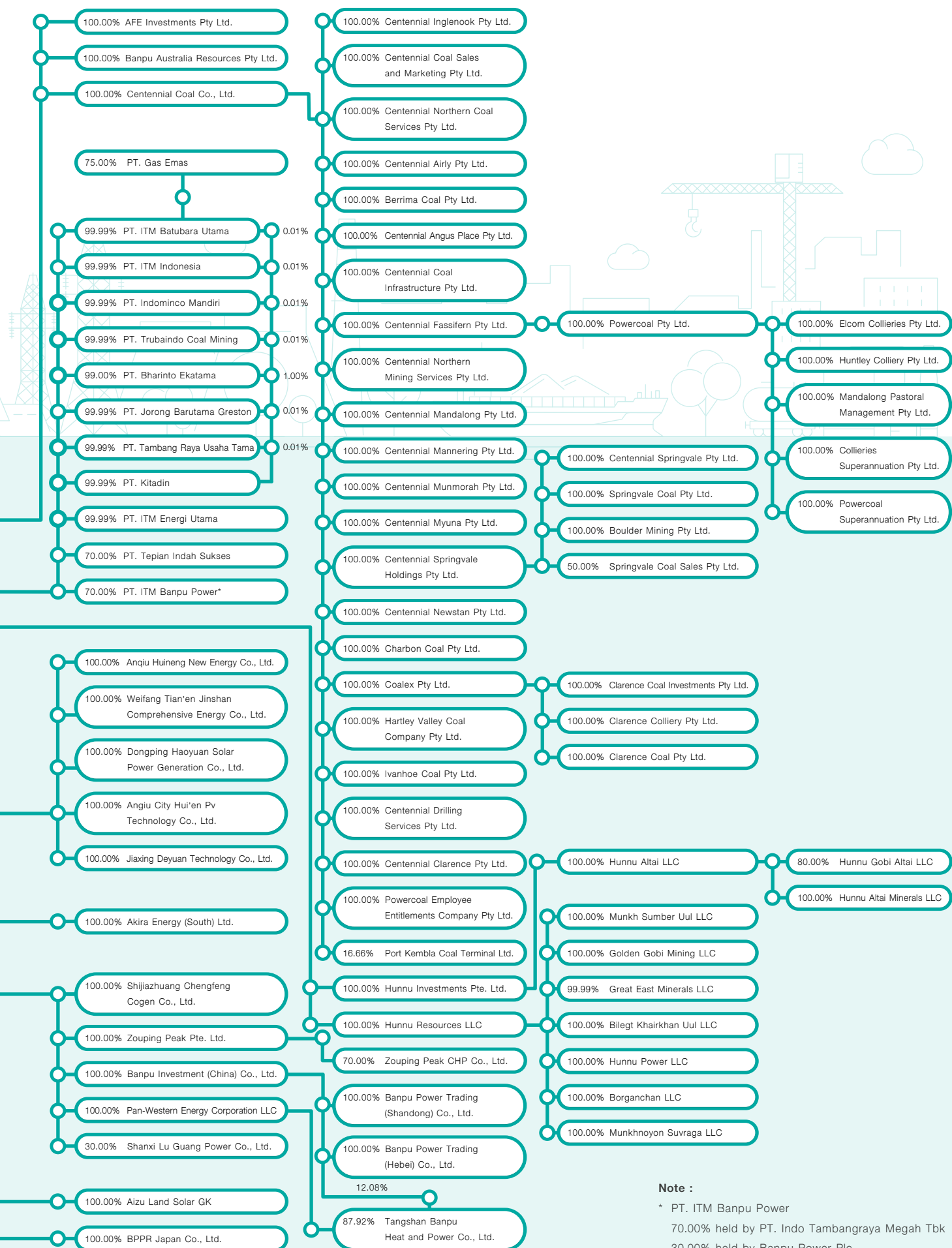
- **On 26 December 2017**, Banpu secured the company rating and the ratings of the existing senior unsecured debentures at “A+ with stable outlook” affirmed by TRIS Rating. This rating demonstrated Banpu’s leadership in coal industry among the companies in Asia-Pacific, including its diverse customer bases and coal resources, and steady dividend income from power business.

- **On 22 February 2018**, the Board of Directors meeting approved the Company’s dividend payment at a rate of THB 0.65 per share for the operating results between 1 January - 31 December 2017, of which THB 0.30 per share was paid out as interim dividend on 29 September 2017. Thus, the remaining THB 0.35 dividend would be further paid out of the retained earnings and profits from the operation during 2017. The Meeting proposed the Company to pay THB 0.35 per share dividend from accumulated profits and operating profits during 1 July - 31 December 2017 which are appropriated from the corporate income tax-exempted profit, on which shareholders are not entitled to tax credits. The dividend payment is scheduled on 30 April 2018.

Banpu Group Structure

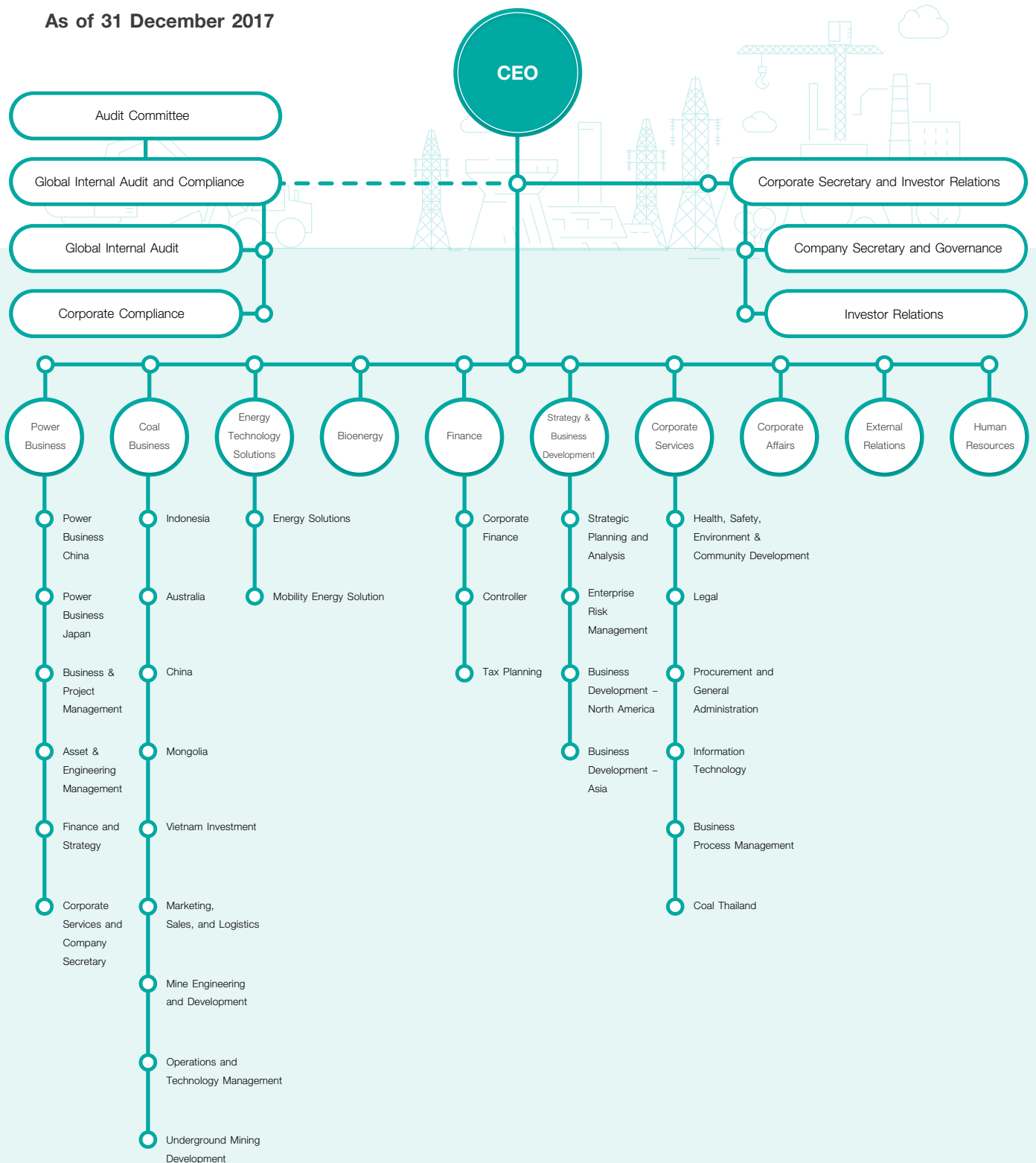
As of 31 December 2017





Organizational Structure

As of 31 December 2017



Management Structure

The Company's management structure as of 31 December 2017 consists of the Board of Directors and executive officers. The Board of Directors consists of independent directors, non-executive directors, and executive directors. Independent directors account for 33% of the Board membership.

The Board set up three sub-committees, namely, the Audit Committee, the Corporate Governance and Nomination Committee, and the Compensation Committee.

The Board also requires that Chairman of the Audit Committee, Chairman of the Corporate Governance and Nomination Committee, Chairman of the Compensation Committee, and all directors in the Audit Committee be independent directors.

1. The Board of Directors consists of:

1. Mr. Chanin Vongkusolkrit
Chairman of the Board of Directors
2. Mr. Rutt Phanijphand
Vice Chairman/Independent Director
3. Mr. Teerana Bhongmakapat
Independent Director
4. Mr. Suthad Setboonsarng
Independent Director
5. Mr. Sudiarso Prasatio
Independent Director
6. Mr. Anon Sirisaengtaksin
Director
7. Mr. Metee Auapinyakul
Director
8. Mr. Ongart Auapinyakul
Director
9. Mr. Rawi Corsiri
Director
10. Mr. Buntoeng Vongkusolkrit
Director

11. Mr. Verajet Vongkusolkrit
Director

12. Ms. Somruedee Chaimongkol
Director

Authorized Signatory Directors on behalf of the Company

Any two of the following five board members have the authority to sign on behalf of the Company: Mr. Chanin Vongkusolkrit, Mr. Metee Auapinyakul, Mr. Ongart Auapinyakul, Mr. Rawi Corsiri and Ms. Somruedee Chaimongkol. The two individuals are authorized to sign jointly on a document affixed with the Company's seal.

Duties and Responsibilities of the Board of Directors

The Board of Directors is accountable to shareholders with respect to managing the Company and supervising its management so that the organization achieves its goals while shareholders' interests are maximized. At the same time, the Board of Directors makes sure that the Company's business operations are in compliance with the Code of Conduct while the interests of all stakeholders are considered.

The Board of Directors has a duty to comply with the laws, objectives, and regulations of the Company, and with resolutions of the shareholders' meeting. It must perform duties with integrity and must safeguard short- and long-term interests of shareholders. The Board also complies with rules and regulations of the Stock Exchange of Thailand (SET), the Office of the Securities and Exchange Commission (SEC), and the Capital Market Supervisory Board, which was established according to the Securities and Exchange Act, B.E 2535 as amended by the Securities and Exchange Act (No.5), B.E 2559.

The Board formulated the "Banpu Public Company Limited Board of Directors' Practice" in 2009 as a guideline for the Board of Directors. The handbook

details definitions, composition and criteria of the Board, directors' qualifications, terms of office and vacancies, duties and responsibilities of the Board as well as meetings and voting procedures. It was amended and edited in 2011, 2012, 2014, and 2017 to reflect changing responsibilities, business climates, and to enhance good corporate governance of the Board of Directors.

To comply with the practices, the Board entrusts the CEO to run the Company's business and to supervise the Company's operations.

The Board has also formulated a charter for the Audit Committee, the Corporate Governance and Nomination Committee, and the Compensation Committee as a guideline for their duties.

The Board also organizes an orientation session for new directors so that they are aware of what Banpu expects from them. Through orientation, the directors learn about their roles and responsibilities, Banpu's

corporate governance policy and practices, and Banpu business and operations. In addition, visits to the Company's different operational units are arranged for new directors. These activities are carried out in order to prepare them thoroughly for their role as Banpu directors.

The Board of Directors has a policy to expand all directors' horizons on corporate governance, industrial outlook, businesses, new technology and innovations, etc. Directors are encouraged to attend seminars or training held by the Thai Institute of Directors (IOD) and other reputable institutions to enhance their performance. In addition, seminars are held with the management to transfer technical knowledge and experience directly related to the Company's business. Knowledge sharing sessions, regarding new energy and technology, are also organized between management and the Board of Directors on a regular basis. In 2017, the Board of Directors attended seminars and trainings as follow:

Name	Training Course/Seminar	Institution	Date of Training/ Seminar
Mr. Teerana Bhongmakapat (Chairman of the Audit Committee and Member of the Compensation Committee)	- Knowledge Sharing "Summary of the Securities and Exchange Act"	Banpu Plc.	16 February 2017
	- Knowledge Sharing "Corruption: Impact on Corporate Credibility and Business Operation"	Banpu Plc. and the CAC Project, Thai Institute of Directors (IOD)	17 May 2017
	- Forum "Stepping towards Thailand 4.0 under the National Strategy and Reform Bills"	University of the Thai Chamber of Commerce and the National Reform Council (NRC)	1 June 2017
	- Audit Committee Forum "The Audit Committee's Role in Compliance and Ethical Culture Oversight"	Thai Institute of Directors (IOD)	5 October 2017
	- Seminar on "Cyber Incident Management for Executive Committees of Listed Companies"	The Securities and Exchange Commission	15 December 2017
Mr. Rawi Corsiri (Chairman of the Corporate Governance and Nomination Committee)	- Knowledge Sharing "Summary of the Securities and Exchange Act"	Banpu Plc.	16 February 2017
	- Knowledge Sharing "Corruption: Impact on Corporate Credibility and Business Operation"	Banpu Plc. and the CAC Project, Thai Institute of Directors (IOD)	17 May 2017
	- Dinner Talk "Board of Directors and their Roles in Driving Thailand Forward"	Thai Institute of Directors (IOD)	29 May 2017

Name	Training Course/Seminar	Institution	Date of Training/ seminar
Mr. Suthad Setboonsarng (Member of the Audit Committee)	- Knowledge Sharing “Summary of the Securities and Exchange Act”	Banpu Plc.	16 February 2017
	- Dinner Talk “Board of Directors and their Roles in Driving Thailand Forward”	Thai Institute of Directors (IOD)	29 May 2017
	- Forum “Stepping towards Thailand 4.0 under the National Strategy and Reform Bills”	University of the Thai Chamber of Commerce and the National Reform Council (NRC)	1 June 2017
Mr. Anon Sirisaengtaksin (Member of the Corporate Governance and Nomination Committee)	- IOD National Director Conference 2017 “Steering Governance in a Changing World”	Thai Institute of Directors (IOD)	14 June 2017
Mr. Ongart Auapinyakul (Director)	- Seminar “Business Revolution and Innovation Network (BRAIN 1)”	The Federation of Thai Industries	January - June 2017
	- Tourism Management Program for Executives TME #1	TAT Academy	February - June 2017

The Board of Directors also holds a joint meeting between independent directors and non-executive directors at least once a year to allow directors to freely express and discuss opinions relating to management. The Company Secretary is required to submit a summary report of these meetings to all directors.

In addition to the Board of Directors’ meetings, the Board also requires a “Board Retreat” to be held annually to provide directors an opportunity to raise issues of interest, and to express opinions or provide recommendations with the aim of improving teamwork among the Board of Directors and the management, as well as planning administrative direction and a succession plan of senior management.

The Board of Directors requires that the Board itself be subject to a performance evaluation once a year. The Board started the individual director self-assessment in 2014. This duty is entrusted to the Corporate Governance and Nomination Committee.

The Board requires that the three sub-committees conduct their own self-assessment. The assessment forms are provided by the Corporate Governance and

Nomination Committee, and each has the same standard. These forms focus on roles and responsibilities corresponding to each Committee’s charter. The sub-committees have used the assessment forms as part of their performance report presented to the Board annually since 2012.

2. The Audit Committee consists of:

1. Mr. Teerana Bhongmakapat
Chairman of the Audit Committee
2. Mr. Rutt Phanijphand
Member
3. Mr. Suthad Setboonsarng
Member

The current Audit Committee’s term of office is three years, from April 2016 to April 2019. The Audit Committee has knowledge and experience in accounting and finance, Mr. Rutt Phanijphand, a member of the audit committee has a duty to review the Company’s financial statements with his knowledge, expertise and sufficient experience.

In the Audit Committee meeting #5/2015, held on 11 May 2015, Mr. Vorravit Varutbangkul was appointed as Vice President of the Internal Audit Department and Secretary of the Audit Committee. This appointment has been effective since 1 April 2015. Mr. Vorravit Varutbangkul has more than 14 years of experience in managing and conducting professional internal audit according to international standards. He is a Certified Public Accountant (CPA). Moreover, he has excellent understanding of the Company's operations.

Duties and Responsibilities of the Audit Committee

The Audit Committee has a duty to review the Company's financial statements, its adequacy of internal control and risk management systems, and compliance with applicable laws and regulations. The Audit Committee is also required to prepare a report or to give opinions to the Board of Directors for approval or for submission to the shareholders' meeting, as appropriate. (See more information in Banpu's website at http://www.banpu.com/en_subcommittee.php)

3. The Corporate Governance and Nomination Committee

consists of:

1. Mr. Rawi Corsiri
Chairman of the Corporate Governance and Nomination Committee
2. Mr. Sudiarso Prasetyo
Member
3. Mr. Verajet Vongkusolkrit
Member
4. Mr. Anon Sirisaengtaksin
Member

The current Corporate Governance and Nomination Committee's term of office is three years, from April 2016 to April 2019.

Duties and Responsibilities of the Corporate Governance and Nomination Committee

According to its charter, the Corporate Governance and Nomination Committee has two major duties. Firstly, to review the Corporate Governance Policy and

the Code of Conduct, and to monitor compliance with the policy and practices within Banpu's Code of Conduct. Secondly, to nominate directors and the Chief Executive Officer, to review a succession plan in order to nominate appropriate persons to fill the management positions (for department head level and higher), and to submit recommendations to the Board of Directors for approval or for submission to the shareholders' meeting, as appropriate. (See more information in Banpu's website at http://www.banpu.com/en_subcommittee.php)

4. The Compensation Committee

consists of:

1. Mr. Rutt Phanijphand
Chairman of the Compensation Committee
2. Mr. Buntoeng Vongkusolkrit
Member
3. Mr. Teerana Bhongmakapat
Member

The current Compensation Committee's term of office is three years, from April 2016 to April 2019.

Duties and Responsibilities of the Compensation Committee

The Compensation Committee's duty is to provide advice related to compensation management to the Board of Directors for approval or for submission to the shareholders' meeting, as appropriate. (See more information in Banpu's website at http://www.banpu.com/en_subcommittee.php)

5. The Management*

consists of:

1. Ms. Somruedee Chaimongkol
Chief Executive Officer
2. Mr. Somyot Ruchirawat
Chief Operating Officer
(Deputy Chief Executive Officer)
3. Mr. Voravudhi Linananda*
Chief Operating Officer
4. Mr. Sutee Sukruan*
Senior Vice President - Corporate Finance

5. Mr. Sathidpong Wattananuchit
Assistant Chief Executive Officer -
Corporate Services
6. Mr. Akaraphong Dayananda
Assistant Chief Executive Officer - Strategy
and Business Development
7. Ms. Udomlux Olarn
Senior Vice President - Corporate Affairs
8. Mr. Varoj Limjaroon
Senior Vice President - Human Resources
9. Ms. Arisara Sakoongaravek*
Senior Vice President - Controller

Note: * After the CEO, the next four executives as announced in the company's organization structure no.17/2560 dated 26 April 2017.

Mr. Voravudhi Linananda retired from the Company effective on 31 December 2017.

Mr. Sutee Sukruan was appointed as Chief Operating Officer - Power Business of Banpu Public Company Limited and Chief Executive Officer of Banpu Power Public Company Limited, effective on 1 January 2018.

Ms. Arisara Sakoongaravek was appointed as Senior Vice President - Corporate Finance, effective on 1 January 2018.

Duties and Authority of the Chief Executive Officer

The Board of Directors sets operational goals for the CEO and evaluates her performance every year. The CEO then evaluates the performance of executive officers and senior executive officers by using goals and evaluation criteria linked closely with Banpu's strategic plan and annual operating plan, and uses this information to set appropriate and attractive compensation packages and incentives. (For more information, please see 56-1 Form: CEO's duties and responsibilities)

6. The Independent Directors, who account for 33% of the Company's Board of Directors members,

are as follows:

1. Mr. Rutt Phanijphand
Independent Director
2. Mr. Teerana Bhongmakapat
Independent Director

3. Mr. Suthad Setboonsarng
Independent Director
4. Mr. Sudiarso Prasetyo
Independent Director

Banpu has defined the qualifications of "Independent Directors" according to the Notification of the Capital Market Supervisory Board No. TorJor.39/2559 dated 16 November, B.E. 2559. (For more information, please see 56-1 Form and the Notification of Capital Market Supervisory Board No. TorJor.39/2559 dated 16 November, B.E. 2559).

7. Company Secretary

The Board of Directors has appointed Ms. Boonsiri Charusiri* as Company Secretary, whose duties and responsibilities are as stipulated in the Securities and Exchange Act (No.5), B.E. 2559, an amendment of the Securities and Exchange Act B.E. 2535. The Company Secretary is responsible for organizing meetings for the Board of Directors and shareholders, ensuring compliance with the meetings' resolutions, and advising the Board on rules and regulations to which it must comply. Additionally, the Company Secretary is responsible for preparing and keeping the register of directors, Board meeting invitation letters, Board meeting minutes, the Banpu Annual Report, invitation letters to attend the shareholders' meeting and records of its minutes, the report on conflict of interest of directors or executive officers and other duties as required by the Capital Market Supervisory Board. (The qualifications of Company Secretary is stated in 56-1 report regarding the details of the Board of Directors and the Management.)

Note: * Ms. Boonsiri Charusiri resigned from the Company and Company Secretary position due to her retirement on 31 December 2017. Mr. Virach Vudhidhanaseth, as a successor, was appointed by The Board of Directors to be Company Secretary, effective on 1 January 2018.

Market and Competition

Coal Business

Marketing and Competitive Strategies

1. Global Coal Market

The demand for imported thermal coal recovered strongly in 2017 due to the restructuring of the coal sector in the People's Republic of China, the shutdowns of nuclear power plants and the growth of coal imports into the Republic of Korea. However, coal miners' strikes, as well as bad weather in major exporting countries resulted in a tight supply of coal in Asia, allowing more coal from Colombia and the U.S. into the Asian market. Coal prices soared sharply at year end.

The coal business restructuring policy in China was the main cause of fluctuations in the coal business in 2017. A severe cut in coal production led to a steep increase in coal prices towards the end of 2016, which prompted the government to relax the capacity control and boost coal production to meet the stronger demand. However, slow increase of production caused the tight supply of coal. The Chinese government thus set out a measure to stabilize coal prices by announcing standard spot price in early 2017 at CHY 500–570 per tonne for coal with calorific value of NAR (Net As Received) 5,500 kcal/kg. If coal prices are between CHY 470-500 or 570-600 per tonne, the Chinese government will closely monitor the prices, and it will interfere with the market when the prices go lower than CHY 470 per tonne or greater than 600 per tonne.

After the Chinese government relaxed its coal production control policies and set the aforementioned measures, it resulted in the drop of coal prices in the first quarter of 2017. In the second quarter, coal prices rose again due to the slow capacity increase. This has a result from the government's safety assessment in mines when there were fatal accidents

with major losses towards the end of 2016. Yet in the first half of 2017, coal imports soared due to insufficient domestic production.

In the second half of 2017, the Chinese government adopted several measures to protect the domestic coal industry against imported coal. Effective between 1 July to 31 December 2017, the Chinese government banned coal imports into second-tier terminals run by local governments and allowed only those imports into first-tier ports run by the central government. Although the policy affected only ten local ports, local governments delayed the ban until September to allow importers to adjust to the new policy. Overall, the policy did not have much impact on imports as coal consumers could still import coal into first-tier ports, yet with additional domestic logistics costs.

Moreover, the Chinese government imposed stricter customs clearance procedures, which lengthened the clearance period from 2 - 4 weeks to approximately 2 months. This also extended the staying period of coal barges, resulting in less amount of imported coal.

Despite the government's fixed pricing policy, the stricter control on imported coal caused a sharp increase in coal price around year-end as the demand of coal was much greater during winter while the domestic production could not satisfy the demand. The government pressured the producers and consumers of coal to enter into long-term purchase agreements with at least 75% of annual consumption in 2018, approximately 5% increase over the past year, in order to lower the demand in spot markets. The government will then closely monitor these agreements' deliverables. Even with long-term agreements, the spot prices continued to rise as the coal supply dropped by the fact that the producers delivered coal according to long-term agreements. In late 2017, the Chinese

government decided to relax import controls until February 2018 to let in enough coal supplies for winter.

The Republic of India continued to reduce its imports of coal in 2017 due to its policy to promote the production of coal in the country and encouraged the use of local coal supplies in power plants. In the first quarter, coal imports dropped sharply due to the above-mentioned policy, and an economic slowdown occurred, which was a result of the abrupt cancellation of 500 and 1,000 rupee banknotes towards the end of 2016, affecting the purchasing power of numerous coal consumers. The second quarter showed a recovery in coal imports as many coal mines suffered floods, causing production disruption. Flooded train tracks also resulted in insufficient amounts of coal getting transported to power plants. Additionally, heat waves caused higher power consumption, which eventually forced many power plants to temporarily close down because of coal shortage or a nearly depleted stock. The major India coal producer, Coal India Limited, had to prioritize delivery coal to power plants over consumers in other sectors. Consequently, coal consumers in the private sector had to rely on imported coal instead.

Another factor affecting higher demand for coal in India was the prohibition of sulfur-rich Petroleum Coke in New Delhi and adjacent areas due to the environmental impact caused by its high sulfuric trait. Consumers of Petroleum Coke had to switch to high-quality thermal coal from the U.S. and South Africa, except for the cement industry where a sulfur collection system is used in the production system.

In 2017, South Korea imported a greater amount of coal as new coal-fired power plants were launched while many nuclear power plants were closed down for maintenance. In the second half of the past year, the South Korean government ordered that all nuclear power plants be inspected for safety reasons as defects in several equipment parts were detected. As a result, ten nuclear power plants were closed for 145 days during the peak season, causing gas and coal-fired power plants to generate more outputs to compensate

for the lost capacity, thus creating greater demand for coal.

There was also a higher demand for imported coal into Japan and Taiwan as the majority of Japanese nuclear power plants were still closed, while new coal-fired power plants in Taiwan commenced their commercial operations. It was only in the Hong Kong Special Administrative Region that coal imports were lower due to the decommissioning plan of the coal-fired power plants.

The demand for coal in South-East Asia continued to rise in the past year after coal-fired power plants in Malaysia, the Philippines, Vietnam and Cambodia commenced their commercial operations. The coal demand in the South Asian market also soared due to the start of commercial operations of a new coal-fired power plant in Pakistan.

The European coal market grew in 2017 as a result of nuclear power plant closedowns in France, less hydroelectric power generation, and the start of commercial operations of a new coal-fired power plant in Turkey. In Germany, coal consumption had continuously dropped due to higher capacity from wind-turbines, and cheaper natural gas prices, which increased natural gas-fired power generation, and shutdowns of coal-fired power plants.

In France, nuclear power plants were temporarily shut down from September 2016 to February 2017 for a safety assessment, necessitating the operations of power plants using other resources. Coal consumption increased by 3-4 million tonnes during the period. In the second half of 2017, the French Nuclear Safety Authority ordered the temporary shutdown of several nuclear power plants, with a total generation capacity of 3.6 GW, from 28 September 2017 onwards to allow a safety assessment after an earthquake. The electricity prices in Europe rose sharply, forcing natural gas power plants and coal-fired power plants to commence operations to compensate for the lost capacity.

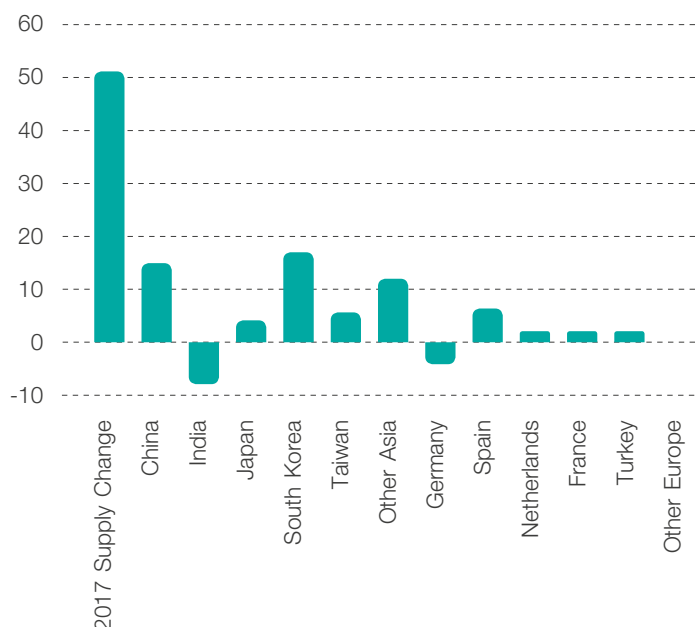
Export Supply Change - 2017 VS 2016

Million Tonnes



Import Demand Change - 2017 VS 2016

Million Tonnes



In terms of production, Indonesia and Australia, the two major producers in Asia, could not increase enough output to meet the rising demand in China and South Korea, thus offering opportunity for coal exporters from the American continent to enter the Asian market.

In Indonesia, there was rainfall all year round causing most of the coal producers to fail to meet their target outputs. Small and medium-sized producers, who had expected to increase production, or those who had stopped and wanted to resume operations, were unable to escalate their production capacity due to heavy rainfall. In addition, the Indonesian government cracked down on illegal mines while there was a rising domestic demand, resulting in a limited coal export growth.

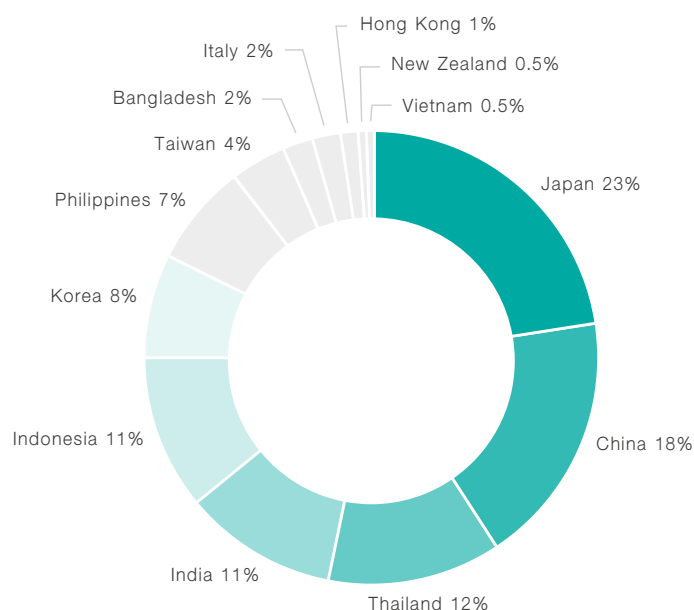
In the first half of 2017, Australia was hit hard by cyclone Debbie causing severe flooding and damages to the rail lines needed for coal transportation, which required 5-6 weeks of repairs. This natural hazard was expected to affect the export of approximately 4 million tonnes of thermal coal. In the latter half of 2017, there were also strikes at six coal mines. It was estimated

that the annual coal exports of 2017 would be similar to the previous year.

Producers and exporters from Colombia and the U.S., the main exporters of coal to Europe, entered the Asian market after high coal prices in Asia consequently, causing a tight supply in Europe too. In the second half of 2017, Colombia suffered from heavy rainfall resulted in less coal production and thus exported less coal than the previous year. While the U.S. enjoyed the coal price increase and successfully exported greater volumes of coal.

In 2017, the Company sold 23.2 million tonnes coal from Indonesia, which was less than the previous year due to year-round heavy rainfall. The export to Japan was maintained at 23% of total sales as it was a high-yield market, while the coal sales in China and Thailand were 18% and 12% respectively. In this year, the Company started entering into Vietnam due to its significant export growth potential. Simultaneously, the Company continued to keep its customer base in South-East Asia, which is close to the Company's production base, while increasing export to South Asia where future growth is highly expected.

Percentage of 2017 Sales Volume by Country



Competitive Strategies

Though China and South Korea imported greater volumes of coal in the past year, the Asian supply was affected by many factors, preventing coal producers from keeping up with the rising demand. The Company also suffered from a production setback due to heavy rainfall in Indonesia. To cope with changing scenarios and customer's expectations, the Company adapted its competitive strategies as follows:

- **Focusing on High-Yield Markets**

The Company maintained the export volume to high-yield markets, such as Japan even though the total production output has dropped. Meanwhile, the Company adjusted the production ratio to drive more exports to South Korea and Taiwan, where coal demands were high.

- **Market Expansion**

The Company started entering into Vietnam due to its high market potentials, and location, which is close to the Company's production base in Indonesia. Additionally, the Company has strived to strengthen its position in South Asia to facilitate future market expansion.

- **Product Development**

The Company established coal quality standards to meet requirements of the target markets in order to increase overall product value. To do so, the Company purchased coal from external sources to improve the quality of coal produced from its Indonesian mines. The Company has installed a computer system for the management of the entire supply chain, which enabled efficient management of its production plan, quality control, stockpiling, coal transportation and blending, and ensured accuracy of coal delivery to customers both in terms of quality and volume.

- **Flexibility and Stability in Delivery**

The Company owns a seaport for the exclusive purpose of coal transportation; therefore, its customers can enjoy flexible scheduling for coal loading, and better management of barge and transportation costs. A vast coal stockyard allows the Company to stock as much coal for future demands, thus stabilizing delivery to customers. This is the Company's competitive edge as there are few producers in Indonesia who own a seaport for coal transportation.

2. Coal Market in Indonesia

Coal production in Indonesia has grown steadily for the past two years, due to a rising domestic and global coal demand. However, the coal mining region in Indonesia suffered heavy rainfall almost all year round, and producers could not increase their production capacity to meet their target output. The total production output of Indonesia in 2017 was 506 million tonnes, 6.5% higher than the previous year.

In 2017, the estimated coal export volumes from Indonesian to other countries were 390 million tonnes, a 5.3% increase over the previous year, or 77% of the total domestic coal production. The major importing countries include China, India, Japan, South Korea, Taiwan and South-East Asian countries. The demand recovery in China's market is a major factor driving growth in Indonesia's coal export.

Last year, the domestic demand for coal in Indonesia was 104 million tonnes, an 8.7% increase over the past year. The growing demand was driven by new power plants' commencement of operations despite delays of some projects. More than 80% of domestic coal consumption is for power generation while the rest is used in cement and other industries.

In 2016, Banpu sold 2.5 million tonnes of coal in Indonesia, which amounted to 11% of the total sales volume of coal produced in Indonesia, and a market share of only 2.4% of domestic coal demand. The majority of the Company's coal was sold to coal-fired power plants, comprising 65% of the total domestic sales volume. The rest was sold to paper, steel, cement and other industries at 13%, 10%, 6% and 6%, respectively.

In 2017, the Indonesian government put more efforts into controlling illegal mining by enforcing all coal producers to obtain a Clean and Clear (CNC) license. To get the CNC license, producers need to legally pay minerals royalty fee and comply with environmental regulations. Any producer without a CNC license will not be allowed to run coal mining operations. At the end of 2017, it was expected that around 150 producers might have their concession licenses revoked.

The Indonesian government has the policy to keep coal reserve for a long-term use as it has been forecasted that there will be a significant increase in coal demand for power generation in the next decade. Efforts have been put in to keep the production output at 400 million tonnes per year from 2019 onwards. However, after the 2009 mining law was proclaimed, the authority to grant mining concession was delegated to local governments. For the past several years, thousands of concessions had been granted to coal producers without the central government's permission like the previous procedure. Hence, the central government could not control the coal production from these mines. The central government could only control the production of the earlier permitted mines, which comprise approximately 70% of the national production. Accordingly, it would be difficult for the Indonesian government to keep the annual output at 400 million tonnes by 2019.

In 2017, the Indonesian government issued a law indicating that only Indonesian-flagged vessels may be used for carriage of coal, and a compulsory insurance coverage must be in place, for the domestic transportation and export of Indonesian coal, effective from 26 April 2018 onwards. However, the Company believes that the law enforcement will be held back by the government as the number of coal barges registered in Indonesia is insufficient to serve the coal exporters' need. The coal exporters would be critically affected if the law is strictly enforced.

Major Competitors

The Company's major competitors in Indonesia are the leading coal producers in the country, such as PT. Bumi Resources, PT. Bukit Asam, PT. Adaro Indonesia, PT. Kideco Jaya Agung, PT. Berau Coal, PT. Golden Energy Mines, and a large number of other small-scale coal miners. Coal producers who have their own mines have an advantage over competitors who do not. They can enter into purchase agreements for coal with the government's power plants, the major buyers, as the power plants require a stable supply. Consequently, the competition in this market is mild

and the prices are usually based on the government reference price.

Major competitors in the global market, on the top of the coal producers in Indonesia, include a large number of leading coal producers and traders in Australia, South Africa, Russia, Colombia and the U.S. In 2017, there were more competitors from Colombia and the U.S. entering the Asian market owing to very high prices and an undersupply of coal produced in Asia.

Pricing Policy

Coal prices are determined based on the prices in the global market at the time of product offering. Prices are adjusted for quality of the coal being sold but shall not be lower than the Indonesian government's reference coal price. Good quality coal will be sold to markets where extra price is added to the reference price while low quality coal will be sold at a lower price based on its actual quality. In 2017, the Company increased the index-linked sales in order to realize the coal prices in the global market. The Company's coal prices in Indonesia are based on the government reference price.

Customer Profiles

The Company has sold more than 80% of its coal to power plants in Japan, South Korea, Taiwan, China, India, the Philippines, Indonesia and some European countries, who bought coal in large quantities. The majority of these companies have entered into a power purchase agreement with the government in each country, thus they need to select reliable coal traders who can provide a stable delivery. Additionally, the Company sells coal to other industries, including cement, petrochemical, paper, plastic and chemical producers. These customers buy a lower amount of coal than large-scale power plants. They generally make short-term contracts with producers and traders and partly purchase from spot markets.

Distribution Channel

The Company's coal trading and marketing activities have been operated by BMS Coal Sales Pte. Ltd., which is Banpu's subsidiary, established in Singapore.

The majority of sales are from direct offers to coal customers, through bidding contracts and direct negotiations with customers. In some countries, the Company will offer coal sales through trading companies, who handle sales to end-users, in order to reduce marketing costs.

3. Coal Market in Thailand

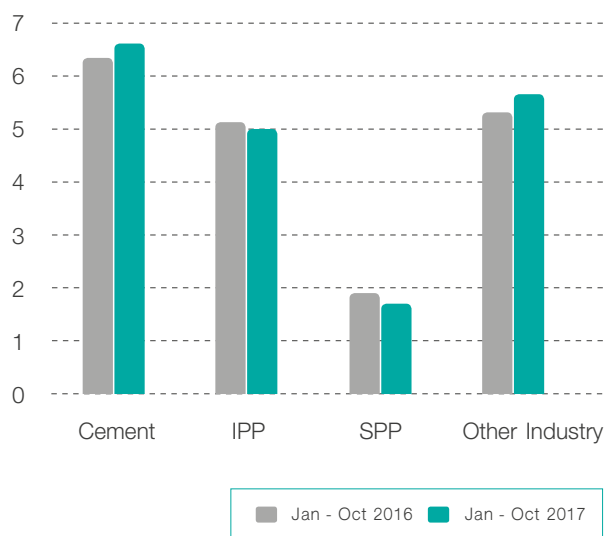
In the first 10 months of 2017, the private sector consumed a total amount of approximately 19 million tonnes of coal, a 0.34 million tonne increase year-on-year. The largest coal user is the cement industry, which consumed approximately 6.6 million tonnes of coal in the first 10 months of 2017, increasing by 0.27 million tonnes year-on-year, thanks to a continuous rise in demand for cement as the public sector construction projects grew. However, there was fierce competition in the cement industry due to a oversupply; therefore, customers prioritized cost reduction, especially on coal costs. Independent Power Producers (IPPs) are the second largest consumer of coal after the cement industry. During the first 10 months of 2017, they consumed 5.01 million tonnes of coal, a year-on-year decrease of 0.08 million tonnes.

The Small Power Producers (SPPs) consumed approximately 1.72 million tonnes during the first 10 months of 2017, decreasing by approximately 0.21 million tonnes year-on-year. The decline in consumption originated from a slowdown in related industrial manufacturing sector, and from a steep price of coal, prompting consumers to delay imports and rely on their existing coal stock.

Other coal consumers include users from the paper, petrochemical, textile and food industries. In addition, the inventory of coal traders approximately totaled 5.64 million tonnes in the first 10 months of 2017, decreasing by 0.35 million tonnes year-on-year. The economic and export recovery resulted in increased demands for the goods from these industries. The greater demands for coals to fill depleted stocks after the import slowdown in the past year also raised the import volumes.

Coal Consumption by Sector

Million Tonnes



Source: Marketing, Sales and Logistics Analyst, Banpu Plc

Coal markets in the Thailand can be grouped into three categories:

1. **Major coal buyers**, are those who have entered into a long-term purchase agreement with overseas coal producers. The purchasers in this category are, for instance, Independent Power Producers (IPPs), who are large power plants entering into long-term purchase agreements for coal for most of their power production, and thus buy much less from the spot markets. Accordingly, there is low competition in this segment. The market share of this group is 25% of the total coal sales in the private sector.
2. **Medium-sized coal buyers**, are those who purchase coal in spot markets or enter into short-term agreements with domestic and international coal producers. The buyers in this group consist of the cement industry, petrochemical industry, pulp and paper industry, and Small Power Producers (SPPs). Users in this group are reliable large plants with stable consumption, and have a standard procurement system. Most of them buy coal in large volume and are capable of a whole ship loading, thus, allowing major overseas coal traders

to compete in the market. The market share of this group is 45% of the total coal sales in the private sector.

3. **Small-sized coal buyers**, are small factories which consume a small quantity of coal and have less space for stockpiling, thus they cannot import directly from overseas traders. There are many buyers in this category and it is a high-paying market. These buyers rely mostly on local coal traders who can deliver coal in installments. Since there are a lot of local sellers in the market, competition in this market is intense. The market share of this group is 30% of the total coal sales in the private sector.

Competitive Strategies

Thailand is a market with a strong competition as the majority of coal in the market is imported coal, enabling traders to easily find coal sources for sale. Moreover, more global traders are interested in Thailand's market due to its large size. They have entered the market and compete with local coal traders causing fierce competition. The Company adopted the following strategies to retain competitive edge.

• Security and Reliability in Delivery

The Company has its own coal mines in Indonesia and Australia with enough reserves to satisfy long-term customer's demand. Over the past years, the Company has been recognized and trusted by its customers for its reliability and stability in delivery in all aspects, namely quantity, quality and punctuality.

• Quality Reliability

Having coal mines of its own means that the Company has more control over the quality of its product. This ensures the quality of coal delivered as stipulated in the long-term agreement. Besides, the Company occasionally buys coal from external sources to improve its own coal, and ensure consistent quality according to the agreement with its customers.

- **Reduction of Coal Types Being Sold**

To enhance quality control, inventory and efficient cost management, the Company has reduced the types of coal being sold by focusing on coal outputs from its own mines.

- **Quality Management System and Coal Distribution Center**

The Company has two coal distribution centers as hubs for distributing coal to customers, focusing on efficient inventory management and environmental protection. The Company has continuously enabled its staff to control operations in full compliance with environmental protection requirements. There is a continuous monitoring of environmental quality as well as concerns for impacts on surrounding communities. All is done to assure that customer's needs will be met in a sustainable manner.

Major Competitors

Apart from domestic competitors, international coal traders have increasingly been interested in the Thai market and have entered the market to compete with the domestic coal traders. In 2017, there were six major domestic traders in competition with the Company, namely SCG Trading Co., Ltd., Lanna Resources Plc., Asia Green Energy Plc., Energy Earth Plc., Eastern Pearl Co., Ltd. and Sing Heng Seng Co., Ltd. In addition, there were many small traders who could easily trade and supply coal. The foreign traders are, for instance, Rio Tinto, Glencore, PT Swiss Singapore, AVRA, and other Indonesian traders, who have a competitive edge over coal resources and sea carriers because they have a wider network with coal producers and sea carrier agents. These traders are competitive in the market of major buyers and buyers who can accommodate spot cargo coal delivery, especially when coal prices are highly volatile.

In the small buyers market, the competition is among more than 10 domestic traders. The advantage lies with coal traders who have their own stockyards. However, in the highly volatile market the competition is also high, and many traders might risk losses.

Pricing Policy

Coal prices in Thailand are based on global coal prices and adjusted to buying quantity, quality requirements, and other terms set forth in the agreement made with customers. Prices can be fixed or index linked based on global market prices at the delivery period. The fixed price method is used in the case of short-term sales in which delivery occurs shortly after the price negotiation. Index Link method is used in the case in which delivery occurs at a longer period after the price negotiation.

Customer Profiles

Banpu's customers are mainly large factories in the industries of cement, power and steam, paper, and textile. They are highly stable companies whose demand for coal is stable all year round. Therefore, they generally enter into a coal purchase agreement, in which quality and quantity are set forth. Some of the Company's customers prefer buying coal in installments to relieve their burdens on stockpiling and stock management.

Competition

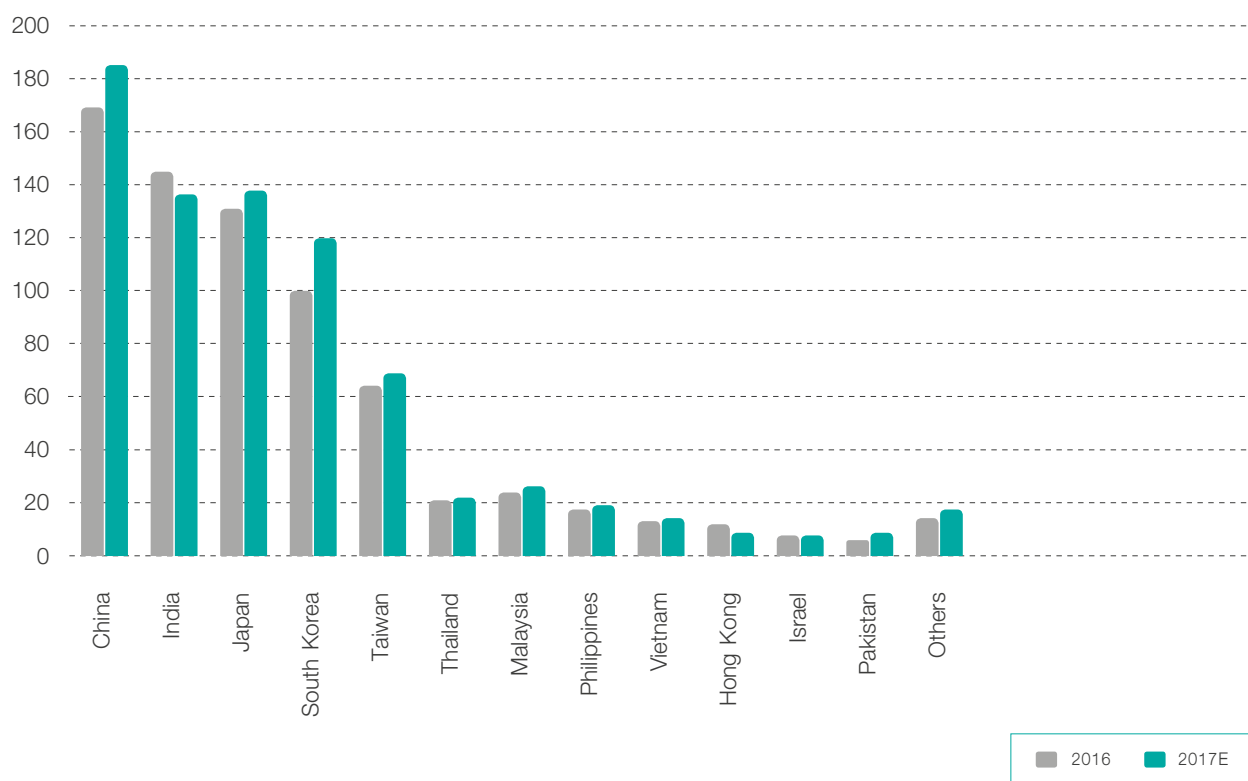
1. Competition in the Coal Industry

Although the competition in the coal industry had become less intense in 2017 owing to tight supplies, this is limited to the segment of high quality thermal coal with high calorific value, which originate from limited sources. For thermal coal with low calorific value, the competition is still strong as there are many supply sources, especially from Indonesia; therefore prices of low quality coal are much lower than those of high quality coal.

Overall, demand for imported thermal coal for 2017 grew by approximately 51 million tonnes, or a 5.6% increase year-on-year. The total import volumes were 964 million tonnes, 80% of which was imported by Asia, with total import volumes of 775 million tonnes, rising 6.0% over the past year.

Thermal Coal Import in Asia by Country

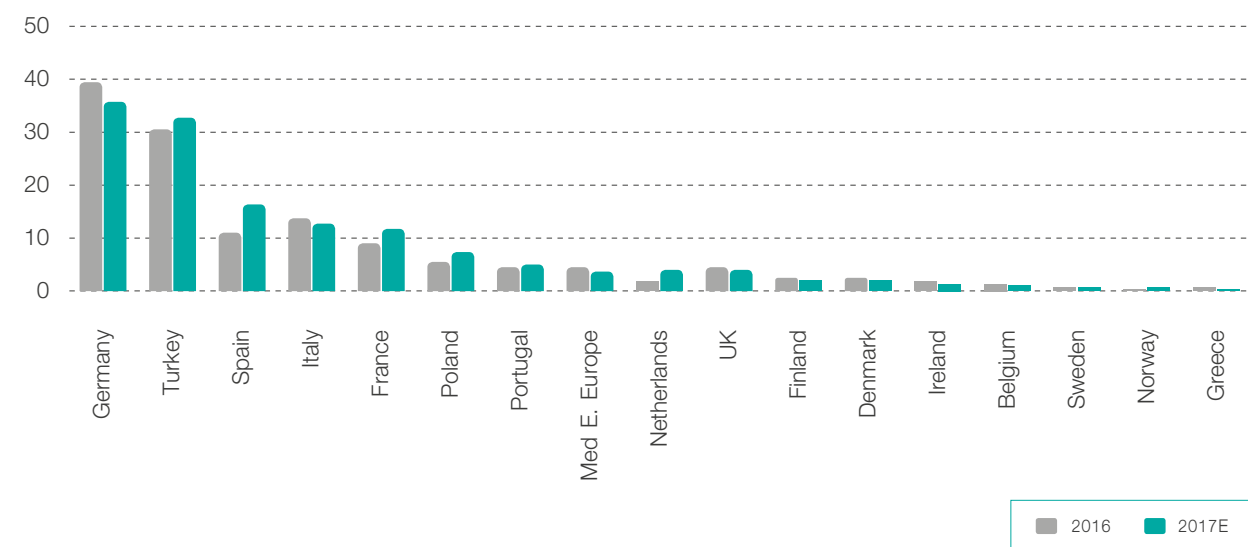
Million Tonnes



Source: Marketing, Sales and Logistics Analyst, Banpu Plc

Thermal Coal Import in Europe by Country

Million Tonnes



Source: Marketing, Sales and Logistics Analyst, Banpu Plc

In 2017, China imported approximately 185 million tonnes of thermal coal, an increase of 15 million tonnes or 15% over the previous year in spite of the government's policy to control coal import. Strict control of coal capacity and higher demand for coal than anticipated in winter caused an undersupply and prices to surge sharply. Although the Chinese government has been trying to intervene and relax its capacity control policy, it took time for the new capacity to enter the market, forcing the Chinese government to cancel import control during year-end to add more coal supply during the winter. China imports two major types of coal. The first type is lignite, which is low-quality coal imported mostly from Indonesia, and the competition is among coal producers in Indonesia. The second type is medium-quality coal, and the competition is between the producers in Australia and Indonesia.

In 2017, India coal imports amounted to approximately 137 million tonnes, which decreased by 8 million tonnes or 5.6%, due to the economic slowdown in the first quarter, and the government's policy to reduce coal imports and increase consumption of domestic coal. However, private power plants along the coast still consume imported coal. It was forecasted that the coal imports have reached its lowest point this year, since most government-owned power plants have cut their coal imports. The growth of private power generation would help recover the import of coal in the country. Most of the coal imported by India was low quality coal from Indonesia and South Africa, which were highly competitive markets due to its high production capacity.

The total coal imports of South Korea in 2017, displayed an impressive growth as shown in an increase of 16 million tonnes, or a 16.2% increase over the past year, after the close-down of the nuclear power plants for safety assessment and the new commencement of operations of coal-fired power plants. Major coal buyers in South Korea imported coal from Russia, Colombia, South Africa, and the the U.S. to reduce its dependence on Australian producers, and to diversity its coal sources to increase supply reliability.

The competition in Japan's market was not so intense as most coal buyers had already entered into a coal purchase agreement since the beginning of the year, so there was only a limited quantity required from the spot market. Japan was estimated to import approximately 136 million tonnes of coal, an increase of 4 million tonnes or 3.2% over the previous year.

Taiwan imported about 70 million tonnes of coal, an increase of 5 million tonnes or 7.32% over the previous year, driven by a higher domestic power demand and problems at nuclear power plants. The country imported more coal from Russia, South Africa, Colombia, and the U.S. in response to a tight supply in Asia.

Southeast Asia was a fast-growing market and it was expected to grow approximately 7 million tonnes or a 9.2% increase over the previous year. The fast-growing markets include Malaysia, the Philippines, and Vietnam. The market of low quality coal was highly competitive, but the degree of competition was lower than the past year due to heavy rainfall in Indonesia hampering the coal production.

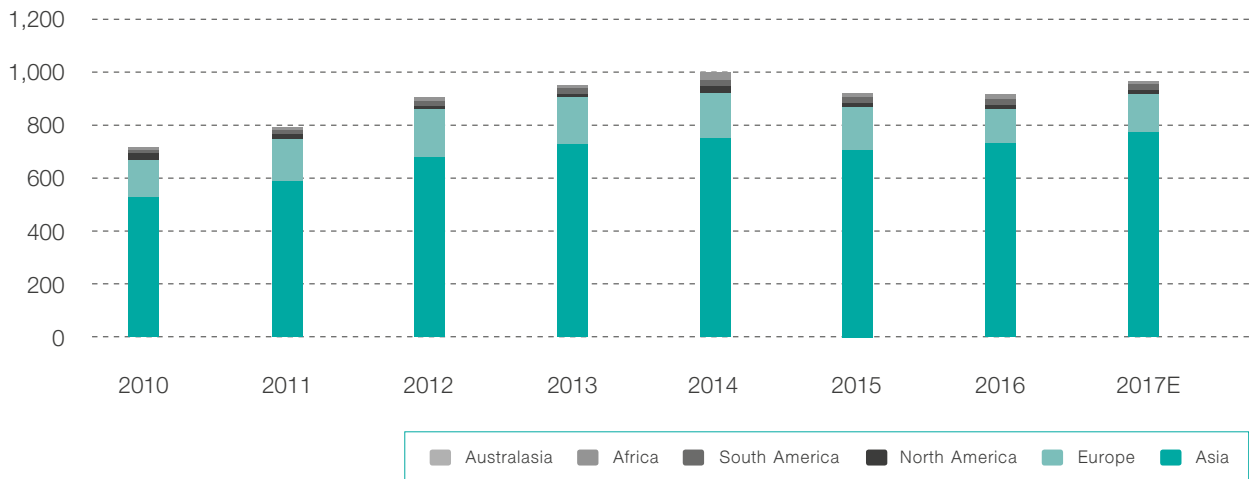
Demand for imported coal in the European market for 2017 was projected to grow by about 7 million tonnes, a 5.5% increase over the past year. Spain was the largest importer as its hydro-powered generation suffered a setback. The total import volume was approximately 16.5 million tonnes, which is a 5 tonnes or 45% increase, the majority of which came from Colombia, Russia and Indonesia.

France imported about 11.6 million tonnes of coal, increasing 24% from the past year, due to a temporary closedown of its nuclear power plants and less electricity supply from hydro-powered dams due to low rainfall. Poland imported more coal as domestic supply had decreased. Turkey imported approximately 32.5 tonnes of coal, with a 7% increase over the prior year.

Similar to the Asian market situation, European markets also suffered from tight supplies, as major exporters such as Colombia and the U.S. diverted more supply to Asia, resulting in a less supply base for the European market. However, the competition in Europe was not

Global Seaborne Thermal Coal Import

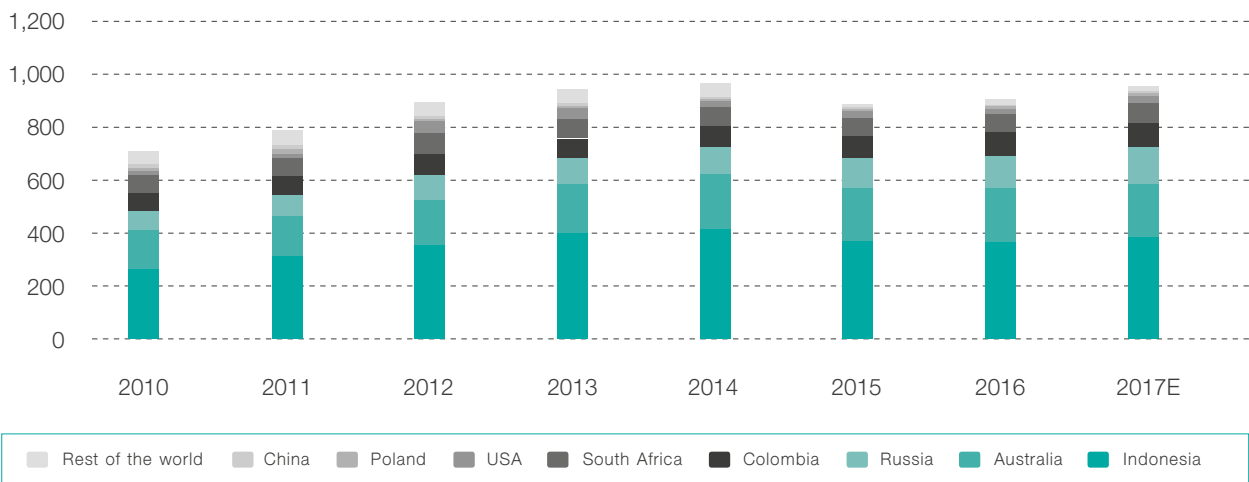
Million Tonnes



Source: Marketing, Sales and Logistics Analyst, Banpu Plc

Global Seaborne Thermal Coal Export

Million Tonnes



Source: Marketing, Sales and Logistics Analyst, Banpu Plc

so strong since the majority of buyers had entered into future sales contracts so that they do not need to buy from spot markets.

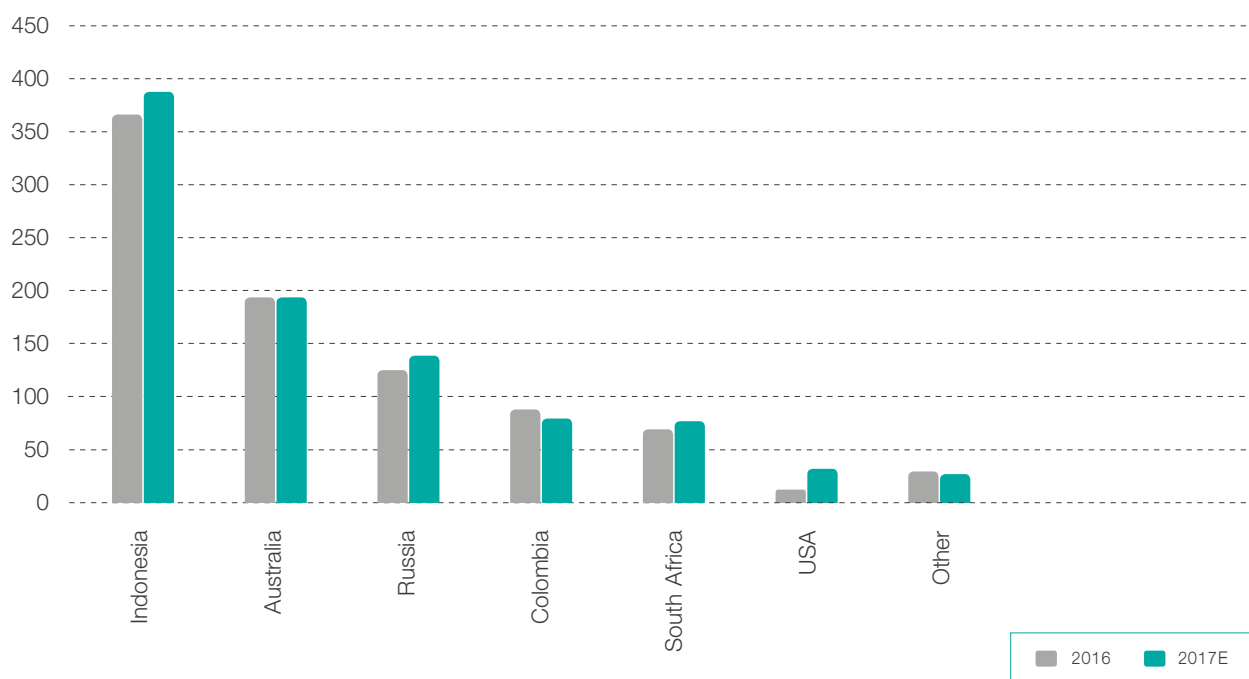
On the export side, the total thermal coal export volumes in 2017, amounted to approximately 962 million tonnes, which is a 5.9% increase from the past year. Major exporters of thermal coal consist of six countries: Indonesia, Australia, Russia, Colombia, South Africa and the U.S., who were responsible for 96% of total

global export volume. This year's production suffered from unfavorable weather and coal miners' strikes, causing many countries to miss export targets. However, the coal market still saw impressive export growth.

Indonesia remained the world's largest exporter of thermal coal with total exports in 2017 of approximately 390 million tonnes, increasing by 7 million tonnes or 5.3% over the past year. China's soaring coal demand contributed greatly to the recovery of Indonesia's

Thermal Coal Export in Country

Million Tonnes



Source: Marketing, Sales and Logistics Analyst, Banpu Plc

export. While coal production output increased only slightly and the market became strained with less competition.

Australia remained the second largest exporter of thermal coal after Indonesia, with total exports in 2017 of about 200 million tonnes, which was close to the previous year. Its major markets were still Japan, China, South Korea and Taiwan. Competition among coal producers in Australia was not so fierce due to the impact of Cyclone Debbie in the first half of the year and the coal miners' strikes in the latter half. The inability to increase production and exports opened up the opportunity for competitors from Colombia, Russia, and the U.S. to compete in the Asian market.

Coal exports from Russia to Non-CIS countries this year was expected to grow by approximately 13.2% from the previous year due to the tight supply in Asia despite soaring demand. In addition, the Russian Rouble depreciation enhanced Russian coal competitiveness in the global market.

Colombia's export was expected to decrease by approximately 5.2% from the past year due to heavy rainfall. Colombia exporting part of its coal supply to Asia tightened the supply in European market and drove up the coal prices in accordance with the prices in Asia.

South Africa's coal exports were expected to increase by about 6 million tonnes or 7.9% over the past year despite miner's strikes and unfavorable weather affecting coal loading at Richards Bay.

The U.S. exporters gained more export shares in Asian and European markets due to global tight supply and the increased coal prices.

In early 2017, Japan and major coal producers in Australia agreed on the Australia-Japan Reference Price for coal purchases, which would be delivered in 2017 (from April 2017 to March 2018) at USD 84.97 per tonne, decreasing by 37.9% over the previous year. After the agreement was signed, coal prices in the global market dropped and reached the lowest

point in the second quarter following the declining coal prices in China due to a seasonal demand and the expectation for increased production in China. By the end of the second quarter, coal prices started to soar as demand increased in the summer while no production surplus was seen because of mine safety assessments causing slower production increase than expected. Both tight supplies in China and increasing coal demand in North Asia for winter use drove coal prices in the spot market price of Australian FOB Newcastle up to over USD 100 per tonne at year-end.

The competition trend in 2018 is projected to be fiercer, especially in low quality coal markets, due to the forecasted coal output increase in China, while the government has a policy to limit coal imports in support of domestic coal industry until industrial restructuring is complete. However, it is expected that coal import this year will drop only slightly by 5-10% from the previous year. Domestic price is expected to be lower while supply is increasing, correspondingly driving down Newcastle spot price. However, demands

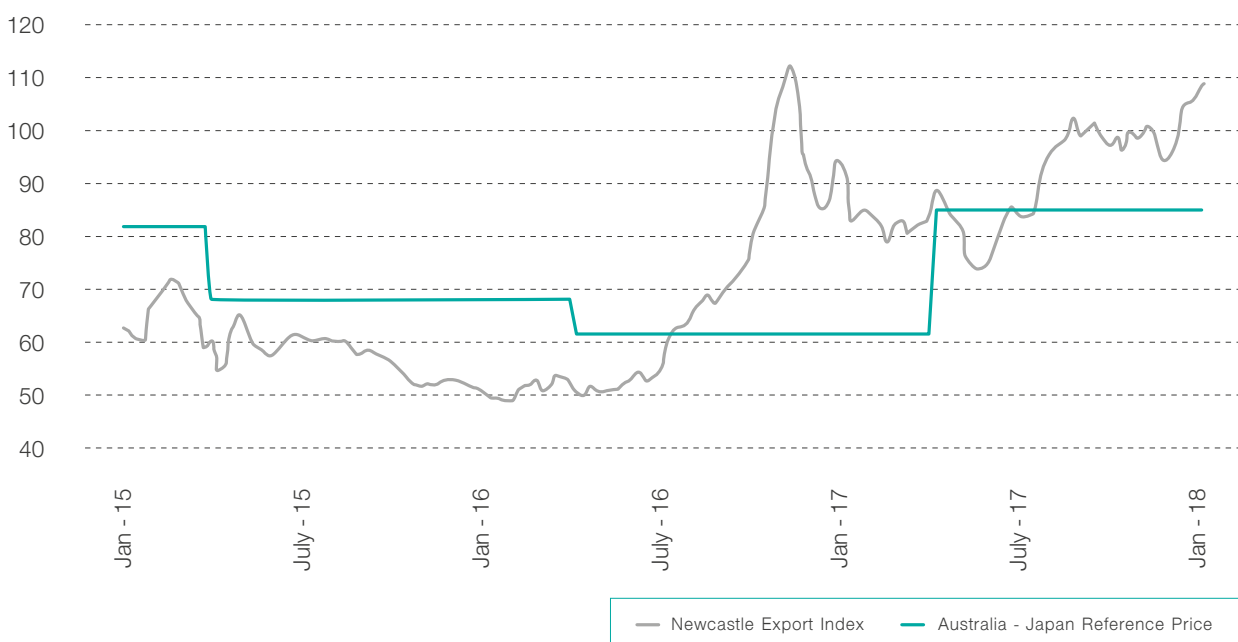
for coal in other Asian markets are expected to increase to offset lower demand in China and Europe. In summary, the global demand for imported coal will continue to rise.

On the production side, it is expected that many exporting countries would improve. However, there will still be a tight supply in the high-quality coal market due to limited sources. The average Newcastle coal price in 2018 is likely to stay higher than USD 90 per tonne. While oversupply of low-quality coal is expected, which will push the price to be considerably lower than top quality coal.

The competition in the European market is expected to be less fierce as the overall coal demand is predicted to decrease, except for Turkey, which has higher demands for imported coal for new power plants. Coal prices in Europe are likely to drop, similar to Asia. However, Colombia and the U.S. are expected to export more coal to Asia, thus easing oversupply in Europe.

Thermal Coal Export Price FOB Newcastle

USD/Tonne



Source: IHS Energy

2. Competition in Thailand

The coal demand in the private sector in Thailand for the first 10 months of 2017 was at 18.98 million tonnes, increasing by 0.34 million tonnes year-on-year. The total coal imports for the first 10 months of 2017 amounted to 18.63 million tonnes, increasing by 0.45 million tonnes year-on-year. Price drivers were the increasing demand in cement, paper and petrochemical industries, as well as small consumers. The actual consumption of domestic coal in the first 10 months of 2017 was 0.35 million tonnes, decreasing by 0.11 million tonnes year-on-year, due to limited production capacity.

Thailand's coal market is large, thus attracting more global traders to enter the market. The competition is, therefore, fierce. The global traders have an advantage and competitiveness in terms of wider control over coal sources and lower sea freight costs. However, the global traders tend to focus on big buyers who buy a shipload of coal. In the second half of 2017, global coal prices soared sharply, benefiting global traders who could export the U.S. coal to major buyers in Thailand. The small-sized buyers' market was left to domestic traders. Those who own coal stockyards and could deliver coal to buyers by installments are more competitive as buyers tend to lack of stockyards.

Coal Demand in Thailand's Private Sector

(Excluding EGAT's Mae Moh Power Plant)

Unit : Million Tonnes

	First 10 months				Growth Rate						
	2556	2557	2558	2559	2559	2560	2556	2557	2558	2559	2560 (10 เดือน)
Domestic coal	1.78	1.36	0.62	0.54	0.47	0.35	-37.8%	-23.6%	-54.4%	-13.4%	-24.0%
Imported coal	17.99	20.89	21.91	21.74	18.18	18.63	10.9%	16.1%	4.9%	-0.8%	2.5%
Total	19.77	22.25	22.53	22.28	18.65	18.98	3.6%	12.6%	1.2%	-1.1%	1.8%

Source: Energy Policy and Planning Office, Ministry of Energy

Coal demand in 2018 is projected to grow slightly in line with the economic recovery, especially in the cement industry. However, the competition in the cement industry will become more intense due to oversupply, pressuring cement producers to cut production costs, especially coal costs. This will enable more global coal traders to enter the market, causing stronger competition among coal traders. Additionally, greater demands for coal in other industries will lead to stronger competition. Similarly to the cement industry, since the market of big purchasers are also open to global coal traders resulting in stronger competition. Competition among small traders is likely to remain strong, as there are many traders in the market. Global coal prices are expected to remain high and highly volatile. Coal traders must have more measures in place to prevent the risks.

Power Business

Marketing and Competitive Strategies

1. Coal-Fired Power Plants in Thailand

Competitive Strategies

In recent years, Thailand has become more attentive to environmental sustainability as can be seen in stricter legal standards, as well as civil protests against the construction of coal-fired power plants in many areas all over the country. Banpu Power Public Company Limited (Banpu Power), a leading power generating company operating both conventional and renewable power assets, is a subsidiary of Banpu. Banpu Power puts high importance of environmental protection and community acceptance, as well as strict compliance with all laws and standards. The company

has continuously invested in the efficiency improvement of power plants and maintenance of equipment to reduce pollution emission. It also supports and promotes community activities and mutual understanding between the company and the community, resulting in good relationships with local communities.

Apart from that, Banpu Power has been preparing to participate in open bids of the public sector to respond to the government's policy and the country's electricity need while taking different fuel costs, technology choices and national power reserve into consideration. This opportunity includes the project development in the Eastern Economic Corridor (EEC).

2. Power Business in the People's Republic of China

Banpu Power capitalized on market opportunities by producing and selling steam and high heat steam at full capacity in winter when there is a higher demand for power, steam, and high heat steam. The company also emphasizes enhancing production efficiency to lower production costs. However, the global coal market incurred a negative impact on coal price in China, resulting in the low domestic price in the first half of 2017, but the price became higher in the latter half. This raised the annual average price close to the highest price in four years. Despite the fact that the Chinese government announced tariff adjustments, this was not reflected in the actual prices. However, the company was able to generate profit, thanks to its efficiency management and attentive cost control. Furthermore, it planned to expand generating capacity to respond to the growing steam demand driven by the growth of local economy.

In 2017, the Chinese government enforced additional restrictions on the environmental policy and pollution control. In October, the government initiated a plan to reduce particulate matter (PM) air pollution by 15% from the past year's baseline in areas where there were a lot of coal combustion activities, and to limit the industrial use of coal. The restriction did not affect

the company's overall capacity as its operations were in full compliance with current standards. Moreover, plans are already in place to improve an environment control equipment to comply with the new environmental standards that will be effective in the future.

Solar power tariff structure consists of two components:

- (1) On-Grid Tariff
- (2) On-Grid Subsidy

In addition, in some areas the power plants receive additional subsidies from the local governments. The on-grid tariff, which complies with the standard electricity price of combined heat and power plants determined by the National Development and Reform Commission of the People's Republic of China, is adjusted according to coal price changes. Under a feed-in tariff scheme, on-grid subsidy is adjusted according to changes in the on-grid tariff to guarantee stable prices for the electricity generation enterprise.

Competitive Strategies

In China, combined heat and power plants, and solar power plants receive the government's support, as they are more efficient and better at pollution control than other power plants. The support takes the form of such incentives as guaranteed sales to local electricity authorities, exclusive rights to sell steam and heat in permitted zones, and local government subsidies. The company's competitive strategies includes quality service and customer relations management, effective cost management, business adaptability to market conditions, and building relationships with local governments and communities on the basis of mutual benefits in providing basic utility services (power and steam) to local communities, building trust and equity, as well as lending continued support to community activities. The company has been well accepted by both the government agencies and communities as an exemplary enterprise in the local. Even when the company had been affected by external factors, it was still fully supported by the local government through subsidies or permissions to increase steam prices when coal prices soared.

The company also closely monitors the change in China's energy policy to ensure low investment risk as the Chinese government has set standard pricing for renewable energy and feed-in tariff (FIT) scheme that offers guaranteed purchase at a fixed rate during the full lifetime of renewable energy power plants, and has provided subsidies for solar power generation since 2013. Apart from that, the government has a plan to set up a carbon trading experiment to support the carbon reduction policy and encourage investments in renewable energy.

3. Power Business in Lao PDR

Banpu Power holds 40% and 37.5% portfolio in Hongsa Power Co., Ltd. (HPC) and Phu Fai Mining Co., Ltd. (PFMC) respectively, with a combined total equity-based generating capacity of 751 MW, which is supplied to Thailand's Electricity Generation Authority of Thailand under the long-term Independent Power Producer (IPP) scheme, and also partly sold to Lao PDR. In 2016, all three units of the Hongsa Power Plant commenced their commercial operations.

Competitive Strategies

The company is well aware of potential impacts on local communities that may arise from the Hongsa Power Plant. Hence, the Company stresses promoting community engagement and betterment of those communities. Such measures have resulted in a variety of initiatives, namely development of public utilities (water, electricity supply, and road construction) relocation of some parts of the community and construction of new accommodations for those relocated, and occupational development program.

4. Power Business in Japan

The company has invested in solar power plants in Japan, with the total power-generating capacity of 12.6 MW from commercially operating power plants and 220.7 MW from the upcoming project in the pipeline.

Competitive Strategies

The company has diversified into the solar power business in Japan and prepared to evaluate potential investment opportunities and projects development regarding potential partners, teams and workforce in order to seek for growth opportunity in renewable business in Japan. Supports from the government and financial institutions are also important factors that accelerate the Company's business growth.

Competition

1. Competition in the Power Business Sector in Thailand

The Thailand's economy outlook in 2017 was positive. The growth signaled more apparent economic recovery in the fourth quarter. The government expected that the economy would grow by 3.9%. Export and tourism sectors are still the main drivers. The private sector has better adapted to the situation, and the public investment in mega-projects contributed to continuous expanding consumption in the latter half of the year.

The total power-generating capacity in 2017 increased by 2% from 2016, at 42,433 MW. The power demand reached its peak at 28,578 MW in May, 1,959 MW or 7% higher than the peak demand in 2016, which reached 26,619 MW. The Electricity Generation Authority of Thailand (EGAT)'s gross energy generation and purchase in 2017 was 174,561 GWh, dropping from the previous year by 13% due to incentives to encourage business activities in public and private sectors. Power generation ratio by energy sources are, as follows: natural gas 60%, coal 18%, hydro-power 2%, imports 12%, renewables 7.8% and oil 0.2%.

(Source: 2017 Data, January-November 2017, from Energy Planning and Policy Office, Ministry of Energy or EPPO)

2. Competition in the Power Business Sector in People's Democratic Republic of Laos

Lao PDR is a unique Southeast Asian country in terms of the energy source of power generation. With no oil and gas, and limited coal reserves, the country's electricity demand relies solely from hydro-power. The situation started to change when the Hongsa Power Plant, the first coal-fired power plant in the country, started its full operations in 2016. However, there is no further plans for additional construction of coal-fired

power plants between 2016 and 2020 due to the scarcity of coal reserves.

In 2017, Lao PDR has 6,700 MW of total power-generating capacity with 5,800 MW of under construction projects and 5,000-6,000 MW of under review projects. However, Lao PDR continues to be the leader as a power exporter in the region. Until 2020, Lao PDR has entered into 9,000 MW-international agreements with Thailand and Vietnam, for the export of approximately 5,000 MW and 200 MW of electricity respectively.

(Source: Department of Energy Business (DED), October 2017)

3. Competition in the Power Business Sector in People's Republic of China

In 2017, the energy industry in China has shown growth in power consumption, as follows:

	Units	2017	2016	2015
Growth rate of power consumption in all sectors	%	6.6	5	0.5
Growth rate of power consumption in the industrial sector	%	3.5	2.6	-1.4
Growth rate in generating capacity	%	7.1	8.2	10.1
Total generating capacity	MW	1,793,979	1,677,123	1,549,389

Source: National Energy Administration (NEA) of the People's Republic of China

4. Competition in the Power Business Sector in Japan

The energy industry in Japan has shown growth in power consumption, as follows:

	Units	2017	2016	2015
Growth rate of power consumption in all sectors	%	1.66*	1.19	-1.20
Growth rate of power consumption in the industrial sector	%	1.19	0.19	-1.90
Growth rate in generating capacity	%	2.76	4.97	5.95
Total generating capacity	MW	275,480**	268,082	287,477

Source: Ministry of Economy, Trade and Industry (METI)

Notes: *Growth rate of power consumption for the year 2017, from January to June

**Anticipated total generating capacity for the year 2017 (excluding the generating capacity of the nuclear power plants which are temporarily shut down)

Natural Gas Business

Demand for natural gas in the U.S. remained high. In 2017, natural gas was the major fuel source of power generation in the U.S. In the next three years, demand for natural gas is expected to be significantly on the rise due to greater demand from power business, gas exports to Mexico and global exports in the form of Liquefied Natural Gas (LNG).

In terms of supply shares, Marcellus and Utica shales are, and will be major sources of natural gas from which is expected to contribute to 40% of the total U.S. natural gas production in the next five years.

Currently, the Company covers only upstream business of gas production, where the output is transmitted to domestic buyers via pipelines.

Revenue Structure

For the previous 3 years ended 31 December 2017

Banpu Public Company Limited

Products/Services	Conducted by	% of shareholding	2017		2016		2015	
			Revenue (USD Million)	%	Revenue (USD Million)	%	Revenue (USD Million)	%
Sales Revenues								
1. Domestic Coal	Banpu	-	-	-	0.09	0.12	0.47	0.32
2. Imported Coal	Banpu	-	97.20	99.46	77.88	99.33	146.05	99.44
3. Other Revenues	Banpu	-	0.53	0.54	0.43	0.55	0.35	0.24
Total Sales Revenues			97.73	100.00	78.40	100.00	146.87	100.00

Banpu Public Company Limited and its Subsidiaries

Products/Services	Conducted by	% of shareholding	2017		2016		2015	
			Revenue (USD Million)	%	Revenue (USD Million)	%	Revenue (USD Million)	%
Sales Revenues - Domestic								
1. Domestic Coal in Thailand	Banpu	-	97.20	3.38	77.97	3.45	146.52	5.92
	BMC	99.99	86.05	2.99	54.72	2.42	41.37	1.67
	BPI	99.99	-	-	-	-	6.68	0.27
	CMMC	100.00	-	-	-	-	0.02	0.00
2. Domestic Coal in Indonesia	Indominco	68.09	111.33	3.87	107.39	4.75	150.60	6.08
	Kitadin	68.09	-	-	-	-	-	-
	Bharinto	68.08	19.08	0.66	19.18	0.85	21.41	0.86
	Trubaindo	68.09	51.63	1.79	46.36	2.05	24.71	1.00
	Jorong	68.09	17.00	0.59	14.82	0.66	17.33	0.70
3. Domestic Coal in Australia	CEY	100.00	469.32	16.31	379.16	16.78	343.74	13.88
4. Other Revenues			78.34	2.72	25.00	1.11	22.39	0.90
Total Sales Revenues - Domestic			929.95	32.33	724.60	32.07	774.77	31.28
Sales Revenues - Overseas								
1. Coal - International Trade	Indominco	68.09	638.74	22.20	610.02	27.00	599.62	24.21
	Kitadin	68.09	67.31	2.34	9.26	0.41	31.18	1.26
	Bharinto	68.08	183.14	6.37	117.60	5.21	131.30	5.30
	Trubaindo	68.09	411.54	14.31	328.72	14.55	432.55	17.47
	Jorong	68.09	26.07	0.91	16.50	0.73	14.14	0.57
	CEY	100.00	413.18	14.36	281.27	12.45	302.42	12.21
	BMC	99.99	-	-	-	-	21.49	0.87
2. Power	BIC	78.64	169.75	5.90	156.60	6.93	169.11	6.83
3. Gas	BNAC*	100.00	36.96	1.28	14.64	0.65	-	-
Total Sales Revenues - Overseas			1,946.69	67.67	1,534.61	67.93	1,701.81	68.72
Total Sales Revenue			2,876.64	100.00	2,259.21	100.00	2,476.58	100.00
Participating Profit (Loss) from Investments in Associated Companies (Equity Method)			204.66		118.37		51.87	
Total Revenues			3,081.30		2,377.58		2,528.45	

Notes : 1. Other revenues consist of other services.

2. The company did not realize sales revenue from its power business in Thailand as its shareholding is not more than 50%

* BNAC : Banpu North America Corporation



Risk Management and Risk Factors

Banpu and its subsidiaries emphasize the importance of risk management in order to manage risks that may affect business goals and objectives to be a leading integrated energy solutions company. Banpu Group makes an effort to reduce the likelihood of risks or mitigating their associated consequences in order to gain business opportunities that add value to the Company. Business risk management is the responsibility of all executive levels and also under the supervision of committees such as the Risk Management Committee (RMC), which convenes on a quarterly basis to monitor and implement a risk management plan. The Financial Management Committee (FMC) convenes monthly to manage financial risk. Also, the monthly meeting of the Commodity Risk Management Committee is aimed at managing the risk of coal and oil price fluctuation, which is one of the key factors affecting the Company's profitability. In addition, the review of the organizational risk management is reported to the Audit Committee and the Board of Directors on a quarterly basis. The Company also set up Business Continuity Management (BCM), as part of a contingency plan to promptly respond to a crisis. There is a Business Continuity Management Steering Committee in charge of formulation and review of policy and strategies on business continuity management as well as the Business Continuity Plan (BCP), which is aimed to have the Company's operations to be able to continue in critical time without causing adversary effects on or interrupting the businesses of the Company, customers, and stakeholders.

1. Strategic Risks

1.1 Risks in Strategic Planning and Implementation

In response to the changing global economy, unbalance in energy demand and supply, law and regulatory

changes, rapidly changing development trends and global technologies as well as the higher expectations of investors and stakeholders, the Company has created systems and processes to manage the risks in strategic planning. The Company annually reviews its strategy to revise and determine its direction and business strategy to appropriately respond to changes and launch a risk management plan, including a counteractive plan in preparation for future changes and uncertainties. In addition, the Company's meeting is held on a monthly basis to assess the situation, trends, and scenarios based on the comparison of information from credible institutions and sources, and to develop tools for a systematic forecast of economic scenarios to be used in making a business decision and future planning.

1.2 Risks in Human Resource Management (HRM) and Personnel Development to Facilitate Future Growth

To facilitate future growth, the Company not only improved the recruitment and HR development processes, but also reviewed the organizational structure and analyzed the workforce and HR development plans to align with its long-term strategies for business expansion. Additionally, the Company implemented a succession plan by developing knowledge and expertise of its personnel to prepare them for their future senior management positions.

The Company has set an HR training and development policy that requires a budget allocation of no less than 5% of the total budget for staff salary. It has also developed Banpu Learning and Development Framework, which offers a clear guideline for competency-based workforce development at all levels so that the staff are able to handle multiple responsibilities and respond to growing needs from business expansion. Apart from

on-the-job training, staff potential development has been carried out in various forms such as training workshops within and outside of the Company, e-learning, and knowledge sharing activities with the management.

1.3 Corporate Reputation Risks

Banpu places top priority on the management of reputation risk since a unfavorable reputation could have a tremendous and rapid effect, which is immeasurable monetary-value on the Company's prestige and image, in both the short and long terms. The Company focuses on its sustainability development policy combining appropriate business strategy, transparency and fairness in business practices, workplace safety, and responsibilities to the environment, communities, and society. Above all, for mutual development, the Company has been striving to improve employee capacity, creating sustainable value for stakeholders, as well as building good relationships with all partners. The Company expressed its intention to campaign against corruption as part of the Private Sector Collective Action Against Anti-Corruption (CAC), and passed the verification by CAC in communicating its determination against all forms of corruption. It has also cooperated with external parties, both in the public and private sectors, to set the standard for transparent business practices. Moreover, Banpu has carried on its social development mission by supporting projects that benefit the society, environment and youth capacity development for instance, Banpu Champions for Change, Power Green Camp, and volunteering activities in the host countries, as well as other voluntary activities in Thailand and other countries in which the Company operates.

The Company has formulated practices for effective corporate communication and reputation management to respond to its direction by developing communication strategies to convey fast and accurate information to the Company's stakeholders. Furthermore, it creates a positive understanding among stakeholders through quarterly press conferences on the Company's performance for investors and analysts, and a direct communication with all domestic and international

investors via the Investor Relations Department. The Company also focuses on good community relations, maintaining effective communication and aligning work procedures with its Corporate Social Responsibility (CSR) values. Additionally, the Company periodically conducts community and stakeholders' satisfaction surveys and customer satisfaction surveys to gain the information for operational improvements.

1.4 Risks from the Inability to Increase Coal Reserve for Commercial Purpose

As of 31 December 2017, the Company has a total amount of 750.9 million tonnes of coal reserves in Indonesia, Australia, and China. The coal reserves by countries are, as follows: Indonesia 253.5 million tonnes, Australia 334.5 million tonnes, and China 162.9 million tonnes. The quantity of coal reserves has been audited and certified by a consultant company adopting the reporting standard of the Australian Code for Reporting Mineral Resources and Ore Reserves, or "2012 JORC Code". The Company has a plan in place to assess and estimate the quantities of coal reserves when certain commercial factors significantly change and show a tendency to affect the existing reserves. Such commercial factors include coal price trend, cost factors, and development of coal production technology. The Company also has employed various strategies to increase the coal reserves by purchasing and blending coals from nearby areas to meet the customers' quality requirements, coal trading, and studying the acquisition plans for new mines to help lift coal reserves and extend the mine life.

1.5 Risks from Investing in New Business

In managing the risks, Banpu has strived to ensure that its new investments create value to the Company no less than what had been estimated prior to the acquisition. In doing so, the Company has set the investment decision-making process in which the Investment Committee, comprising executive officers and experts, carefully considers and provides opinions on the alignment of new investments with the Company's growth strategies, and the return on

investment against the Company's criteria. The Committee is also in charge of regular monitoring of investment performance and changes in the factors affecting the target rate of return to ensure a fast and efficient response to problems. In addition, Banpu periodically monitors and analyzes its investment portfolio.

Banpu also focuses on the management to achieve the synergy between the Company and the new entities via resource planning, staff capacity development, and appropriate restructuring to facilitate change management, which will, in turn, ensure a smooth investment and sustainable growth, and secure investment return according to the strategic plan. In 2017, the Company further invested in three businesses in the clean energy sector, in accordance with Banpu Greener & Smarter Strategy, which stresses environmentally friendly business, cost-effectiveness, and high-efficiency energy technologies. The new investments in the past year include; solar power capacity expansion in Japan and China, a total one-stop solar energy provider in Thailand by Banpu Infinergy Company Limited (BPIN), under the concept "Go Green Together", as well as securing the majority of stakes in Sunseap Group, Singapore's leading integrated clean energy solutions provider, and additional investment in the sixth shale gas reserves in the U.S.

2. Financial Risks

2.1 Exchange Rate Risks

The Company follows risk mitigation plans to reduce impacts associated with fluctuating exchange rates at both the corporate and group levels in Thailand, Indonesia, China, and Australia by balancing cash flow from foreign revenues and expenses, adjusting its foreign currency forward contracts based on its estimated revenues, expenses, and loan payments, and other financial instruments as appropriate.

As of 31 December 2017, 4% of the Company's denominated debt was in Thai Baht; 75% in US dollars; 20% in Australia Dollar, and 1% in Chinese Yuan Renminbi.

The Company also allocated funds in US dollars, including capital raised in US dollars or converted to other foreign currencies to accommodate overseas investments.

2.2 Taxation Risks

To mitigate taxation risks, Banpu and its group of companies pay taxes within the period of time specified by law. The Company has created tax guidelines and prepared complete documents for settling tax payment. The investment structure has also been constantly reviewed. Additionally, all executives in each country are assigned to closely monitor changes in rules and policies of their country, both at the central and local government levels. This includes hiring local legal consulting firms to provide advice on practices toward legal compliance.

In case there are taxation disputes with the government offices, the Company would provide such offices with accurate tax information relating to its business. If necessary, the Company would also hire expert tax consultants to offer opinions and handle the disputes.

2.3 Risks from Volatility in Coal and Oil Prices

To manage the risks from coal and oil price fluctuations affecting operating performance, the Company has set up a Commodity Risk Management Committee (CRMC) to analyze coal and oil price trends, and partly manage the risks by using financial derivative tools, such as coal and gas oil swaps to minimize negative impacts and to retain margins. Moreover, the Company closely monitors and assesses the global market situation to seek the most opportune timing to settle customer sales contracts. The proportion of coal sold on an index-linked basis to that sold on a fixed-price basis is constantly adjusted to suit the market situation.

3. Operating Risks

3.1 Risks in Coal Business

3.1.1) Risks in Coal Delivery

To ensure punctual delivery of coal to customers with the right quality and quantity as set forth in the agreement, the Company managed its delivery risks in 2017 as follows:

- Study the Optimization System improvement to support optimal business decision-making, which has been in use since 2012. The system should be updated to become more flexible in order to cope with more diverse scenarios, leading to a more effective supply chain management.
- Expand the storage area for inventory and reclaim system at Bontang port, to increase storage capacity and improve coal blending quality to meet customer's demands and more varied sales plans.
- Manage safety stock inventory levels to mitigate the impact from fluctuating demand and situations in various stages of production.
- Maintain the roads used to transport coal periodically.
- Initiate Tugboat Monitoring System (TMS) by installing Geographic Positioning System (GPS) trackers on tugboats, to enable faster monitoring on the status of tugboats with higher accuracy. The information from GPS tracking is further processed to fit the needs of operators, resulting in more effective management and monitoring of coal barges, which ensures an on-time and smooth delivery.
- Deploy new technologies to monitor operating conditions in active mining areas, for instance, using drones to take aerial photographs for in-pit inventory survey in the Jorong coal mine. This innovation will be further deployed in all Indonesian mines.

3.1.2) Risks from Rising Production Cost

Production cost is a significant factor affecting

the profitability of the Company. Thus, Banpu places importance on managing risks from production cost to ensure the achievement of its operating results and profits. In 2017, the Company managed these risks by analyzing production cost of each operation and formulating a more efficient and effective production management plan. The risks have been managed in the following manners:

- Plan the coal mining process, in order to minimize transport distance of coal and overburden, and set a production plan to control the coal stockpiles at the appropriate level.
- Study new technologies to improve cost effectiveness, by conducting feasibility studies on the use of an Electric Overland Conveyors System at Indonesian mines and in underground coal mining in Indonesia.
- Improve In-Pit Crushing and Conveying (IPCC) system in the eastern part of Indominco mine, in order to shorten the transport distance, which subsequently enhances the machine availability to a higher level than initially planned.
- Cut rental costs for coal storage area and reclaim system for customers at private seaports by using the Floating Storage and Loading Facility (FLF), which also enhances the accuracy of quality coal blending.
- Cut fuel costs for tugboats used for handling coal barges, and negotiate with trading partners to restructure coal delivery contract that better reflects the actual fuel costs.
- Initiate barge planning on a short- and long-term basis to ensure an adequate supply of barges for transportation needs and improve flexibility to production and sales. There is also a plan for a monthly performance monitoring of seaborne coal delivery in order to find opportunities for improving barge utilization.
- Introduce the Step Change Program to improve effectiveness and reduce costs at Indonesian and Australian mines.

3.1.3) Risks from Contractors' Operations

Contractors' operations substantially affect production and performance of coal mines. The major risk is when the contractors cannot operate as planned due to various problems, such as late arrival or installation of machinery, maintenance issues, ineffective operation planning, or labor problems both in terms of efficiency and quantity. To address such risks, the Company selects appropriate contractors based on their past performances, as well as, ability and reliability, and closely monitors their performances after entering into a contract via a Contractor Management System (CMS). To improve the system, performance incentive is also incorporated into the contract. Additionally, the Company has set up its unit to take charge of coal mining and the transport of coal and overburden to increase its negotiating power with the contractors.

3.2 Risks in Power Business

3.2.1) Risks from Power Buyer

The Company's BLCP and Hongsa Power Plants are investments under the Independent Power Producer (IPP) scheme. The BLCP Power Plant's electricity is supplied solely to the Electricity Generating Authority of Thailand (EGAT) under a long-term Power Purchase Agreement (PPA). Similarly, the Hongsa Power Plant entered into a long-term PPA with EGAT and Électricité du Laos (EDL). The agreements guarantee stable electricity prices as they stipulate that the pricing structure may be adjusted according to the changes in fuel prices, Thai Baht exchange rates, and inflation rate. Consequently, the Company's power plants face very low risk in power purchase.

However, in China, there is no long-term buying contract system as practiced in Thailand, thus making power business in the country risky in terms of electricity and steam purchase. However, the Company's combined heat and power plants in China are high efficiency power plants that

enjoy government support. They are guaranteed sole distribution of steam and heat in specially promoted areas and are allowed to sell electricity to local electricity authorities. Also, they receive good support from the local governments. All these factors contribute greatly to effective purchase risk management. Furthermore, the Chinese government energy policy to increase effectiveness in energy consumption and environment conservation policy has improved related regulations on power business operations in China. The Company manages this risk using different measures, such as boosting energy efficiency in power plants and control environmental impacts in compliance with the Chinese government's policies.

3.2.2) Risks in Coal Supply

The BLCP Power Plant entered into a long-term contract to purchase coal from major and reliable suppliers, with clearly specified amount and quality of coal, to ensure sufficient supply for electricity generation in accordance with the PPA signed with EGAT. Accordingly, the risks associated with the failure to access good-quality coal is low. However, under certain circumstances, it may be necessary for BLCP to procure coal outside of the said contract. For example, the supplier may be unable to deliver coal as planned due to an event of force majeure such as flooding in Queensland, Australia. In such cases, BLCP may purchase coal from other suppliers in the coal market. To date, the amount of coal purchased outside of the long-term contract has yet to exceed 5% of the amount of coal needed each year, which is relatively low and has no significant impact on its profits. In addition, the BLCP Power Plant has closely and regularly monitored coal production and coal prices to mitigate the risks in coal supply.

In sourcing its coal supply, the Hongsa Power Plant leased a lignite mine concession from the license holder awarded by the Laos government. Before the launch of the project, a feasibility study

was conducted to assess quantity, quality, production, and coal transportation plan for the entire project period. Therefore, the risks in accessing quality coal are low and the cost can be controlled corresponding to the generation plan of the plant. Moreover, the Company has prepared a coal reserve plan to cope with operational disruptions due to uncontrollable factors, including poor climate conditions, natural disasters, transport delays, accidents, etc.

The Company's power plants in China, the world's largest coal consumer, have been faced with the risk due to uncertainty of the policy on coal, which led to the coal price fluctuation in 2017. The price has then gradually increased since February 2017. China's strict policy on coal mine safety also caused in the closures of many coal mines. In addition, the policy to reduce 500 million tonnes of coal production in five years has sent coal prices soaring. The Company has managed the risks by closely monitoring coal prices and improved its procurement plan according to its generation cost and plan. The Company also entered into an agreement to sell electricity to some clients. According to the agreement, pricing structure of electricity and steam can be adjusted based on the actual fuel costs at that time.

3.2.3) Risks in Power Generation Operations

There were potential risks that the Hongsa Power Plant may fail to achieve its operations as planned due to various possible causes, such as machinery, equipment, or manpower, as the plants were still in the initial phase of commercial operations. To manage the risks, the Company has closely and carefully monitored the operations, improved system stability, prepared adequate critical spare parts for the power plants, and organized staff's capacity development training and knowledge sharing among the companies in its group. In 2017, the Hongsa Power Plant was able to run smooth operations with significantly greater efficiency than in 2016.

3.2.4) Risks from the Construction and Management of Power Plants

The Company has managed the risks from the construction and management of power plant projects, by closely monitoring the projects' progress and constantly coordinating with contractors to ensure project quality in accordance with the contractors' agreements. In 2017, the Company was able to commence the commercial operation of the solar power plant in Shandong province with the capacity of 10 MW. For the Shanxi Lu Guang Power Plant (SLG), the Company is revising its assumptions and the commercial operation date. Nevertheless, strategically, the Company is studying power plant projects in the CLMV countries as well as expanding the solar farm projects in Japan in order to meet the power capacity target.

3.2.5) Risks from Solar Power Generation

The major factors affecting solar power generation are the intensity of the sun's radiation and leakage quantity from the power plant system. The Company manages these risks by using statistics of intensity of the sun's radiation to estimate the minimum amount of electricity the plant can generate and compare it with the actual amount of electricity output. The Company also uses advanced technologies for solar power plants and carries out regular maintenance to ensure minimum leakage, which is lower than the Company's predefined acceptable rate.

3.3 Risks in Shale Gas Business

3.3.1) Risks from the Volatility of Natural Gas Price

The Company has also diversified business in the shale gas production, in the Marcellus Shale located in the Northeast Pennsylvania, U.S.A. The volatility of natural gas prices thus became a major factor affecting the Company's performance. Throughout 2017, the price of natural gas had greatly fluctuated, with the U.S. natural gas future price on 31 December 2017 closing at USD 2.95 per MMBtu, while the average price for the whole

year was USD 3.02 per MMBtu. To manage the volatility, the Company employed a financial derivative called Gas Collar to sell natural gas in the future market at approximately 10% of the total natural gas production.

3.3.2) Risks from Gas Producers' Operations

As the Company's investment in natural gas business has been conducted through an investment fund, the Company's role in the investment is mainly about the approval of the budget and annual operation plan over the assets owned by the fund both as a producer and investor. The Company, thus faces the risk from the gas producer's performance. However, the Company managed these risks by focusing on the selection of good gas assets and reliable producers, as well as protected the assets owned as a producer with risk insurance. Apart from that, the Company, as a joint venture, regularly reviews monthly performance and, as a joint venture partner, maintains a good relationship with gas producers, which helps mitigate the operational risks.

In 2017, the Company was able to forecast a greater cash flow than the set annual budget, due to an increase in revenue ratio from the assets it owns as a producer.

3.4 Occupational Health and Environmental Risks

3.4.1) Occupation Health and Safety Risks and Business Continuity Management

The Company has expanded its supply chain from being an energy fuel provider to an integrated energy solutions company, covering upstream businesses, such as coal business and other alternative businesses; midstream businesses, such as coal transportation and marketing; and downstream businesses, such as conventional and renewable power generation. Our business activities involve the use of heavy machinery and vehicles, which increase the risk of accidents in the workplace. In 2017, the Company constantly

launched and promoted safety campaigns to instill safety culture among its staff and contractors at all levels under the "3 ZEROs" policy, which includes:

1) Zero Incident: Preventing and correcting unsafe behaviors and work conditions

2) Zero Repeat: Taking all necessary actions to address the root causes of any problems in order to prevent recurrence of similar incidents

3) Zero Compromise: Strictly adhering to safety rules and standards without compromise

In 2017, the Company also carried out the following activities to prevent and reduce workplace accidents:

- Promoted occupational health and safety culture by setting up Banpu's "Occupational Health and Safety Maturity Level", which is to be benchmarked with the international standard. In 2017, a Safety Perception Survey was conducted at Trubaindo and Bharinto mines in Indonesia to devise strategies for improvement of a safety culture across Banpu group.
- The CEO and Country Heads signed an agreement on a set of annual indicators, such as zero accident from work and/or zero occupational sickness that lead to zero death, less frequency of injuries from accidents at work than in 2016.
- Senior management joined a monthly work environment monitoring activity with the Health, Safety and Environment Committee.
- Improved the reporting standard by adding indicators for occupational health on top of the existing indicators concerning safety statistics, such as sick leave records, for further analysis in order to identify whether the illnesses were work-related. This improvement is in line with GRI's Sustainability Reporting Guidelines, which is a group-wide standard used across the region. A Health, Safety, Environment and Community Summit (HSEC Summit) has been held for seven consecutive years for all top executives of Banpu Group to share, discuss, and brainstorm on HSEC

topics, in order to define directions and implementation plan for the management of health, safety, and the environment.

- Arranging executive safety training programs for executive officers from the level of vice president, supervisor-level safety training programs for section managers, and safety training programs for new staff.
- Communicating safety information through various channels, such as the “Safety Girls News” email newsletter, and video alerts at the Bangkok head office.

Additionally, the Company has applied the Business Continuity Management System, and reviewed risk factors and uncertainties from natural and man-made disasters or man-made crises, in order to prepare itself for effective management of potential emergencies to ensure smooth operations and alleviate the impact of such emergencies or crises, for instance, fires, floods, earthquakes, epidemics, protests or riots. The Company formulated the Business Continuity Plan (BCP), which focuses on the preparation of necessary resources, and organizing annual drills at operational and management levels. In 2017, the Bangkok office of the Company held an emergency drill for highest impact emergencies, overseen by the Crisis Management Team (CMT) and chaired by the Chief Executive Officer. Also, the Company was externally certified by ISO 22301 Business Continuity Management System, which demonstrates that the Company’s business continuity management system meets the international standards.

3.4.2) Environmental Risks

The Company observes environmental standards required by law, and stresses effective resource utilization so as to preserve natural resources, and to control direct and indirect environmental impacts, such as climate change, land utilization, water resources utilization, and biodiversity.

Monitoring Environmental Changes to Determine Organizational Development Policy

The Company closely monitors environmental changes related to its business operations throughout the value chain in order to formulate policy and investment schemes in response to those changes. In recent years, climate change has become a significant challenge as its impacts have become greater in terms of frequency and severity. The society hence expects the use of alternative energy with lower greenhouse gas emissions which will help reduce the impact of climate change.

The Company’s production activities, including coal mining and power and heat generation, rely on energy sources which inevitably releases greenhouse gas into the atmosphere. Realizing its responsibility in reducing the greenhouse gas emissions, the Company formulated corporate policies and defined goals in greenhouse gas management in 2010 to enhance energy consumption efficiency and promote the use of cleaner technologies. The Company has set a five-year GHG emissions goal from 2016 to 2020 compared to the baseline 2012 levels when Company’s GHG emission was at its peak. The target is to reduce GHG emissions per production unit by 25% in coal business and 15% in power business. Furthermore, the Company has closely monitored the laws and regulations related to greenhouse gas emissions to accommodate changing business practices, including the Paris Agreement, which is the outcome of the 22nd Conference of Parties (COP 22), other agreements resulting from the COP, and the Company’s policy on energy and reduction of greenhouse gas emissions in the countries in which the Company operates.

In 2017, the Company commissioned a study for a development of strategies on climate change, which included four strategies and implementation areas: (1) Mitigation - reduction of GHG emissions,

(2) Adaptation - being adaptive to climate change,
(3) Being a part of a low-carbon society, and
(4) Participation in the Climate Change Community.
Guidelines, time frames, and responsible parties for each particular areas were clearly defined to ensure the most effective implementation of all strategies according to the strategic plan.

With regards to the investment plan, the Company is also constantly on the lookout for investment opportunities in renewables and other alternative energy sources, in order to reduce GHG emissions and to better respond to the demands of a low-carbon society. For instance, the Company has invested in Banpu Infinergy Company Limited, a total one-stop solar energy provider in Thailand.

Environmental Compliance

The Company also stresses legal compliance of all of its operations. It strictly complies with applicable environmental laws and regulations, for instance, the environmental quality standards regulations and environmental impact reduction measures, both of which are addressed in the environmental impact report. In 2017, the Company's environmental compliance performance remained high and continued to improve. Banpu focuses on managing major risks as follows:

- **Soil Erosion:** The Company takes preventive measures to make sure that after mining, mine rehabilitation will be undertaken.
- **Water Management:** The Company has implemented a plan to reduce the quantity of water used in its production and various water treatment processes, such as settling basins and constructed wetlands, which are attuned to fit the locations, limitations and water quality of each operation area. The quality of water discharged from mines to public waterways is determined by the pH value and the turbidity. As for the pH value, the Company implements Acid Mine Drainage measures to prevent water acidity by treating water that becomes acidic due to mining

processes at mine sites, covering all stages of mining from mine exploration to production planning, land management and rehabilitation. A Successive Alkalinity Production (SAP) system for acidic water treatment has been implemented, which resulted in approximately 50% reduction of calcium carbonate usage. Furthermore, treated water can be reused in many ways within the operation sites, such as spraying for dust-control, coal-washing, and mine restoration. The Company invested in the construction of a water treatment plant at Newstan Mine in Australia to treat underground water before discharge to supplement community use.

- **Cooling Water Management:** The cooling water used in the Company's power plants is designed to be a semi-closed cooling system to reduce water exchange with external sources and reduce discharge to the external environment, which helps conserve water. Outgoing waterways are designed for water to flow and be exposed to the air for as long as possible in order to lower the temperature to the level specified by law.

- **Air Quality Management:** The key indicators of air quality emitting from the power plants include the quantities of sulfur dioxide, nitrogen oxides, and particulate matter. The Company has installed various treatment and disposal technologies to reduce sulfur dioxide and nitrogen oxides at its power plants in Thailand, Lao PDR, and China, including the Low NOx burners, the circulating fluidized bed (CFB), the Electrostatic Precipitators (ESP) used to remove fly ash, the Flue Gas Desulphurization (FGD) system, both semi-dry and wet, the Selective Non-Catalytic Reduction (SNCR), and Selective Catalytic Reduction (SCR). A Continuous Emission Monitoring System (CEMS) was installed in chimneys and in the communities surrounding the plants to ensure that ambient air quality meets the standards required by law. The Company has particularly improved its air treatment system at the power plants in China to meet the

stricter air quality standards and to reduce urban air pollution. The Company has also set its five-year plan: 2013 - 2018 with a budget of approximately USD 43 million, which could reduce air pollution levels to meet air quality standards set by the Chinese government.

- **Dust Management:** Dust is naturally generated by mining activities such as pit opening, overburden removal, coal quality improvement and coal transportation. The Company has implemented several measures appropriate to each specific operation area, for example, planting trees as a wind-blocking barrier in high-risk areas as well as reducing the vehicle speed limit in mining areas to reduce dust and for safety reason, and spraying roads and coal stockpiles with water. Dust levels in mining areas and nearby communities are also regularly measured to ensure effective control of dust.

- **Hazardous Waste Management:** All business units of Banpu take appropriate measures to ensure the proper management of waste, especially hazardous wastes, to be in compliance with local laws so that the waste will not pose a threat to the environment. In some cases, the Company may sell the waste, such as used lubricants, automobile batteries, and fly ash, to government-authorized buyers for recycling. As for fly ash from coal-fired power generation, the Company sells it to buyers to be recycled as building material. The Company also separates fly ash according to size in order to meet the market needs and to increase the sales price.

Effective Resource Utilization

Effective resource utilization plays a pivotal role in environmental conservation and cost reduction. Banpu focuses on the four areas of resource management, as follows:

- 1. Climate Change:** The Company is committed to reducing greenhouse gas emissions by implementing an energy conservation project, and

conducting a feasibility study to replace the use of diesel with alternative fuels. In addition, the Company also seeks opportunities to invest in alternative energy sources. The Company has supported the construction of a community biogas plant near the Kitadin Embalut Mine, for the locals to learn on how to create sustainable energy sources, which has become a learning center for those interested. The Company also discloses its carbon emissions information through its Carbon Disclosure Project (CDP) and sustainability report annually.

2. Fuel Reduction in Power and Steam Production:

The Company has deployed High Efficiency-Low Emissions (HELE) technologies in the Shanxi Lu Guang Power Plant in China. In addition, improvements were also made on machinery conditions in Zouping Power Plant, as well as the recycling of toxic gas from steel production process in customer's factories, which caused air pollution, as an alternative fuel for power generation in place of coal.

3. Land Use and Biodiversity:

Recognizing the importance of effective land management and land use, the Company has carefully formulated its mining plan to minimize impacts on the geography, biodiversity and ecological system, and developed mine closure plans before mining. In order to effectively manage biodiversity, PT. Indo Tambangraya Megah Tbk (ITM), a Banpu's subsidiary in Indonesia, in collaboration with Purwodadi Botanical Gardens, initiated a project to study and preserve biodiversity at the Bharinto mine located on Kalimantan since 2010. From 2012 to 2013, the study was expanded to the Indominco mine, which has made good progress in the study of biodiversity. The study was later expanded to other areas. The findings obtained from this study will be used to construct a model for future land and biodiversity rehabilitation. In 2017, the Company declared the Biodiversity Policy, with the aim of creating a net positive impact in all areas after mine closure. There was an initial biodiversity impact assessment in the

area of Bharinto mine by using the survey data from 2015. The assessment revealed that biodiversity impact started to show positive effects due to various measures, such as avoidance, rehabilitation of mining areas, and offset the area outside the mine. However, the Company has planned to closely monitor the operations and impact assessment at the mine and will expand the program to cover all mines operated by the Company.

4. Water Resource Utilization: The Company places a high priority on preservation of water resources, which can be demonstrated by the Company's projects to reduce water use in production processes, recycle water, and prevent surface waters from being contaminated by waste water. Apart from this, the treated waste water from underground mines is distributed to supplement community use. To enhance water management efficiency, in 2017, the Company declared the Water Policy, to set the water management scope and targets as well as the standards for data collection and reporting on water resource utilization. There is also a plan for the evaluation of water footprints in the next phase in addition to disclosing the data on water use and water management through the Carbon Disclosure Project (CDP).

3.5 Risks from Social and Community Impact

The Company believes that “an industry will be strong only when it is developed in tandem with social and environmental responsibility”. Accordingly, apart from emphasizing preventive measures to minimize impact on the communities and society, such as environmental and safety impacts, the Company also promotes community, development activities that stress “engagement” between stakeholders; the Company, communities and the government sector. The UN Sustainable Development Goals (SDGs) have been adopted in devising community development plans and activities aiming to lay the foundation and prepare

the communities for future growth in various dimensions so that they become strong, sustainable and self-reliant. A social and community risk management has been carried out as follows:

- The Company has formulated a “Standard Practice Manual: Community Development Work”, which include mitigation of risk from social and community impact. The manual provides community development officers a clear practice guideline to be applied in all operational areas. This guideline is regularly updated to appropriately respond to changing situations.
- The Company has also allocated sufficient Community Development Officers (CDO) at each mine site to work closely with the communities in improving their quality of life. These officers also act as mediators between the Company and communities to build mutual understanding. The CDOs can also assess the sensitivities or detect harmful incidents at an early stage allowing them to find timely solutions or mitigation measures.
- The Company places importance on community engagement in every stage of development, starting from drawing up a community development plan which meet community needs and are consistent with the government's development plan. A Community Consultative Committee (CCC), consisting of representatives from the local government, local communities, and the Company, works on planning, monitoring progress, and solving problems for the optimal benefits for the society and the betterment of the local people.
- Community development projects are organized to meet each community's needs by focusing on community engagement and capability-building so that the community can become an independent and sustainable community. The projects supported by the Company cover six areas of development; (i) economy and income generation, (ii) education, (iii) basic infrastructure, (iv) hygiene, sanitation, and primary health care, (v) environmental conservation, and (vi) social and cultural promotion

and community relations. These projects have contributed to the better quality of life of the locals in the communities surrounding mining sites and business units, leading to satisfaction and a good relationship with the Company.

- The Community Development Division has worked closely with other divisions in planning, monitoring, and assessing project performance, so as to minimize possible risks from the Company's operations, especially those relating to the environment, safety and logistics. Moreover, the Division also acts as a communication medium between the Company, communities, and related external organizations, such as local administrative organizations, government sector, and the media, allowing it to quickly realize adverse impacts and work with other divisions to address problems in a timely manner.
- The Company has cooperated with contractors in Indonesia to run community development work. As many Indonesian contractors are also engaged in community development work, the Company worked with them in developing a project from planning, allocating budget and personnel to sharing expertise, experiences, and information. This results in a greater effective project management, which benefits all involved parties and reduce redundancy of community development work.
- The Company's management has closely monitored the performances of executives at every level, as well as regularly visited project sites, which not only allow them to witness the progress of activities but they can also meet with the head and community members and provide the CDO with advice on efficiency enhancement. This assures the Company's careful operations, clear working plan, and well-defined risk management, which causes no adverse impact, but on the other hand, benefits and satisfies both the communities and the society.

- Stakeholder satisfaction surveys on community development programs in Indonesia are conducted every two years to assess satisfaction, to identify concerns and possible risks as well as to find suggestions from the communities and related parties. The survey results are used in making operational improvements to ensure satisfaction and optimal benefits to all stakeholders.

4. Risks in Compliance with Applicable Laws and Regulations

Recognizing the adverse consequences of compliance risks to the Company's operation and reputation, Banpu is committed to compliance with laws and regulations relevant to its operations both in Thailand and abroad. Moreover, the Company has developed processes and tools to effectively manage the possible risks from policy and regulatory changes in every country it operates. The executives in each country are responsible for monitoring policy and regulatory changes at both local and national levels, and communicating with governmental and private organizations, communities, and other stakeholders about the changes. The Company also hires local consulting firms to help interpret local laws and provide suggestions on legal compliance. A compliance unit regularly monitors the Company's operations to ensure full compliance with relevant laws and regulations.

4.1 Risks from Policy and Regulatory Changes in the Countries Where the Company Has Invested

Overseas investment brings with it the possibility of risks associated with any regulatory change in the country of investment. In the past year, the countries where regulations, rules, and policies were substantially changed include Australia, China, Indonesia and Japan. The Company managed these risks as follows:

Australia

- In October 2017, the government of New South Wales amended the Environmental Planning and Assessment Act 1979 and the 2011 Sydney Drinking

Water Catchment, proclaiming that all newly developed projects would be subjected to the water quality test by “Neutral or Beneficial Effect on Water Quality Assessment Tool” (NorBE tool). The Company has thus prepared its new projects, including Angas Place Colliery, to be in compliance with the changes.

- In January 2018, the government of New South Wales amended the 2017 Coal Mine Subsidence Compensation Act, changing the compensation claiming method for damages arising out of subsidence resulting from coal mine operations. Currently the procedure of which seeks compensation from the Coal Mine Subsidence Compensation Fund financed by the coal industry, to the new practice of seeking compensation directly from the proprietor of the coal mine. This change would affect future expenses of the Company’s mine projects such as Newstan. However, the Company has a plan in place to respond to the legal change.

People’s Republic of China

- On 30 December 2016, the Chinese government announced the 13th Five-Year Plan for Economic and Social Development, which affects coal business as follows:
 - 1) Set target to reduce 800 million tonnes of coal capacity from ineffective coal mines by 2021, and increase coal capacity from effective coal mines by 500 million tonnes, by approving opening of new coal mines to replace the closed mines to maintain coal market equilibrium.
 - 2) Reduce the total number of coal mines to 6,000 by 2021.
 - 3) Target coal production by 2021 to be at 3,900 million tonnes, over 80% of which will come from mines with a minimum annual capacity of 1.2 million tonnes, and less than 10% will come from mines with an annual capacity of lower than 300,000 tonnes.

4) Stop approving new coal mines from 2016 to 2018.

5) Approve new coal mines with a minimum annual capacity of 1.2 million tonnes after 2018.

6) Promote imports of high quality coal, especially coke, and limit imports of high-sulfur coal with low heating value.

7) Promote the exports of coal.

The above-mentioned measures contributed to higher coal prices, causing a positive effect to the Company’s coal business in China.

- On 22 December 2016, the Chinese government announced the 13th Five-Year Plan for Economic and Social Development, which affects power business as follows:

1) Cut generation capacity of coal-fired power plants to 1,100 GW by 2021.

2) Close old and expired coal-fired power plants, and delay or cancel the construction of new coal-fired power plants.

The Company has reviewed its business direction and strategy in China to comply with the legal changes and also assessed the changing scenarios and trends on a monthly basis.

- Due to the current air quality, the Chinese government announced pollution control and preventive measures for Beijing, Tianjin, and Hebei provinces and surrounding areas in 2017 as follows:

1) Bohai Seaport denied coal delivery from diesel-powered carriers in September 2017.

2) The “2+26” cities in Beijing, Tianjin, and Hebei provinces with the highest pollution emissions are required to use low emission coal together with the appropriate technology.

3) Heat production during the winter season must be from clean energy sources, and prohibiting the use of coal in four cities: Beijing, Tianjin, Langfang, and Baoding.

Based on the aforementioned measures, the Company has adapted its business strategy for China market in response to growing demand of clean energy, such as conducting a feasibility study for replacing coal with natural gas in power production.

- Due to the current air quality in China, the government has set a new standard of air emission for coal-fired power plants, which will become effective in 2021 as follows:
 - 1)** Dust emission must not exceed 10 milligrams per cubic meter.
 - 2)** Sulfur dioxide (SO₂) must not exceed 35 milligrams per cubic meter.
 - 3)** Nitrogen (NO_x) must not exceed 50 milligrams per cubic meter.

The local governments were allowed to enforce the new measures when they are fully ready by 2021. Furthermore, the Chinese government also requires coal-fired power plants to achieve average coal consumption rates of not more than 310 grams of coal equivalent per kWh by 2021. Currently, the Company has increased more investment on the control of air pollution to comply with the new standards, and improved the production system efficiency to achieve the newly required average coal consumption rates. Shanxi Lu Guang (SLG) Power Plant project has also been designed to operate with Ultra-Super Critical technology, which consumes less fuel than 310 grams of coal equivalent per kWh, and a controlling system to control air pollution within the legal limits.

- In 2015, the Chinese government launched the electricity system reform that requires electricity grid owners to charge electricity users according to state-determined price and prohibits them from gaining profit from the difference between the buy and sell prices. This policy limits monopolies, increases competition and cuts costs while enhancing quality. This results in a lower power price that is fair to both corporate and individual customers. The Power Transmission and

Distribution Pricing Reforms were initially enforced in 12 provinces, and are expected to be enforced nationwide by 2018. This policy did not have a negative impact on the Company's power plants in 2017, as the Company had already entered into the power purchase agreement. Nevertheless, after the opening to a free market in 2020, the Company will still be able to secure power purchase agreement for the majority of its power capacities and the surplus capacity will be sold to the competitive markets in the form of power tariff and dispatch.

Indonesia

- On 9 May 2017, the Ministry of Energy and Natural Resources proclaimed Law No. 34/2017 about the grant of a mining rights for coal and other minerals, which set guidelines for the application for mining rights as well as conditions for granting a license and exercising of license for mining coal and other minerals. The Company strictly complied to the law, and constantly reviews granted license conditions prior to operations and monitored that all operations are in accordance with the requirements stipulated in the license.
- On 11 September 2017, the Indonesian government enacted Law No. 88/2017 on Settlement over Possession of Land in the Forest Territory. Government performs a settlement possession of land in a forest territory that is controlled and utilized by parties, namely individuals, institution, and indigenous people or other tribes. The Company has closely monitored and handled land disputes in a forest territory by strictly following regulations, legal procedures, and mechanisms which are monitored and supervised by the government.

Japan

- The Japanese government declared a change in the electricity price policy, from a fixed electricity price throughout the life cycle of a power plant project, to a bidding method. This might result in

a decreased investment return in new projects that are required to bid for electricity sales price. However, the Company has mitigated this risk by exploring options to increase competitive advantages such as financial cost cutting or joint project development with business alliance.

4.2 Risks from the Hongsa Power Project Court Case

The Company places a high priority on managing the risk from the Hongsa Power Project court case by setting up a special working team, comprising the representatives from the Board of Directors and the executives in order to track progress of the legal department and team of lawyers, and closely analyzed the pending situation. Current situations and related progress are reported to the Board and the executives. The priority is put on promoting understanding and confidence among stakeholders. On 9 September 2014, the Appeals Court dismissed the case for the reason that the defendants (Banpu, Banpu International Ltd., Banpu Power Ltd., and Banpu's executives) had acted in good faith before and after the joint development agreement was entered into, and that the defendants did not commit any wrongful acts against the plaintiffs. The Appeals Court also found that it was the plaintiffs that breached the joint development agreement, and that the defendants had no obligation to return to the plaintiffs, the 13 documents containing the information relating to the Hongsa Power Plant and the Hongsa Lignite Mine. The plaintiffs have now filed a petition to the Supreme Court of Thailand against the judgment of the Appeals Court, and the defendants have filed a counterclaim and a counter petition to the Supreme Court of Thailand. The case entered into the Supreme Court's trial process in 2015. The Supreme Court will deliver a verdict on 6 March 2018. Banpu and Banpu Power's executives firmly believe in the Company's good faith in the development of the Hongsa Power Project.

5. Emerging Risks

Emerging risks are risks that have never been in existence or the Company has not yet encountered, but may cause adverse effects as unexpected future changes may occur, such as political, legal, social, technological, physical environmental or natural changes. In some situations, impacts of changes cannot be foreseen or risks cannot be exactly identified. The Company's risk assessment highlighted three areas of emerging risks over the long term: disruptive energy technology, digital transformation that impact the technology landscape and consumer behaviors, and climate change, which may lead to changes in laws and regulations, for instance, the 22nd Conference of Parties (COP 22) to the United Nations Framework Convention on Climate Change. The Company managed such risks by collecting information and reports on events that can become emerging risks from various sources, such as the World Economic Forum, to forecast future scenarios and adapt its strategic plan to accommodate changes. In 2017, the Company adapted its corporate strategy by focusing on renewable energy development through the integration of modern technologies into power generation to respond to changes in global environment, including greater demand for energy, increased growth in renewable energy consumption, and digital society and digital connectivity. The Company has expanded its investment in renewable energy to provide a total solution for solar system installation via its subsidiary, Banpu Infinergy. The Company aims to be an innovative power provider in the digital era. In addition, the Company has been studying the potentials to deploy Predictive Maintenance technologies and Automation in Mining Application to reduce mining operating costs.

Internal Control and Risk Management

Banpu places great importance on risk management and an adequate and effective internal control system to achieve successful operations and sustainable growth. The Board of Directors and executives oversee business operations by adhering to good governance and transparency. There are a balanced organizational structure, clearly written policies and practices, an effective risk management system, an adequate system of internal control, a safe and efficient communication and data management system, and an appropriate monitoring system.

The Audit Committee works independently on reviewing and assessing the adequacy and appropriateness of the internal control system and the effectiveness of the auditing process. The Committee has to review the assessment form for an adequacy of the internal control system prepared by the management before submitting to the Board of Directors for consideration. Furthermore, it also oversees the appropriateness of the internal control system through the operations of internal audit and risk management units, which cover Banpu Group's business activities to ensure transparency and full compliance with laws, regulations and policies. The Company also ensures that transactions of all related parties are transparent, in addition to, accurate and reliable financial and related reports are accurate and reliable, which helps improve the Company's creditability in terms of its ability to achieve its objectives as stated in its mission and strategies.

The Board of Directors' meeting held on 25 January 2018 assessed the internal control system by using the assessment form for an adequacy of the internal control system according to the Securities and Exchange Commission's (SEC) framework, which is based on that established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO 2013). The COSO framework for internal

controls consists of environment control, risk assessment, activities control, information and communication, and monitoring activities. The overall assessment demonstrated that the Company has an adequate, appropriate, and effective internal control system. The Board of Directors' views regarding the Company's five internal control systems can be summarized, as follows:

1. Control Environment

Banpu strives to promote valid, effective, and efficient internal control environment to achieve its business goals. The Company has an appropriate organizational structure with a clear chain of command and authorization levels in accordance with executive ranks to ensure effective management and operations. Responsibilities in major operating units have been clearly defined to enable checks and balances. Major policies and regulations are regularly updated in response to changes in the internal and external environment. The Company stresses achieving standards on recruitment and management of human resources, which are in line with the corporate culture "Banpu Spirit". There is also a compensation system in place to provide reasonable and appropriate compensation linked to performance. In addition, the Company puts a high priority on capability development for its employees, regarding their technical skills, business knowledge, and soft skills, in order to equip them with essential knowledge and skills for their operations. This is carried out through a training roadmap designed specifically to respond to each unit's business objectives, individual development plans, succession plans and job rotation.

The Company also endeavors to pursue its business goals based on good corporate governance, the Code

of Conduct, and Anti-Corruption Policy and practices. A whistleblowing channel is established to receive complaints or grievances regarding corruption.

In 2015, Banpu became a certified member of Private Sector Collective Action Coalition Corruption (CAC) and is currently applying for renewal of CAC certification for another three years.

2. Risk Assessment

The Company prioritizes the management of risks and preparation for changes caused by both internal and external factors that affect its business activities at department, business unit, and corporate levels. The Risk Management Committee is responsible for formulating a policy and defining risk management methods, overseeing, and monitoring the overall management of critical risks. The management and staff members also take part in assessment and close monitoring of risks caused by internal and external factors in all areas, namely strategy, operation, finance, regulatory compliance, information technology, and corruption. Additionally, there is an assessment of the possibility and the size of any impact. The risk management team is set up to regularly monitor the progress of risk mitigation plan and measures, and submit a report on risk management situations reviewed by the Audit Committee to the Risk Management Committee. The report is submitted to the Board of Directors on a quarterly basis.

In 2017, Banpu revised its risk management policy and procedure to improve efficiency and the ability to respond to the complicated and rapidly changing business patterns, technology, and laws and regulations.

3. Control Activities

Banpu has been operating its business under an effective internal control system. The Company formulated policies, regulations and practices in explicit writing. It oversees and monitors its operations to ensure compliance with action plans, rules, regulations, and practices. There is a clear and appropriate division

of labor, with an effective system of checks and balances, precise delegation of management and decision-making authority, and Key Performance Indicators (KPI) with direct links to the Company's goals. The Company's assets are safeguarded to prevent them from personal abuse and monitored with an appropriate and effective IT control system. Moreover, a policy on related parties transaction has been clearly set out, aiming to maximize benefits for the Company, on the similar basis to the transactions at arm's length.

Aside from this, the Company has been arranging activities to share information about internal control. In 2017, the Internal Audit Department organized a seminar to educate the executives and staff on internal control at the head office and the offices of its subsidiaries in Indonesia and its joint venture in Lao PDR.

4. Information and Communication

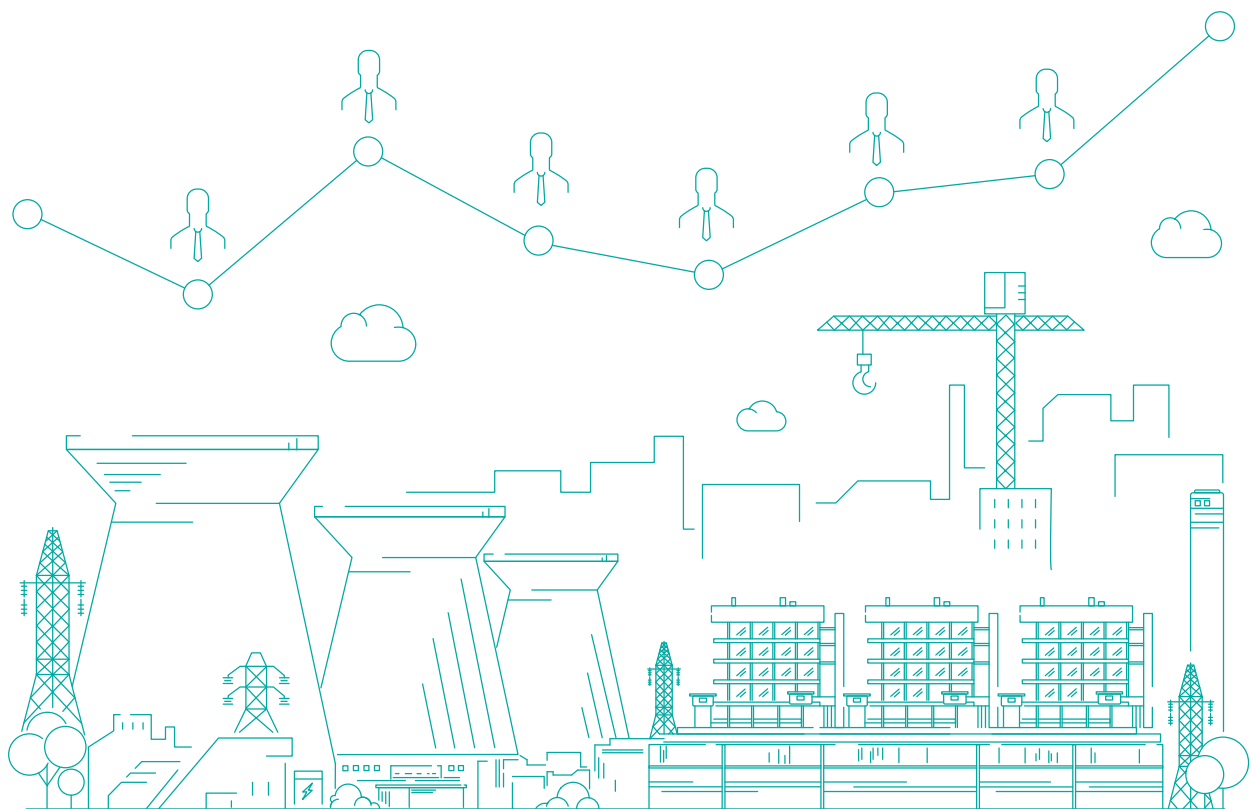
The Company has developed an effective and secure IT system in compliance with applicable laws to enable sustainable business expansion. It has aligned its IT Master Plan with digital technology and business demands by controlling the acquisition, development, and implementation according to the IT Service Delivery Model. The Architecture Review Board and Enterprise Architecture under the supervision of Information Technology (IT) Division are responsible for monitoring enterprise architecture and technology across Banpu Group to ensure transparency, flexibility and alignment with the business strategy, "Greener & Smarter". Additionally, the Company emphasizes the communication of important messages via several online channels, such as; Google Collaboration Platform, including Gmail, Sites, Drive, Sheets, Forms, Hangouts, etc.; and Electronic Document Management System, to facilitate fast and effective information exchange within and outside of the organization. While information security is ensured by clearly defined access rights to information according to duty and use.

The Company also provides various effective channels for internal communication, such as emails, PR activities, and meetings, to enhance collaboration and concerted efforts to achieve the Company's goals. For external parties, the Company's Investors Relations and Corporate Communications are responsible for information disclosure and providing equally accessible information to all stakeholders.

5. Monitoring Activities

Banpu has implemented a monitoring system both at the management and operation levels. There are regular

reviews and monitoring of operation results by supervisors and executives, and executive meetings are held regularly to oversee and monitor whether the results meet the predefined goals. The Internal Audit Department is responsible for reviewing and assessing the adequacy and efficiency of the Company's internal audit system focusing on risk-based auditing, and providing advice on the improvement of processes and monitoring the results to ensure appropriate and timely correction. The internal audit reports are periodically submitted to the management and the Audit Committee.



Sustainable Development

Sustainable Development Policy

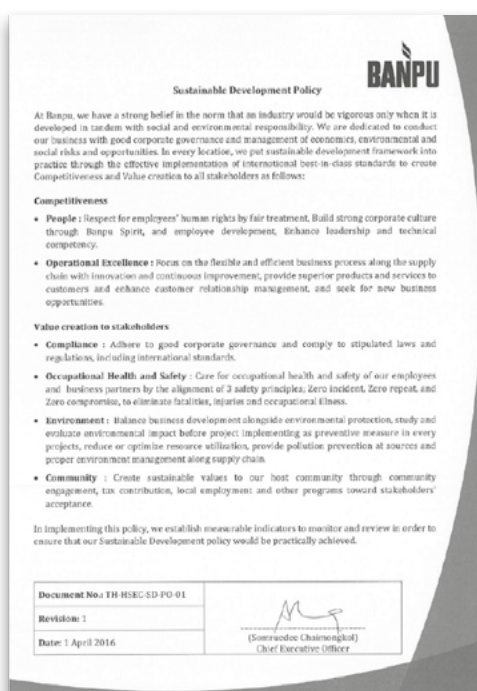
At Banpu, we have a strong belief in the norm that an industry would be vigorous only when it is developed in tandem with social and environmental responsibility. We are dedicated to conduct our business with good corporate governance and management of economics, environmental, and social risks and opportunities. In every location, we put sustainable development framework into practice through the effective implementation of international best-in-class standards to create competitiveness and value creation to all stakeholders, as follows:

Competitiveness

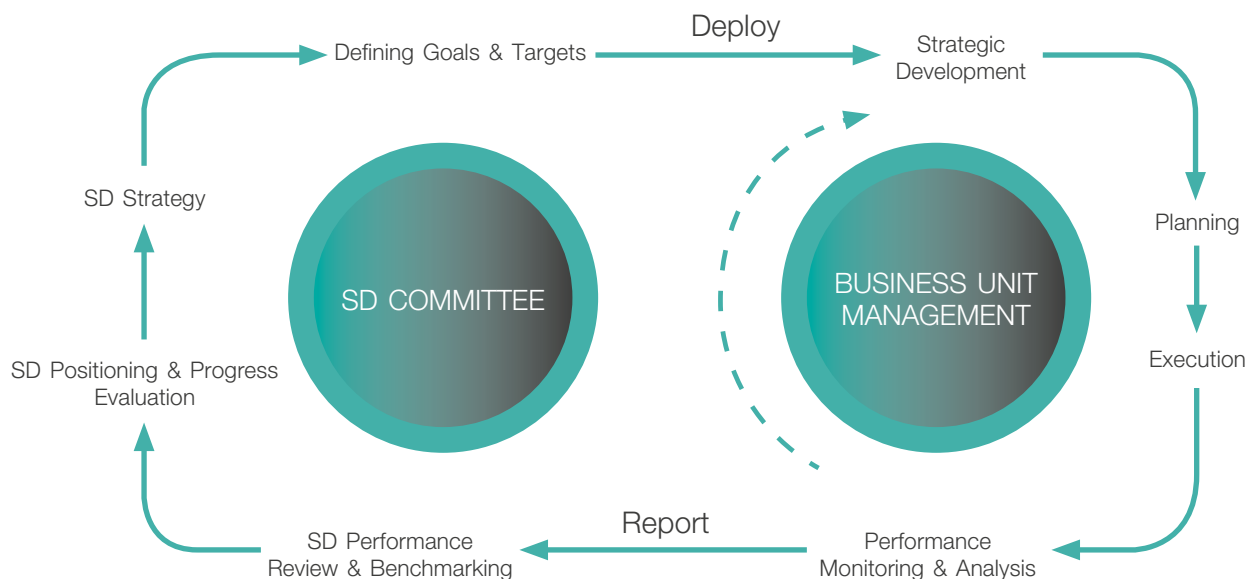
- **People:** Respect for employees' human rights by fair treatment, Build strong corporate culture through Banpu Spirit, and employee development, Enhance leadership and technical competency.
- **Operational Excellence:** Focus on the flexible and efficient business process along the supply chain, with innovation and continuous improvement, provide superior products and services to customers and enhance customer relationship management, and seek for new business opportunities.

Value creation to stakeholders

- **Compliance:** Adhere to good corporate governance, and comply to stipulated laws and regulations, including international standards.
- **Occupational Health and Safety:** Care for occupational health and safety of our employees and business partners by the alignment of 3 safety principles; Zero incident, Zero repeat, and Zero compromise, to eliminate fatalities, injuries and occupational illness.
- **Environment:** Balance business development alongside environmental protection, study and evaluate environmental impact before project implement as preventive measure in every projects, reduce or optimize resource utilization, provide pollution prevention at sources and proper environment management along supply chain.
- **Community:** Create sustainable values to our host community through community engagement, tax contribution, local employment and other programs toward stakeholders' acceptance.



In implementing this policy, we establish measurable indicators to monitor and review, in order to ensure that our Sustainable Development policy would be practically achieved.



Sustainability Strategies

With a vision to be “The Asian energy company at the heart of innovation, technology, and sustainability”, Banpu endeavors to create trustworthiness and sustainable value for stakeholders on the basis of social and global responsibility. It incorporates local and international standards in setting sustainable development strategies; for instance, UN’s Sustainable Development Goals (SDGs) and UN Global Compact, which are used as guidelines for determining sustainable development issues. Aside from this, UN Guiding Principle on Business & Human Rights and Universal Declaration on Human Rights are used as policy inputs for setting up a human resources management policy and a human rights policy.

Banpu’s sustainability issues are not only limited to the Company’s operations, but also cover all business partners throughout the value chain. The Company stresses value creation for business development as well as incubating innovation with synergy. All business units are in full alignment in terms of sustainable development, and maintaining a balance between enhancing competitive advantage and creating value for all stakeholders.

Managing Sustainable Development

Banpu drives sustainable development by integrating sustainability management into operations management

strategies. By doing so, each unit assesses economic, social, and environmental risks, which have possible impacts on sustainability and stakeholders. The risk assessment report is then submitted to the Risk Management Committee, the Audit Committee, and the Board of Directors, respectively.

The Board of Directors reviews the report to define corporate strategies and provides suggestions on the management of those risks to the Chief Executive Officer, who is in charge of implementing the strategies. Additionally, the sustainability issues are incorporated in the Key Performance Indicators (KPIs) of the Chief Executive Officer and senior management. The compensation of business unit management will then be evaluated according to the KPIs.

Sustainable Development Committee

The Board of Directors has a policy to form the Sustainability Development Committee chaired by the CEO. Other members are senior executives and heads of business units in the countries, where Banpu has operations, to ensure the highest efficiency in driving sustainability management, both strategically and practically. This is to guarantee that sustainable development would be integrated into the heart of all operations.

The SD Committee has the following duties and roles:

Review 'Banpu's Sustainable Development' policy, related policies, and corresponding governance and management systems to ensure license-to-operate and strengthen the company's competitive position, review the performance of the Banpu Group with regards to the health, safety, environment, economic and social consequences of decisions, and actions on stakeholders and on the reputation of the company. Encourage all functions in the Banpu Group to develop policies, guidelines, and practices congruent with Banpu's Sustainable Development policy.

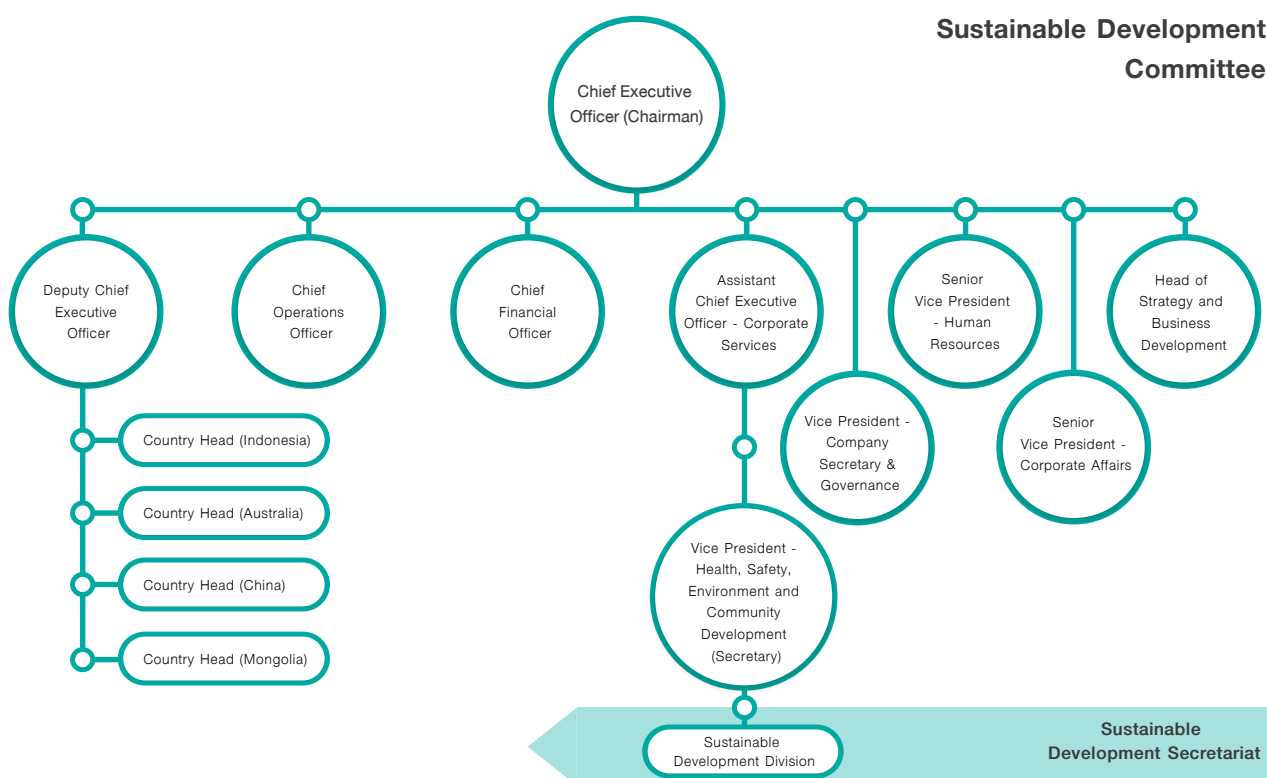
The Committee meeting is held bi-annually to review and evaluate the sustainability performance of each business unit according to the sustainability management plan, as well as to consider the stakeholder analysis and material issues. The analysis, together with the Board's suggestions, are considered to set additional policies, management standards, or practices to enhance sustainability and maximize stakeholder's value in the following year.

Human Rights Policy

Banpu prioritizes respect for human rights and has incorporated the policy into its sustainable development strategy. The Company respects human rights principles both locally and internationally. Observing UN Guiding Principle on Business & Human Rights, and the Universal Declaration on Human Rights, the Company strives to find measures to prevent human rights violation and mitigate the impacts caused by the Company's operations. These practices are undertaken as part of fostering the corporate shared value; "Banpu Spirit".

Tax Management Approach

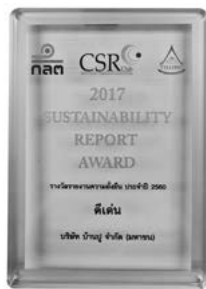
Being a good corporate citizen in every country where it operates is the Company's top concern, and is considered as one of the sustainable development strategies. In addition to compliance with applicable laws and regulations of each country, the Company demonstrates its commitment to transparency through disclosure of tax payments. Moreover, all business transactions between Banpu's subsidiaries are based on transparency and fairness for the benefit of the host countries and all stakeholders.



Sustainability Reporting

Since 2011, the Company has prepared and publicized its Sustainability Development Report (SD Report) to report the results of its sustainable development to investors and stakeholders, and to demonstrate its performance transparency in sustainability management. The SD reports can be accessed via the Company's website. Apart from that, the Company's SD reports strictly follow the standards set by the Global Reporting Initiative (GRI)

As a result of its continual improvement of the SD report's quality, Banpu has been awarded for the outstanding SD Report from the CSR Club of the Thai Listed Companies Association and Thailand's Securities and Exchange Commission (SEC) consecutively from 2012 to the present.



National Recognition for Sustainability

In 2017, Banpu received the "Sustainability Award of Honor" granted by the Stock Exchange of Thailand (SET) to listed companies, which have received the "Best Sustainability Awards" for three consecutive years or more. The Company was also listed in "Thailand Sustainability Investment" (THSI) for the third consecutive year. The award is granted to listed companies, which have outstanding performance in good governance while maintaining a balance between economic growth and social and environmental sustainability.



Global Recognition for Sustainability

The Company was evaluated by the Dow Jones Sustainability Indices (DJSI), which is the global sustainability benchmark for assessing the performance of leading companies worldwide trusted by global investment funds. The assessment was based on sustainability indicators, including economic, social and environmental responsibility. In 2017, Banpu has been recognized as a member of DJSI for Emerging Market in the Energy Sector for the fourth consecutive years. Moreover, in early 2018, the Company has also been recognized as a Gold Class and Industry Mover in the Coal & Consumable Fuels sector from the sustainability ranking by Robeco Sustainable Asset Management (RobecoSAM), which is an investment specialist focused exclusively on sustainability investing. These recognitions demonstrate Banpu's sustainability performance excellence compared to other world-class companies in the same industry.

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM



Human Resources Management

Banpu's Human Resources Management

Banpu places top priority on human resources (HR) management system and consistently adheres to three principles, namely Equitability, Performance Base, and Competency Base. In addition, the Company also stresses cooperation among its workforce of diverse backgrounds, namely race, language, culture, age, and the host country, as Banpu currently operates in nine countries. Such diversity offers many benefits to the Company, including learning opportunity, synergy and innovation.

In 2017, Banpu's positive business outlook coupled with the clear strategic direction of its upstream, midstream and downstream businesses have influenced human resources management, which has been adapted to changing business needs. The Company has carried out major HR activities as follows:

1. Global HRIS Project

In order to align human resources development with the Company's business directions and strategies, it is essential to have a standardized HR database to facilitate prompt analysis and management, which is linked with all existing systems. Therefore, the Company started developing a Human Resource Information System (HRIS) in 2017, which is expected to complete in 2019.

2. Succession Planning

Succession planning is one of the strategies to support corporate human resources development planning and management, in order to ensure smooth transition at the top-tier level of the organization and sustainable growth.

In 2017, Banpu's Succession Planning Committee deliberated on and selected successors for high-level executives of the Company based on a wide range of qualifications, namely knowledge, experience, and role-model traits in terms of corporate culture, Banpu Spirit, in order to take key positions in the future.

3. Effective Organization Structuring

In response to the Company's expansion to accommodate business growth, in 2017, the Company and its subsidiaries reviewed the organizational structure. Many sections have been restructured to have a shorter line of command, extended scope of roles and responsibilities for each job position, and promoted cross-functional collaboration. For instance, a working group for sustainability development in Indonesia has been strengthened, and a Chinese subsidiary company has been restructured focusing on building a stronger support unit in the form of a Shared Services Center, which supports both coal and power businesses in simultaneity.

4. Banpu Leadership Development Program

One of the Company's important policies, which has been constantly promoted, is leadership and capacity development in order to facilitate business expansion and enhance competitive advantage.

In order to design appropriate training courses for the management and staff members each year, the Company considers global market and business growth trends as inputs for creating and developing courses. The Company worked with professional consultancy firms, and leading leadership development institutes from Thailand and abroad. Each human resources development course is carefully constructed to be modern, responsive to staff members at all levels, and maximally satisfies the Company's business needs.

In 2017, the Company organized the following HR development programs:



Leadership Weekend Program



BANPU Global Leadership Program for Strategic Leader



BANPU Global Leadership Program for First Line Leader



BANPU Global Leadership Program for Business Leader



BANPU Engaging Leader: Team Engagement



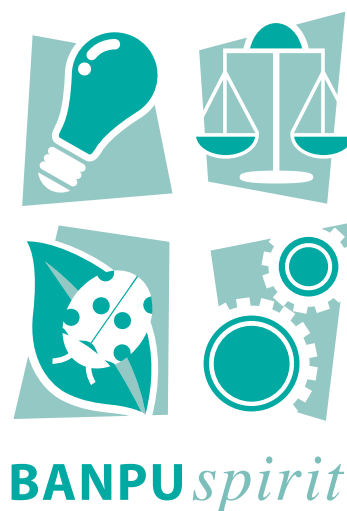
BANPU Engaging Leader: Great Coach

5. Fostering corporate culture: “Banpu Spirit” and “Banpu DNA”

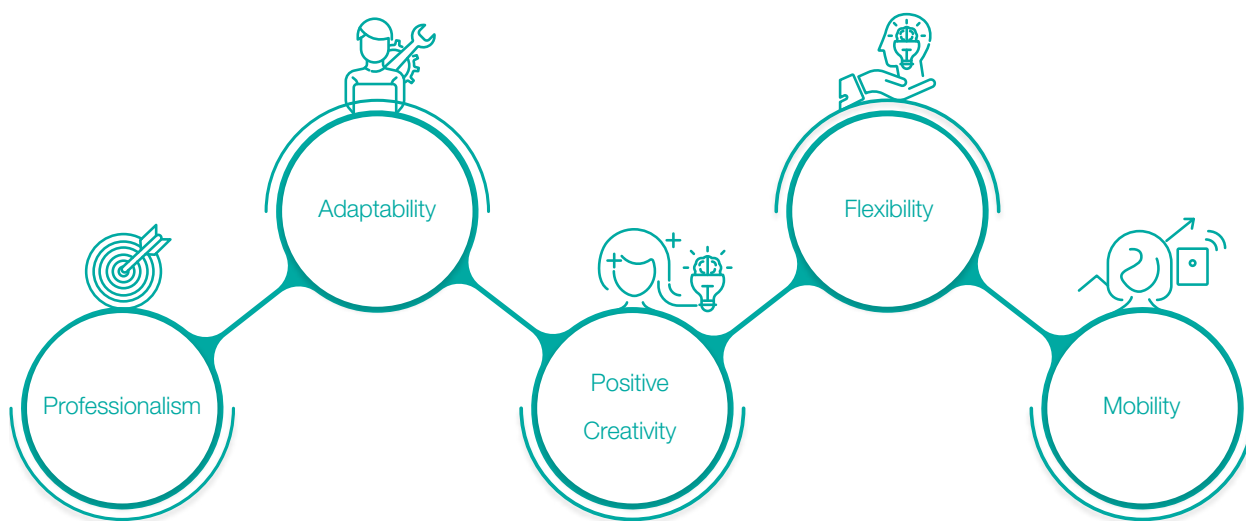
Banpu firmly believes in “Banpu Spirit” and “Banpu DNA”, the corporate culture which the Management and staff have always upheld as the operating principle.

“Banpu Spirit” consists of:

- Innovation
- Integrity
- Care
- Synergy



Banpu DNA, the inherent attributes in all Banpu staff, comprises:



In 2017, Banpu has carried out a variety of activities to emphasize the significance of corporate culture as follows:

- *Potential development for Banpu Change Leader (BCL) team.* The Company organized a workshop on “Master to be Training” for the team to enhance their knowledge and skills for leaders and facilitators.
- *Organizing ‘Synergy with CARE’ event.* The activity allowed all Banpu staff to perform event voluntary work for schools in need in Ratchaburi.
- *Corporate Culture “Banpu Spirit” Campaign.* The campaign was launched for the Company’s employees in Australia to strengthen the organization and create a mutual understanding based on shared values which are reflected in the practice throughout the organization.



- *Banpu Spirit and Employee Engagement Survey.* Banpu annually conducts a survey on its employee's viewpoints toward corporate culture. The scores of 2017 survey were significantly higher compared to prior years, which indicates that the "Banpu Spirit" culture has been more integrated into the working behaviors across all Banpu personnel.
- *Banpu Innovation Convention.* For many years, Banpu Group has stressed the importance of a

shared value on innovation through activities that promote creative thinking and ideas to encourage its employees to work creatively and innovatively. This is the concept behind "Banpu Innovation Convention", which has been organized for the past five consecutive years at the Head Office in Thailand. In 2017, there were presentations of 11 innovative projects selected from each country: two from Thailand, four from Indonesia, four from China, and one project from Australia.



Corporate Governance

Corporate Governance Policy

The Board of Directors is committed to the principles of systematic management and good corporate governance. Accordingly, the Corporate Governance Policy and the Code of Conduct Handbook were first issued in writing in 2002. After a revision in 2005, the second and the most current edition of the Policy and the Handbook came into effect in 2006 in Thai, English, Bahasa Indonesia, and Chinese. To remain current and consistent with the changes in regulations by the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC), and to be in line with international practice, the Board of Directors approved a new edition of the Policy and the Handbook in 2014. This Policy and Handbook are the complete reference and guidelines for directors, executives, and all employees.

In addition, in 2015, Banpu enforced the Whistleblower Policy to handle and protect those filing grievances. The Company was certified by the Thai Institute of Directors (IOD) as a member of the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC), and it subsequently issued the Anti-Corruption Policy in 2016. In 2017, Banpu issued guidelines based on the Anti-Corruption Policy concerning the giving and receiving of gifts, business entertainment and other benefits.

Banpu has monitored and assessed the effectiveness of the implementation of the Corporate Governance Policy by using Key Performance Indicators (KPIs) and Behavioral Factors, in which "integrity", a component of the "Banpu Spirit" corporate culture, is used as an indicator. The assessment results, categorized by employee levels and operational locations, are satisfactory.

Formulation of Corporate Governance Policy

The Board of Directors formulated the Corporate Governance Policy in writing as guidelines for the directors, executives and staff to comply with. The Policy, which upholds the SET's principle of good governance and the best practices of corporate governance, covers five principles, as follows:

Section 1 Shareholder's Rights

Section 2 Equitable Treatment of Shareholders

Section 3 Roles of Stakeholders

Section 4 Disclosure of Information and Transparency

Section 5 Responsibilities of the Board of Directors

Communication of Corporate Governance Policy

Committed to compliance with the policy and guidelines on corporate governance and the Code of Conduct, in 2017, the Company set out action plans to promote corporate culture and corporate governance attitudes. The plans aim at educating and raising awareness among employees at all levels about corporate governance and the Code of Conduct via a variety of activities, as follows:

1. A training session on the principle of good corporate governance as part of the orientation program for new staff, with knowledge assessment on corporate governance via an E-learning system.
2. CG Raise Your Voice - the activity aimed at promoting two-way communications between workforce and the Company, by enabling staff members to file complaints via the Whistleblowing system which facilitates anonymous complaints. The system is also a part of the preparation to renew membership to Thailand's Private Sector Collective Action Coalition Against Corruption.

3. A knowledge sharing activity for directors, executives and employees titled, "Action Against Corruption in the Private Sector and Effective Implementation of Anti-Corruption Policy" by Mr. Kulavej Jenwattanawit.
4. A regular article, "Banpu CG", published in the Company's quarterly magazine "Banpu Insight", presents trends and directions of corporate governance in Thailand and other ASEAN countries. This is distributed to every country where Banpu has investments. The articles include:
 - Channels for submission of complaints on corporate governance
 - Anti-Corruption
 - Corporate Governance Mutual Funds
 - No Gift Policy
5. Continuing the "CG Day" program to raise awareness among employees and encourage them to strictly maintain high moral standards. In 2017, the "CG Raise Your Voice" concept was proposed to promote practices based on the Anti-Corruption policy regarding the giving and receiving of gifts, business entertainment, other benefits involving stakeholders, and registration of gifts in the database system, which are duties that the Board members, executives and employees, and subsidiaries need to comprehend and comply with.

Recognition of the Company's commitment to good corporate governance

Banpu has been recognized, both domestically and internationally, for its strong commitment to maintaining good standards of corporate governance and creating equitable value for all stakeholders. In 2017, the Company was included as a member of the Dow Jones Sustainability Indices (DJSI) in collaboration with RobecoSAM, the international standard for sustainability index, for Emerging Markets in the Energy sector. Being listed by DJSI for the fourth consecutive year reflects Banpu's determination to become a business leader who champions sustainable growth and long-term value for shareholders. The Company acquired the

highest score in the Coal and Consumable Fuels Sector and become one of the five Thai companies in the energy sector being listed in DJSI. Additionally, in 2017 Banpu was listed among the 110 companies who achieved Excellence CG Scoring awarded by the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), and the Thai Institute of Directors (IOD). On 8 November 2017, Banpu received the "Sustainability Award of Honor", one of the "SET Sustainability Awards 2017", and it was the first year that the "Best Sustainability Awards" was granted to listed companies which have received the Sustainability Award for three consecutive years or more. Besides, Banpu was the only company among the listed companies with THB 30,000-100,000 million market capital who received the award. The Company was also listed in the "Thailand Sustainability Investment" (THSI) for the third consecutive year, which reiterates its policy on sustainability aiming to create sustainable growth and benefits to long-term shareholders.

Section 1 Shareholder's Rights

The Board of Directors emphasizes the importance of shareholders' rights and their equality. This has been clearly specified in the Corporate Governance Policy, that shareholders are entitled to receive share certificates, transfer shares and acquire adequate information in a timely fashion, and in a format conducive for decision making. Shareholders are also entitled to attend a meeting, cast their votes at shareholders' meetings to deliberate Banpu's important policies, elect and remove directors, approve appointments of auditors, and receive their shares of profit.

At each shareholders' meeting, the Board of Directors facilitates shareholders by providing adequate, clear and comprehensive information in a timely fashion. The Board encourages shareholders to attend the meeting and cast their votes, or to appoint an individual or an independent director as their proxy, to cast votes on their behalf in case they could not attend. In addition, shareholders are allowed to equally express opinions, seek explanations or pose questions.

The 2017 Annual General Meeting of Shareholders (AGM) was convened on April 4, 2017 at 13.00 hours at the Royal Paragon Hall 3, 5th Floor of Siam Paragon, No.991, Siam Paragon Shopping Center, Rama I Road, Pathumwan, Bangkok 10330. All 12 directors attended the Meeting. Banpu assigned the Thailand Securities Depository Co., Ltd., its share registrar, to send invitation letters to shareholders in advance, as well as posted it on the Company's website at <http://www.banpu.co.th/th/corporate-governance/agm-egm>, 30 days prior to the meeting date. The minutes of the 2017 AGM was also posted on the Company's website 14 days after the meeting took place, so that the shareholders could propose amendments if they found the minutes to be inaccurate, within the 30-day period after the minutes were posted.

The Company also informed the SET to notify minority shareholders, of the opportunities to propose agenda items to be included in the AGM, and to nominate candidates to be considered for the director positions between November and December 2016. The procedures and methods for considering proposals were clearly stated on the Company's website (<http://www.banpu.co.th/th/corporate-governance/agm-egm>). In the 2017 AGM, no shareholder proposed any additional agenda item or nominated candidates for director positions.

Section 2 Equitable Treatment of Shareholders

Shareholders' Meeting

The Board of Directors has a policy to engage shareholders in a decision-making process, and to ensure that shareholders receive comprehensive and adequate information in a timely fashion for such a process. As such, Banpu sent out an invitation letter for the meeting together with supporting documents for each agenda to shareholders prior to the meeting. Opinions from the Board of Directors also accompany each agenda item. The meeting is attended by 12 directors, including the Chairman of the Audit Committee, the Chairman of the Corporate Governance and Nomination Committee, and the Chairman of the Compensation Committee. High-level executives, the auditors, and independent observers from a law firm also attend the meeting.

The Chairman of the meeting is open to allow every shareholder to examine the Company's operations and to present questions in each of the agenda items. The Chairman also encourages shareholders to voice their opinions and make inquiries about the Company's operations. In addition, the Board of Directors completes the minutes of the meeting and releases them on the Company's website 14 days after the meeting, so that shareholders can review the minutes, and if necessary, propose amendments within 30 days.

Shareholders' Meeting Date

The 2017 Annual General Meeting of Shareholders (AGM) was convened on April 4, 2017 at 13.00 hours at the Royal Paragon Hall 3, 5th Floor of Siam Paragon, No.991, Siam Paragon Shopping Center, Rama I Road, Pathumwan, Bangkok 10330. The AGM was attended by all 12 directors, 934 shareholders and 2,223 proxies, bringing the total to 3,157 persons, representing 2,569,940,717 shares. This accounted for 50.78% of all 5,060,634,213 issued shares.

Site Visits and Information Provided to Shareholders

To improve the shareholders' understanding of its businesses and allow them to monitor its operations, Banpu has regularly arranged for shareholders to visit Banpu's operation sites and meet with the executives. 80 shareholders visited the BLCP Power Plant in Rayong Province, Thailand on Wednesday 24 May 2017.

Section 3 Roles of Stakeholders

Committed to maintaining fairness for all stakeholders, Banpu incorporates policies on stakeholders into the Corporate Governance Policy and promotes collaboration with stakeholders; namely, employees, customers, trading partners, creditors, government agencies, communities where Banpu's business is located, and the society at large. Based on such principles, the Code of Conduct Handbook provides guidelines for the directors, executives, and employees to follow based on fairness and balanced mutual interests. Important guidelines pertain to conflicts of interest, responsibility to shareholders, and policies on treatment of employees, customers, trading partners,

creditors, competitors, and the society in general. It is considered the duty and responsibility that directors, executives, and all employees shall acknowledge, understand, and strictly comply with the guidelines, in order to ensure and maintain confidence that all stakeholders are treated well and have their rights protected.

In addition, Banpu has created a whistleblower channel to receive complaints and grievances regarding corporate governance and business ethics, which reaches out to and covers all groups of stakeholders. Information can be found on the Company's website under the Corporate Governance section, with the contact address; GNCSecretariat@banpu.co.th, which is regularly monitored and reported to the Corporate Governance and Nomination Committee on a quarterly basis and the Board of Directors on an annual basis. In addition, in 2015, Banpu announced and implemented the Whistleblower Policy to protect those filing grievances and to promote the corporate culture on transparency. This followed what happened in 2014 when the Board approved the Whistleblower Policy to protect those filing grievances and disclose the handling process of possible wrongdoings. In 2017, the whistleblower channel was provided to encourage anonymous complaint filing.

In 2017, Banpu announced the anti-corruption best practices on giving and receiving gifts, entertainment, benefits to stakeholders and registration of gifts in the database system, which are the duties that the Board members, executives and employees, and subsidiaries need to comprehend and comply with. The Company announced the Anti-Corruption Policy in 2016 following the Board of Directors' approval to issue the policy in 2015 after it had been certified by the Thai Institute of Directors (IOD) as a member of the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) earlier since 2010.

Apart from the Anti-Corruption Policy, the Company stipulated the practices on giving and receiving bribery, gifts and business entertainment in its Code of Conduct as follows.

No. 3.4 Giving and Receiving Bribery

(1) Executives and staff are prohibited from demanding or receiving any benefits from trading parties, contractors, suppliers, advisors, and those with whom the Company is conducting business with.

(2) Executives and staff are strictly prohibited from offering any benefit to government officers, customers, labor unions, or any other external parties in any attempt to persuade them to commit a fraudulent action.

No. 3.5 Gifts, Gratuities and Business Entertainment

(1) Executives and staff should refrain from giving gifts or gratuities to, or receiving them, from any trading partner or others with whom the Company is doing business with. Gifts given or received during festive occasions are excluded from this requirement provided that they have an appropriate value and are not related to any business commitment.

(2) Executives and staff should refrain from giving or receiving unusually lavish entertainment to, or from those with whom the Company is doing business with.

In 2017, the Company communicated and made clear to the executives and employees at all business units regarding its Anti-Corruption Policy. It also set up practices regarding giving and receiving gifts, entertainment, benefits to stakeholders and registration of gifts in the database system, and subsidiaries, which the Board members, executives, employees, and subsidiaries are required to understand and comply with

Employees

Recognizing that human capital is a pivotal factor for success, Banpu has put in its Code of Conduct, a policy and practices towards employees to ensure fair treatment to employees of all nationalities and languages, including gaining equal access to career opportunity, remunerations, appointments, transfers, capacity-building and safe workplace environment for

their lives and properties. Banpu has conducted adequate and appropriate Health, Safety and Environmental (HSE) measures to prevent loss from accident and work-related illness and injury.

The Company announced the HR Philosophy in the management and development of human resources, which is based on three principles;

- (1) Equitability
- (2) Performance Based
- (3) Competency Based

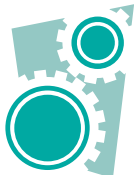
To cope with business changes and the global economy, the Company takes responsibility in developing employees to possess adaptability to changes with flexibility, mobility, positive creativity, and professionalism beyond the chain of command. In summary, Banpu focuses on engendering in all personnel with the **“Banpu Spirit”** and **“professionalism”**. All employees are equitably treated and provided with equal opportunities, regardless of nationality, race, religion, language and gender. We strictly adhere to the operating principle of a shared vision and goals, creating harmonious collaboration among all members who are bonded together with the **“Banpu Sprit”** corporate culture, which features:



Innovation Integrity



Care



Synergy

The Company maintains a remuneration policy that is fair to the employees, and consistent with the Company's performance both in the short-and the long-term, and in all forms of compensation, including salary, welfare, and other benefits which are linked to the creation of values added for the shareholders in the long run. Human resources management is regularly and inclusively provides opportunities for learning and development to the full capacity of each employee. With goals set at maintaining transparency, as well as leading a workforce to a stable and sustainable future, the Company has set up a Job Evaluation Committee, Organization Development Committee, and has given full support to the Compensation Committee and the Corporate Governance and Nomination Committee.

Customers

Banpu is committed to seeking ways and means to effectively respond to the needs of its customers. This has been stipulated as a policy and practices towards customers in the Company's Code of Conduct, that it will strictly adhere to commitments made with the customers. This can be done through delivering quality goods and services that match customer's expectation in a fair price, providing accurate and enough information in a timely fashion, complying with conditions given to customers, establishing a grievance process to allow customers to file complaints with regards to quality, volume, safety of goods and services and, finally, providing advice on how to effectively use its goods and services for the customer's best interest. Besides, customer's confidentiality is also best kept and would never be exploited.

Trading Partners/Creditors

Banpu has a policy to equitably and fairly treat its trading partners and/or creditors by taking into consideration the Company's best interest. This will be pursued on the basis of a mutual benefit for both parties where conflicts of interest shall be avoided and contractual obligations be complied.

Competitors

The Code of Conduct also contains a policy and practices to treat competitors in a way that is consistent with international practices, and within a legal framework for business competition. Banpu will not fraudulently infringe upon or seek to obtain trade secrets of any competitors. The Company is also committed to fair business conduct by complying with the guidelines indicated in its Code of Conduct. In the past year, Banpu had no disputes with competitors.

Community and Society

Banpu's policy is to conduct businesses that are beneficial to the economy and the society as a whole, while maintaining balance between growth of business and development of the community, the society and the environment. It is also Banpu's policy to be a good citizen, and to fully comply with the relevant laws and regulations. Banpu is determined in its continuous efforts to improve the quality of society, whether it is done solely by the Company itself, or in collaboration with the government, the community, or non-governmental organizations.

Additionally, the Sustainable Development Policy has been implemented, with the Company's standard being benchmarked against the global standard for activities, such as reports on the green house effect resulting from coal mines and power plants, and the formulation of best practice guidelines to effectively achieve safety, health, and environmental standards. Also included in such guidelines are the indicators, evaluation, and assessment of risk that results from the Company's operation which may affect employees, business partners, the environment, and the communities in which the Company conducts its business. In support of the above policy, the Company has undertaken various Corporate Social Responsibility (CSR) activities. Over the past three decades of its business operation, Banpu has always allocated part of its earnings to CSR activities both at the local and corporate levels, including CSR projects in those countries where Banpu has operations.

The Company believes that "learning is the power of change and development", and a foundation for human capital development, particularly for younger generations, who will be the major driving force behind the societal and national development in the future. In addition, the Company has raised awareness at all levels of its workforce to maintain good corporate culture with the sustainability of the community and the society as its ultimate aim, in line with Banpu's "Do by Heart" principle, on the basis of "sincerity, seriousness and wholeheartedness".

Communication Channels with Banpu

Stakeholders may submit their opinions through the following channels:

Headquarter:	27 th Floor, Thanapoom Tower 1550 New Petchburi Road, Makkasan, Ratchathewi Bangkok 10400
Telephone:	0-2694-6600
Fax:	0-2207-0696-8
Website:	www.banpu.com
Company Secretary:	Telephone: 0-2694-6825 E-mail: bodsec@banpu.co.th
Investor Relations:	Telephone: 0-2694-6747 E-mail: investor@banpu.co.th
Corporate Communications:	Telephone: 0-2694-6923 E-mail: corp_com@banpu.co.th

Section 4 Disclosure of Information and Transparency

1. Conflict of Interest

Banpu considers that it is important to prohibit directors, executives and employees from using their positions for personal gains. As stipulated in the Code of Conduct, directors, executives and employees are to avoid connected transactions that could lead to a conflict of interest with the Company. If necessary, the transactions are to be carried out at arm's length, and directors or employees having an interest in the transactions must not be involved in the approval process. If any transaction is considered connected under the SET's notification,

rules, procedures and the disclosure of connected information of listed companies must be strictly complied.

The Board of Directors also stipulated that directors, executives or employees shall be prohibited from either using any opportunity or information acquired from their position for personal benefits, or to compete with the Company or related business, or using insider information to sell or buy shares. If an executive or employee involved in a special project of which the information has not yet been disclosed to the public; or that it is under negotiation where the project's information has to be kept confidential, as it could affect stock prices, the executive or employee is to sign a confidentiality agreement until the information is disclosed to the SET and the SEC.

In 2017, Banpu announced and implemented the Market Sensitive Information Policy and practices on management of confidential information which potentially affects the stock exchange. It is the duty of directors, executives, employees, consultants and subsidiary companies to understand and follow the policy and practices as follows:

1. Set up an internal control system to prevent the leak of confidential information.
2. Cultivate a corporate culture of information safety through constant communication to raise awareness of relevant persons of their duty to keep confidential.
3. Limit the number of persons who have access to confidential information based on a need-to-

know basis. Set up an information access control system for contract parties and service persons.

4. Extremely care about receiving and sending information to and from third parties, being aware of one's duties in using and controlling confidential information.

5. Set up an appropriate information technology and control system.

2. Disclosure of Information to Investors

The Board of Directors oversees disclosure of information and its transparency to ensure that both financial and non-financial information relating to the Company's business and performance is revealed in a complete, accurate, and timely manner. In addition, the information must reflect the Company's actual performance and its true financial status, as well as its business future while strictly complying with the laws, rules and regulations relating to information disclosure of both the SEC and the SET. Aside from disclosing information as required by the SET and the SEC, Banpu also communicates with shareholders and investors through other channels. The Investor Relations Department directly communicates with shareholders, investors and securities analysts both domestically and abroad, while the Corporate Communications Department disseminates corporate information to shareholders, investors and the public through the local and international press.

In 2017, Banpu offered the following activities to disclose information to international investors, institutional investors, retail investors, securities analysts, and press:

No.	Information Disclosure and Presentation	Time(s)
1.	International Road Show	1
2.	Local Road Show	4
3.	Quarterly and annual Analyst Meeting	4
4.	Opportunity Day for listed companies to report quarterly performance to investors	4
5.	Company visits by domestic and international investors	42
6.	Information provision to investors via conference call	14
7.	Interviews with Executive Officers	11
8.	Press conference on the company's performance	2
9.	Press release on the Company's performance and business strategies	5
10.	Activities for the press and communication on Corporate Social Responsibility (CSR)	14
11.	Site visits and information provided for shareholders and analysts	1
12.	Exhibitions	1

The Company's information and news are also made available and equally accessible to all stakeholders on the Company's website; www.banpu.com. Interested parties may contact or make inquiries to the Company's Investor Relations via telephone: 0-2694-6699 and 0-2694-6747, fax: 0-2207-0697, or e-mail: investor_relations@banpu.co.th.

Section 5 Responsibilities of the Board of Directors

1. Leadership and Responsibilities of the Board of Directors

Since 2009, the Board of Directors has explicitly delegated duties and responsibilities to the Board in "The Practices for the Board of Directors B.E. 2552, Banpu Public Company Limited", which was amended in 2011, 2012, 2014, and 2017, respectively. The amendments were carried out in accordance with changing business growth, regulations, rules and corporate governance guidelines. The Practices of the Board of Directors specifies compositions and rules about the Board, general qualifications of directors, qualifications of independent directors, expertise, terms of office and retirement, authorities and responsibilities, and the Board of Directors' meeting and voting.

The Board of Directors has a pivotal role in overseeing the formulation of the Company's vision and mission, which are the Company's goals to achieve sustainable business. The Board monitors and supervises the Company's operation to ensure goal achievement. The Board also reviews the Company's vision and mission at least once every five years to ensure that the Company adheres to the predetermined business goals for sustainable development.

To determine vision and mission of the Company, the Board of Directors and the Management have collaboratively devised long-term strategic plan and business directions every five years for more than 20 years. The Board appoints and entrusts a CEO with clearly defined authorities and responsibilities to take charge of business management, development and implementation of strategies. The CEO cascades management authorities to senior management in business units in Thailand and overseas using a Delegation of Authority tool.

Apart from the oversight of the Company's operations according to the strategic plan and business directions, the Board of Directors prioritizes business operations that maximize shareholders' substantial benefits, with adherence to the principles of good corporate

governance. Thus, the Board of Directors stipulates that the Corporate Governance Policy and the Code of Conduct have targets in the Company's vision, mission, ideology, values, principles, and recommendations. Employees are clearly advised about what they should and should not do, about standards of practice that the Company expects and commits to upholding in all operations concerning employees, shareholders, customers, partners, creditors, competitors and society at large, all of which concretely comply with the Corporate Governance Policy.

Banpu designates as a duty and a responsibility of directors, executives, and all employees to acknowledge, understand, and follow the Company's policies and guidelines as set forth in the Code of Conduct. All employee must signify and comply with the Corporate Governance Policy and the Code of Conduct. Clarifications on the policies and guidelines are made at meetings, while materials and activities are created to improve awareness and understanding among employees both domestically and abroad. The Company also assigns management in each area of operations to ensure that employees under their supervision know, understand, and strictly comply with the policies and guidelines. The employees at all levels must act as good exemplars.

Apart from the standards of practice set in the Code of Conduct, the Management and employees jointly formulated the core values of the organization "Banpu Spirit", which comprises Integrity, Innovation, Care and Synergy in order to foster shared values and good corporate culture for employees at all levels in all locations, both in Thailand and overseas.

2. Set and Monitor Guidelines on Strategies for Sustainable Development

Based on the guidance suggested by the Board of Directors, the Management is responsible for the formulation and presentation of the business direction to the Board, which includes a long-term strategic plan with action plans, budget and annual manpower planning. The Board will openly share opinions and discuss with the Management before any decisions are made and approved.

In 2017, the Board of Directors and the Management collaboratively worked on strategic plans and business directions for the years 2018-2020, to accommodate the rapidly changing business environment. Risk assessment and mitigation plans were carried out in preparation for future scenarios. The Board of Directors approved, in principle, the Company's strategic plan and business directions for the years 2018-2020 in the 11th Board meeting in November 2017.

The strategic plan for the next five years focuses on sustainable development with an emphasis on building competitive advantages, value creation for stakeholders, and the ability to adapt to changing economy and industry, which are inputs for the strategic plan. Supervision of the implementation of the plan is regularly put on the Board's monthly meetings' agenda. In July, the Board of Director will have the Management review whether the Company's year plan and action plans were successfully implemented. The Board is entitled to provide suggestions or comments on any improvement and problem-solving where necessary.

3. Balancing of Power by Non-executive Directors

The Board of Directors ensures that the number of its existing directors is appropriate to the Company's size. At present, Banpu's Board of Directors consists of 12 members. One, of which, are executive directors; seven are non-executive directors, and four are independent directors, which accounts for 33% of the Board.

In the past year, the Corporate Governance and Nomination Committee reconsidered the composition of the Board with regards to the proportion of non-executive directors and independent directors, and concluded that the proportion of non-executive directors is currently appropriate.

4. Consolidation or Separation of Office

The Board of Directors requires that its Chairman and CEO be different persons. Their roles, responsibilities, and authority are clearly separated to achieve a healthy balance between management and good corporate governance.

5. The Board of Directors' Meeting

The Board of Directors convenes at least once a month on the last Thursday of each month. Any additional meeting may be held if necessary. At the meeting, there are clear meeting agenda items. A complete set of supporting documents is sent to the Board of Directors at least seven days in advance of the meeting to allow the Board an opportunity to properly review the agenda before the meeting. Adding an agenda item after documents are distributed to the Board is allowed only when it is extremely necessary and justified, and when the item has been approved by the Chairman of the Board. Each meeting lasts approximately three and a half hours. During the meeting, all directors may openly voice their opinions. The Chairman of the Board must summarize views and board resolutions. If a

director has a conflict of interest in an issue being discussed by the Board, the director must leave the room when the matter is considered.

Minutes of all the meetings are recorded in written form and are signed by the Chairman of the Board, and the Company Secretary. Records of the meetings are kept as hard copies, and scanned electronic files, to facilitate quick reference for directors or related persons. These also include other documents attached with particular agendas. All are safely kept as reference for at least five years with a safeguard system to prevent any alteration and other risks of catastrophe.

In 2017, the Board of Directors convened 12 times. Each director attended the meetings, as follows:

Name	Title	Terms of Office	Meeting Attendance		
			Ordinary	Special	Total
1. Mr. Chanin Vongkusolkrit	Chairman	April 2016 - AGM 2019	12	0	12/12
2. Mr. Rutt Phanijsphand	Vice Chairman Independent Director	April 2017 - AGM 2020	12	0	12/12
3. Mr. Teerana Bhongmakapat	Independent Director	April 2016 - AGM 2019	12	0	12/12
4. Mr. Suthad Setboonsarng	Independent Director	April 2017 - AGM 2020	12	0	12/12
5. Mr. Metee Auapinyakul	Director	April 2017 - AGM 2020	11	0	11/12
6. Mr. Ongart Auapinyakul	Director	April 2015 - AGM 2018	12	0	12/12
7. Mr. Rawi Cosiri	Director	April 2016 - AGM 2019	12	0	12/12
8. Mr. Verajet Vongkusolkrit	Director	April 2015 - AGM 2018	11	0	11/12
9. Mr. Bantoeng Vongkusolkrit	Director	April 2015 - AGM 2018	11	0	11/12
10. Mr. Sudiarso Prasetio	Independent Director	April 2016 - AGM 2019	11	0	11/12
11. Ms. Somruedee Chaimongkol	Director	April 2015 - AGM 2018	12	0	12/12
12. Mr. Anon Sirisaengtaksin	Director	April 2017 - AGM 2020	12	0	12/12

6. The Board of Directors' Report

The Board of Directors is responsible for Banpu's consolidated financial statements and the financial information that appears in Banpu's Annual Report. The financial statements are prepared under the Generally Accepted Accounting Principles (GAAP) in Thailand, where an appropriate accounting policy has been selected and implemented. The Audit Committee and auditors jointly review the accounting policy to ensure it remains practical. While preparing the financial statements, the Board of Directors insists that the working team carefully exercise its discretion, and that important information is adequately disclosed in the notes to the financial statements.

The Board entrusted the Audit Committee with a responsibility to oversee the quality of financial statements and the internal control system, and to ensure that any opinions of the Audit Committee on these issues have been included in its report, which is also included in the Banpu's Annual Report.

The Board of Directors considered that the financial statements of the Company and its subsidiaries as of 31 December 2017 are accurate, complete, adequate, and reliable.

7. Auditing and Internal Control System

The Board of Directors has set up an internal control system that covers all aspects of Banpu's business, ranging from finance, accounting, asset management and operations to legal compliance. The Board makes sure that there are sufficient and effective check-and-balance mechanisms to protect stakeholders, shareholders' equities and Banpu's assets. The Board has also ensured that the Internal Audit Department remains independent by requiring it to directly report to the Audit Committee to ensure the system remains an effective mechanism to drive Banpu to expand in a sustainable manner. The Internal Audit Department monitors the internal control of operating procedures and critical systems covering all Banpu's business units and supporting functions. Moreover, the Department gives advice on internal control system and risk

management to help the Company improve its operating procedures and achieve operational excellence and ensure business continuity amid the rapidly changing economy.

Sub-committees

The management structure of the company as of 31 December 2017, consisted of the Board of Directors and the executive officers. The Board of Directors consists of independent directors, non-executive directors, and executive directors. There are four independent directors out of a total of 12 directors.

The Board set up three sub-committees; namely, the Audit Committee, the Corporate Governance and Nomination Committee and the Compensation Committee. The term of office of these committees is three years, from April 2016 to the date of the Annual Shareholder's Meeting in 2019.

1. The Audit Committee

The Audit Committee consists of three independent directors whose duties are to review the accuracy and reliability of the Company's financial statements, the adequacy of internal control and risk management system, financial derivative transactions, commodity hedging, and compliance with rules, laws and related regulations. The Audit Committee is also responsible for selecting an auditor and determining the remuneration. The Audit Committee is required to review connected transactions and potential conflicts of interest to ensure that all are accurate, complete, and transparent. In addition, the Committee has to review key risk management measures, operational plans and results, budgets, and manpower plan of the Internal Audit Office.

In 2017, The Audit Committee convened eight times, all of which were quorate and with all agenda items covered.

2. The Corporate Governance and Nomination Committee

The Corporate Governance and Nomination Committee consists of four directors. Among these, three are non-executive directors and one is an independent director. The Committee has two major duties:

1. To review the Corporate Governance Policy, and the Code of Conduct, and monitor compliance of the policy and practices within Banpu's Code of Conduct.
2. The Committee also nominates directors and the Chief Executive Officer, to review a succession plan in order to nominate appropriate persons to fill the management positions (for department head level and higher), and to submit recommendations to the Board of Directors for approval or for submission to the shareholders' meeting on a case-by-case basis.

Aside from this, the Corporate Governance and Nomination Committee also suggests the Board of Directors the method used to evaluate the directors, completes the evaluation and monitors improvements following the evaluation. In 2013, the Committee started using an evaluation form to evaluate the three sub-committees in 2012. In 2014, the Committee started using the individual assessment for each director.

In 2017, The Corporate Governance and Nomination Committee convened five times, all of which were quorate and with all agenda items covered.

3. The Compensation Committee

The Compensation Committee consists of three members: all are non-executive officers, and one is independent director who acts as the Chairman. The Committee is responsible for providing opinions regarding compensation management to the Board of Directors for approval or for submission to the shareholders' meeting, on a case-by-case basis.

In 2017, the Compensation Committee convened six times with all members attending.

Directors and Nomination of Directors and the Chief Executive Officer

(1) The Independent Directors.

The independent directors who account for 33% of the Company's Board of Directors, are as follows:

1. Mr. Rutt Phanijphand
2. Mr. Teerana Bhongmakapat
3. Mr. Suthad Setboonsarng
4. Mr. Sudiarso Prasetyo

Independent directors are regarded as an important mechanism of good corporate governance. For the benefit of the Company and shareholders, there should be sufficient independent directors to balance the decision making process of the Board and to share opinions independently under no external influences.

Banpu Public Company Limited has defined the qualifications of Independent Directors in the stricter sense than that stipulated in the regulation of Securities and Exchange Commission and the Stock Exchange of Thailand Re: Proportion of Shareholding, which determines the qualifications of Independent Directors, as follows:

1. holding shares not exceeding 0.5 percent (legally not exceeding 1 percent) of the total number of shares with voting rights of Banpu, its parent company, subsidiary companies, associate companies, major shareholders or controlling persons, including shares held by related persons of such independent director;
2. neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of Banpu, its parent company, subsidiary companies, associate companies, same-level subsidiary companies, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing an application with the Office. Such prohibited conditions shall not include the case where the independent director used to be a government official or an advisor of a government

unit which is a major shareholder or controlling person of Banpu;

3. not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of Banpu or its subsidiary company;
4. neither having nor used to have a business relationship with Banpu, its parent company, subsidiary companies, associate companies, major shareholders or controlling persons, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with Banpu, its parent company, subsidiary companies, associate companies, major shareholders or controlling persons, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office.

The term 'business relationship' under the first paragraph, includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which results in Banpu or his counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of Banpu, or 20 million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions *mutatis mutandis*. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences;

5. neither being nor used to be an auditor of Banpu, its parent company, subsidiary companies, associate companies, major shareholders or controlling persons, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of Banpu, its parent company, subsidiary companies, associate companies, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office;
6. neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million Baht per year from Banpu, its parent company, subsidiary companies, associate companies, major shareholders or controlling persons, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office;
7. not being a director appointed as a representative of directors of Banpu, major shareholders or shareholders who are related to a major shareholder;
8. not undertaking any business in the same nature and in competition to the business of Banpu or its subsidiary companies or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one per cent of the total number of shares with voting rights of other company which undertakes business in the same nature, and in competition to the business of Banpu or its subsidiary companies;
9. not having any other characteristics which may cause the inability to express independent opinions with regards to Banpu's business operations.

After being appointed as an independent director with the qualifications under (1) to (9) of the first paragraph,

the independent director may be assigned by the board of directors to take part in the business decision of Banpu, its parent company, subsidiary companies, associate companies, same-level subsidiary companies, major shareholders or controlling persons, provided that such decision shall be in the form of collective decision.

The provisions in (2), (4), (5), and (6) of the first paragraph relating to the consideration of qualifications of Banpu's independent directors during the two-year period prior to the date of filing an application with the Office was applied to applications filed with the Office from 1 July 2010 onwards.

In the case where the person appointed by Banpu as an independent director has, or used to have a business relationship or provide professional services exceeding the value specified under (4) or (6) the person shall be granted an exemption from such prohibition only if it has provided the opinion of the company's board of directors indicating that, by taking into account the provision in Section 89/7, the appointment of such person does not affect performing of duty and expressing of independent opinions. The following information shall be disclosed in the notice calling the shareholders meeting under the agenda for the appointment of independent directors:

1. The business relationship or professional service which make such person's qualifications not in compliance with the prescribed rules;
2. The reason and necessity for maintaining or appointing such person as independent director;
3. The opinion of Banpu's Board of Directors for proposing the appointment of such person as independent director.

For the purpose of (5) and (6) of the first paragraph, the term "partner" shall mean a person assigned by an audit firm or a provider of professional service to sign on the audit report or the professional service report (on a case-by-case basis) on behalf of such juristic person.

Regulations Governing Directors Holding Positions in Other Companies

To ensure that directors will be able to dedicate adequate time to performing duties to the Company, it is required that directors not hold positions in more than five listed companies. (Banpu Public Company Limited's Code of Conduct Section 5.1 Clause (5) General Qualifications of Directors, effective since 19 December 2014).

Voting Procedure in the Board of Directors' Meeting

The Company set the procedure of the Board of Directors' meeting voting as follows; "no less than half of all directors must attend the meeting to form a quorum, and to agree on a resolution there must be no less than 2/3 of all directors." (Practices for the Board of Directors of Banpu Public Company Limited, on Board of Directors, section 8.5, effective from 19 December 2014).

The Board of Director's Self-evaluation

The Board of Directors, the sub-committees and individual directors are required to evaluate their own performances, with criteria, procedures, and evaluation results shown in the annual report and the report of Corporate Governance and Nomination Committee. The overall evaluation results are shown, as follows:

Performance Evaluation of the Board of Directors	Average	Evaluation
Board of Directors	4.86 from 5	Very Good
Individual Directors	4.80 from 5	Very Good
Sub-committees	4.79 from 5	Very Good

(2) Nomination of Directors and Top Executives

The Corporate Governance and Nomination Committee also makes recommendations to the Board of Directors, regarding candidates to replace retiring directors, or to fill any other vacancies. The nomination process consists of the following procedures:

1. Review the structure and the composition of the Board, in order to strengthen the Board of Directors as a whole.
2. Review general and specific qualifications, qualifications of independent directors, and set additional criteria for candidate screening and nomination, regarding the conditions and requirements of the Company and in compliance with SET's rules and regulations. After the screening process, the Corporate Governance and Nomination will nominate the candidate to be approved by the Board of Directors and the Annual General Meeting of Shareholders (AGM).

The Corporate Governance and Nomination Committee, consisting of independent directors of no less than 1/3 of all directors, is responsible for nominating candidates to replace the directors whose term has expired by rotation, or to fill vacancies. The Committee nominates the candidates and informs the retail shareholders via the Company's website to propose qualified candidates within the specified duration of time and under stated conditions. All the candidates will then undergo a nomination process, in which knowledge, capability, experience, general qualifications and specific qualifications contributive for board skills mix. The number of candidates nominated must be twice more than the vacancies and approved by the Board. The Shareholder's meeting will approve the appointment of directors with a minimum of 50 percent of the voting rights of the total shareholders attending the meeting, and having the right to vote. The voting is carried out for each individual director.

For the nomination of executives, the Corporate Governance and Nomination Committee semi-annually monitors a succession plan covering the CEO, COO,

and senior management to ensure that the Company will have competent management with proper expertise and experiences to fill important positions in the future.

Corporate Governance of Subsidiaries and Affiliates

The Company has managed its subsidiaries and devised business procedures to ensure effective and capable operations, as follows:

Investment Policies by Banpu and Its Subsidiaries

1. The Management shall study and assess preliminary findings of the Investment Committee before reporting the results and investment outlook summary to the Board of Directors. The Board then considers and approves the project for funding, development and expansion. The Board of Directors also has the authority to approve the establishment of subsidiaries, as well as their dissolution as necessary to ensure that Banpu's operations and portfolio can be most efficiently managed.
2. The Board of Directors considers and approves investments that meet the criteria set by the SEC and the SET, such as connected investments and decisions that involve receipts or sales of assets.
3. The subsidiaries shall submit reports on their performances and operations, particularly of their major businesses. They shall also conduct sensitivity analysis and evaluate it against set goals or benchmarks. These management reviews provide a basis for policy formulation and business model improvement to embrace continued growth and development so that the Company's subsidiaries grows in a sustainable manner.

Internal Control Policy and Central Management Policy

The Board of Directors and the Management allow the Internal Audit Department to work independently by submitting an internal audit report directly to the

Audit Committee. The Department is also required to report on the progress of internal audit to the Board of Directors on a quarterly basis.

Management within each subsidiary is determined based on the Company's investment share. The Board of Directors appoints an executive to serve as a director in each subsidiary to ensure that the business is in alignment with Banpu's direction, policies, and strategies. Executive selection is decided based on knowledge, relevant capabilities to the subsidiary, work location (in case of a foreign subsidiary), and health and readiness of the executive. Executives holding director positions in Banpu's subsidiaries are evaluated at least once a year.

Budget Policy

Investment budget preparation and implementation must be in accordance with the budget regulations of each subsidiary and also consistent with Banpu's budget rules. Budget preparation and review must be completed within the deadline, and the corresponding information submitted according to Banpu's standard operation. The project investments, which exceed the approved budget, by 10% and costs more than THB 1,500 million must be approved by the Board of Directors.

Anti-Corruption

The Company has always upheld the principles of good corporate governance in its management, stressing transparency, integrity, accountability. It also underlines effective operations, as well as responsibilities to society, the environment and all stakeholders. There is a specific department in the organization which has a clear mission to supervise and monitor business operations to make them comply with laws and corporate governance principles.

The Company set up the Legal Compliance Department to manage risks from operations that may infringe rules and regulations, and to oversee the compliance with laws of all business units' operations based on their activities. Each unit is required to file

a Regulatory Compliance Checklists, to be reviewed by the Legal Compliance Department who will compile a report semi-annually. All business divisions must review updates about rules and regulations to be fully responsive to changes.

The Risk Management Department is responsible for assessing risks in all businesses, strategies and annual action plans. In 2014, the department started assessing the risk of fraud, which may occur in the work process, and prepared preventive measures and solutions. There are quarterly reviews of risks, which are reported to the Board of Directors at least twice a year.

The Company formulated the Corporate Governance Policy and the Code of Conduct in 2002. The Code of Conduct stipulates practice guidelines on giving and receiving gifts and business entertainment to prevent corruption and even potential risks of corruption (sections 3.4 and 3.5). The Corporate Governance and Nomination Committee and the Corporate Governance Department are responsible for the oversight of policies, communication with employees about the policies through orientation and other activities, and the gathering of complaints received through the Complaint Channel. All complaints are reported to the Corporate Governance and Nomination Committee and related departments, who will then duly respond to complaints.

In 2014, the Company issued the Whistleblower Policy, which protects whistleblowers and enhances employees' participation in exposing wrongdoings against the organization and other stakeholders. Complaint issues are brought to the Fraud Management Committee and subsequently sent to top executives.

The Company expressed its intent to campaign against corruption as part of The Private Sector Collective Action Against Anti-Corruption (CAC), which it has joined since 2010. The Company has been supporting the activities of the IOD in organizing meetings and seminars about the project.

In 2013, the Company evaluated itself by using CAC's Self Evaluation Tool and reported the results to the Corporate Governance and Nomination Committee and the Board of Directors.

In 2014, the Company submitted the evaluation form and anti-corruption policy to be considered by the Audit Committee. The Board of Directors approved the anti-corruption policy on 18 February 2015. The Company subsequently submitted evaluation results and self-evaluation form to CAC as part of an application to be listed in the Private Sector Collective Action Against Anti-Corruption. The Company was certified as a member of CAC on 10 July 2015, and announced the Anti-Corruption Policy in 2016.

Supervision on the Uses of Internal Information

Banpu recognizes the importance of information disclosure and transparency, and has formulated policies on information disclosure, transparency in financial statements and corresponding policy implementation in the Company's Corporate Governance Policy. This is to ensure that financial and non-financial information about the businesses and the performance of the Company is disclosed to shareholders, investors, securities analysts, and the general public in an accurate, complete, sufficient, reliable and timely manner. The Board of Directors is determined to ensure strict compliance with laws and regulations regarding information disclosure and transparency. Sales or purchases of shares by any director or executive are duly reported to the SEC and the SET. Changes in securities holding of directors or executives are also subject to be reported to the Board of Directors' meeting on a monthly basis.

To supervise the use of the Company's internal information, the Company stipulated preventive measures against leakage of internal information as practiced in the Code of Conduct under the section "Conflict of Interests and Keeping Confidential Corporate Information".

It is the responsibility of the Company's directors, executives and staff to keep corporate information strictly confidential, especially the internal information which has not been disclosed to the public or any data or information that may affect the business of the Company or its share price. The Directors shall follow guidelines stated in Board of Directors' Practice

B.E. 2552 and the Code of Conduct, as follows;

1. Directors, executives and staff must not use information they receive from their directorship or employment for personal benefit or for conducting business or other activities in competition with the Company.
2. Directors, executives and staff in possession of Company information which is not publicly known and which may influence the share price ("inside information") must refrain from dealing in the share of the Company. Inside information shall not be given to any third party for the purpose of their dealing in the shares of the Company.
3. Business secrets shall not be disclosed to any third party especially to competitors even after a director, executive or staff member has left the Company

Apart from that, the Company stipulated in the Corporate Governance Policy that directors, executives and staff must not exploit their relationship with the Company for personal gains, and avoid any transactions related to oneself, which may lead to a conflict of interest with the Company. If necessary, the transactions are to be carried out at arm's length, and directors or employees having an interest in the transactions must not be involved in the approval process. If any transaction is considered connected under the SET's notification, all rules, procedures and the disclosure of connected information of listed companies must be strictly complied. Apart from that, the Board of Directors' Code of Conduct stipulated a guideline of practice for directors in the case of gaining information not yet disclosed to the public, and requires directors and executive offices to report securities ownership in the Board of Directors' meetings on a monthly basis.

Regarding the development of an internal control system, the Company has deployed the Information Technology (IT) system to supervise the use of Company information. Systems are in place to prevent access to information from third parties, and to limit the staff's information access level according to their

individual responsibility. In the case where an executive or employee participates in a special task using information which has yet to be publicly disclosed, is still under negotiation, or may be subject to internal control given its possible impact on the Company's share prices, such executive and employee must sign a Confidentiality Agreement with the Company. The Agreement shall remain in effect until the information is disclosed to the Stock Exchange of Thailand and Securities and Exchange Commission.

The internal information usage control is stated in the Company's rules under the "Disciplinary Action" section. Applying to all levels of employees, the rule states that any employee who fails to comply or violates the set disciplinary requirements is considered to have breached Company rules, and is subject to disciplinary actions and punishments according to the nature of offence. Regarding information use, it is stated that anyone "disclosing the Company's confidential information with an intention to destroy its reputation, credibility, or products, resulting in a financial loss or a loss in business opportunity to Banpu", may be subject to severe punishment up to dismissal.

Other Issues in Corporate Governance Principles

Banpu has followed the 2012 Corporate Governance Principles for Listed Companies as set out by the Stock Exchange of Thailand, except for some cases that the Company did not comply with the principles, with details and reasons, as follows;

Section 5 Responsibilities of the Board of Directors

1. The Chairman of the Board should be an independent director.

The Company's practice: The Chairman of the Board is a non-executive director whose roles and duties are clearly defined by the Board of Directors. The emphasis is placed on the balanced benefits for the Company, shareholders and all stakeholders.

2. The Nomination Committee should consist entirely of independent directors.

The Company's practice: Currently, the Corporate Governance and Nomination Committee consists of four members, namely one independent director and three non-executive members. The Chairman of the Committee is a non-executive member. However, the Board of Directors clearly delegated in the Charter of the Board the roles and duties of the members of the Corporate Governance and Nomination Committee, covering all aspects of corporate governance and nomination.

3. The Board should appoint an external consultant to facilitate a board assessment, and suggest performance issues on a board assessment at least once every three years, and assessment results should be disclosed in the annual report.

The Company's practice: Banpu has annual performance assessments of the Board of Directors as a whole, assessment of sub-committees and individual assessment of each director. The Corporate Governance and Nomination Committee considered the issue and decided not to appoint an external consultant to facilitate the development of assessment approaches and suggest issues on a board assessment.

Report of the Corporate Governance and Nomination Committee

The Corporate Governance and Nomination Committee consists of Mr. Rawi Corsiri, the Chairman, Mr. Sudiarso Prasertio, Mr. Verajet Vongkusolkiet, and Mr. Anon Sirisaengtaksin. The committee independently perform duties to the full extent as entrusted by the Board of Directors, in compliance with rules and guideline of the Corporate Governance and Nomination Committee and the principles of good corporate governance of the Stock Exchange of Thailand.

In 2017, the Corporate Governance and Nomination Committee convened five times with full attendance. The Corporate Governance and Nomination Committee summarized its performance in 2017, as follows:

The Corporate Governance Mission

1. Promotion of Corporate Culture and Positive Attitude toward Corporate Governance

The Corporate Governance and Nomination Committee monitored the implementation of the public relations plan to promote corporate culture and positive attitude towards corporate governance, which yielded satisfactory results in 2017.

2. Receiving Complaints regarding on Corporate Governance

Banpu has created a communication channel for receiving complaints regarding corporate governance, covering all groups of stakeholders, via the Company's website under the Corporate Governance section. Complaints can be sent directly to the Secretary of the Corporate Governance and Nomination Committee at GNCSecretariat@banpu.co.th, who will regularly report the complaints and grievances to the Corporate Governance and Nomination Committee on a quarterly submit a summarized report to the Board of Directors on an annual basis. In 2017, there were no complaints from stakeholders.

3. Performance Evaluation of Boards and Directors

The Corporate Governance and Nomination Committee has reviewed and subsequently approved the appropriateness of the approach and evaluation documents used in the annual performance evaluation of the Board. The documents include the evaluation form for the Board, the form for the Board and Committee members, and the form for individual directors. The evaluation form for the Board consists of five major categories, as follows:

1. The Structure and Composition of the Board
2. Roles, Duties and Responsibilities of the Board
3. Nomination of Directors
4. Remuneration of Directors
5. Board Meeting and Performance of the Board

The Corporate Governance and Nomination Committee reported the 2016 annual evaluation results to the Board of Directors' meeting. Overall, the Board of Directors' performance was satisfactory with a score of 4.75 out of 5. Specifically, each topic received a score in the 'good to excellent' range (between 4.6 and 5.0). The Board acknowledged the evaluation results and suggestions, and directors also exchanged views in the Board of Directors' Meeting on ways to enhance their performance to best benefit the Company.

The assessment items for the three sub-committees, namely, the Audit Committee, the Compensation Committee and the Corporate Governance and Nomination Committee are grouped under four categories:

1. Qualifications of Directors
2. Duties and Responsibilities of Directors
3. Duties and Responsibilities of Sub-committees according to Charter
4. Meeting and Report

In 2017, each sub-committee's performance was rated "very good" with an average score 4.88 out of 5. Each sub-committee submitted its annual self-evaluation report to the Board of Directors as part of their annual performance report.

The Directors have individually assessed their own performance according to the following seven categories:

1. Structure and Composition of the Board
2. Roles, Duties and Responsibilities of the Board
3. Ethics and Corporate Governance
4. Development of Directors
5. Relationship with the Management
6. The Board of Directors' Meeting
7. Overall Performance of Directors

The 2016 evaluation of each director's individual performance earned an average score 4.78 out of 5. The directors acknowledged the results and suggestions, and found the individual performance evaluation satisfactory. They exchanged views on how to enhance their performance to best benefit the Company.

Nomination of Directors and Succession Plans for Senior Executive Officers

Nomination of Directors Whose Terms of Office Expired in 2017

The Corporate Governance and Nomination Committee reviewed the qualifications and appropriateness of the directors who have served their 3-year term, and proposed to the Board of Directors to re-nominate their names to the Annual General Meeting of Shareholders for consideration and approval. In the 2017 AGM, four directors re-elected by the shareholders were, as follows:

1. Mr. Metee Auapinyakul
2. Mr. Rutt Phanijphand
3. Mr. Suthad Setboonsarng
4. Mr. Anon Sirisaengtaksin

After the Corporate Governance and Nomination Committee had reviewed the qualifications and appropriateness of the four directors whose terms of office expired, they found that the directors have appropriate qualifications and impressive performance. The Committee then proposed their names to be nominated to the Annual General Meeting of Shareholders for consideration and approval of reelection according to the nomination process, of which has been completed.

Succession Plan for Senior Executive Officers

In 2017, the Corporate Governance and Nomination Committee received a progress report on the succession plan for senior executive officers twice, and reported the succession plan to the Board of Directors once.



Mr. Rawi Cosiri

Chairman of the Corporate Governance
and Nomination Committee

Corporate Social Responsibility (CSR)

CSR After-Process and Environmental Activities

Thailand

In 2017, Banpu has continued its engagement in CSR after-process activities in three major development areas: education, the environment, and youth capacity. All activities are unified by an integrated concept of continued “learning”, which is the cornerstone of sustainable social, economic, and environmental development, both in formal and non-formal settings, as Banpu believes that “Learning is the power of change and development”.



Educational Development

Banpu Education for Sustainability

In 2017, Banpu continued its 14th consecutive year of support for learning and teaching activities at six schools in Lamphun, Lampang, and Phayao, where the Company previously had mining operations. Aiming to strengthen education, the key to sustainable development of the country, the Company places major emphasis on the promotion of integrated learning in three areas, namely, the development of participating schools to become community learning centers, the improvement of teacher competency, and the cultivation of self-learning habits among students.

For the last five years, Banpu has focused on the

improvement of English for everyday use through the provision of native speakers to help improve teachers and students' English skills at these Banpu-sponsored schools. Additionally, the Company has been supporting the enhancement of other learning skills. In 2017, Banpu organized the career guidance activity “Career Day: Opening Doors into the Professional World and Planning for the Future” for Grade 9 and 10 students from the six schools. The guest speakers were professionals and experts from various fields. The activity helped open up the students' horizon to different occupations options and provided details about the career they are interested in, making them realize the importance of setting their future career goals.

Over the past 14 years of the project operations,

Banpu's support for learning and teaching activities, as well as other projects to the six schools, is worth more than THB 39 million. The Company is dedicated to the educational and moral development of young people, and enhancing teachers' professional capacity in order to improve education quality of these schools so that they have the same standards with those in urban areas and to transform them into sustainable community learning centers. The Company's support has yielded concrete social outcomes. Students from all Banpu-sponsored schools won awards in both regional and national academic competitions and activities promoting moral development. In addition, teachers were able to effectively create interesting lessons and promote students' critical thinking. A network of teachers was also formed for sharing their professional experiences. As for the schools themselves, it was found that their teaching and learning standards were improved, enabling them to become the community learning centers. These schools were also selected as an exemplary school, a distinguished school, or a pilot school on various aspects.

Scholarships for Engineering Students

Since 2009, Banpu also continuously sponsored the education of geology and mining engineers, by annually granting scholarships to selected senior university students in these fields. However, in order to correctly align this initiative with Banpu's core business, which has been shifted toward renewable energy and changing internal and external scenarios, the Company, in 2017, decided to award five scholarships to students studying electrical engineering, electrical energy engineering, and civil engineering at King Mongkut's Institute of Technology Ladkrabang and the University of Phayao. During the past nine years, the Company has already awarded scholarships to 83 students.

Scholarships for Accounting Students

In 2017, Banpu provided financial support to produce more accounting personnel for the second consecutive year. This year, the Company awarded four scholarships to four senior accounting students from Rajamangala

University of Technology Phra Nakhon and Chiang Mai University.

Financial Support to Schools in the Southern Provinces: Year 11

2017 marks the 11th consecutive year that Banpu has provided financial support of THB 1.5 million to ten schools in the specially-targeted development zone in the five provinces of the conflict-affected Deep South, which includes Narathiwat, Pattani, Yala, Songkhla, and Satun, through the Office of Basic Education Commission (OBEC). To date, Banpu has provided financial aid to a total of 111 schools.



Light and Learn: Solar Project for Education

In 2017, Banpu Infinergy Company Limited, an affiliate of Banpu, debuted the "Light and Learn Project", by installing solar panel systems and providing learning equipment, e.g. satellites and televisions, to the Mae Fah Luang Hill Tribe Community Learning Center in Tha Song Yang, Tak Province. The project aims to



provide access to electricity and information to help facilitate teaching and learning, which will enhance educational quality and student's capacity in remote areas. It is also expected that the students will be able to apply their knowledge and abilities to their future career, and that this project will empower hill tribe communities. In its first year, Banpu Infinergy has installed solar panel systems for 24 schools worth THB 2.4 million in total.

Environmental Development

Power Green Camp 12 “Balancing Economics, Community, and Biodiversity towards Thailand 4.0 Era”

Banpu, in collaboration with the Faculty of Environment and Resource Studies, Mahidol University, hosted the Power Green Camp for the 12th consecutive year to promote a better understanding of environmental science among young students, which will lead to sustainable environmental conservation.

In 2017, “Power Green Camp 12” was organized under the theme “Balancing Economics, Community, and Biodiversity towards Thailand 4.0 Era”, with the aim of educating the youth on the efficient use of biodiversity and the balanced coexistence between the economy, communities, and the environment. The young participants were also inspired by environment conservation through various theoretical and practical learning activities, a special talk on the environment by experts, conservation tourism activities, and an environmental science exhibition. Apart from these academic activities, the participants had opportunities to learn social skills, which are vital in today's world. The camp is also a platform for young students, teachers, and environmental experts to exchange their knowledge and experiences. In 2017, 70 high school science students at grade 10th and 11th from all regions of Thailand were selected to participate in the camp in order to expand the environmental science network, as well as the Power Green Camp network. 2017 was the third year that Banpu awarded a study trip for three young participants of the Power Green Camp

whose projects were outstanding to a country where the Company has operations. The destination for this year was Japan, well known as a world leader in environmental management that is capable of driving innovation and economic growth.

Over the past 12 years, more than 840 students have participated in Banpu's Power Green Camp. Among these, 160 participants were trained to be environmental youth leaders to serve as facilitators at the camps and help expand the environmental network.



Youth Capacity Development

Banpu Champions for Change 7

In 2017, “Banpu Champions of Change” continued into its 7th year of support to promote the development of a new generation of social entrepreneurs. The support was particularly granted to “social enterprises” run by young people, which stress the connection between business, society, and the environment via business management and social enterprise ethics. In this project, Banpu offers both seed funding and capacity building to young people. 20 selected applicants from the first round were offered an opportunity to participate in a workshop on developing business ideas and models. The Company then selected 11 business projects with clear development directions or solutions for social and environmental challenges while being viable and provided each of them up to THB 80,000 seed capital to execute their business. After three months, five business

projects that displayed the most prominent performance and progress further received THB 250,000 to continue their projects for another five months.

This year, “Banpu Champions for Change” has produced many outstanding social enterprises which addressed social problems in various dimensions, including health, the environment, finance, and people with intellectual disability. More importantly, based on this initiative, Banpu has managed to raise public awareness of social enterprises through the “Impact Day: Changes Start from Ourselves” event, in which students and the public can learn about the concept of social enterprise and exchange their perspectives with experienced social entrepreneurs who had joined Banpu Champions for Change. The event aimed to elevate public consciousness and plant the seeds of social entrepreneurship among younger generations.



Since its inception in 2011, “Banpu Champions for Change” has provided consultancy and capacity development training for new generations of social entrepreneurs in various aspects, including business model development, financial planning, social impact assessment, brand development, team management, and business risk management. The project has provided financial and skill supports to 72 social enterprises to start up their business based on their ideas and interests. Banpu has also supported 30 other social enterprises with outstanding performance to enhance their potential and develop into sustainable social enterprises. While gaining profit, these social enterprises have contributed

to the betterment of 50 communities, 15 social-sector organizations, involving more than 120,000 people. Some of these social enterprises even received international recognition and successfully expanded their business to international markets.

Banpu Table Tennis Club

Banpu Table Tennis Club (BTTC) has continuously organized a variety of activities for Thai athletes to develop their skills and broaden their perspectives with the aim of raising the standards of Thai table tennis. In 2017, the club maintained its focus on athletes’ self-development both physically and mentally through various activities, for instance, a daily training regimen, a special training camp, and sending athletes to compete in both domestic and international tournaments.

Currently, the club has 96 athletes and members from all over the country. The club is continuously improving its standards and its management, while also developing a personalized training plan for each individual athlete. Additionally, Banpu organized other activities to reinforce morals, ethics, discipline, and unity, for example, “Banpu Table Tennis Club Camp: Build Inspiration and Improve Skills for Thai Youth in Remote Areas”. In the camp, the coaches of the national youth team and the club’s volunteer athletes, with experiences in national and international tournaments, were invited to help the participants improve their skills. In 2017, the camp was organized in Chaiyaphum, which received satisfactory responses from the youth and the coaches



there and nearby provinces. The club has organized the camp for six consecutive years, with a firm belief that the camp will help cultivate the spirit of volunteering and develops inexperienced young athletes including provincial-level junior players through high-quality training with internationally experienced trainers.

Throughout the past ten years, two athletes from the club were selected to join the national team in SEA Games, 33 athletes were recruited into the national youth team, and 13 athletes were admitted to universities for their table tennis talent. The club's athletes also won awards from several domestic and international tournaments.



Support for a Young Tennis Athlete

Banpu continues its support for Mr. Songrit David Chanbubpha, a promising and strongly determined junior tennis player who is in need of financial support, to pursue his dream to become a world-class tennis player. In facilitating his daily training regimen, the Company has sponsored him with sports equipment and physical fitness training courses. The Company has also provided support for his competitions in Thailand and abroad to expose him to real tournament experiences, enhancing his life skills when traveling alone, and also improving professional athletic disciplines.

In 2017, Songrit became a national junior tennis player in the U14 category and was awarded a training course in Germany. His latest trophy was from Augsburg Junior Open 2017 in the U16 group, propelling him a step closer to being a professional athlete.

Thammasat - Banpu Innovative Learning Program

In 2017, Banpu and the Faculty of Learning Sciences and Education, Thammasat University, collaborated for the second year in carrying out the project "Thammasat-Banpu Innovative Learning Program". The program aims to equip high school and vocational students as well as their instructors with essential skills for young innovators, namely critical and analytical thinking, creative communication, responsibility, and leadership via a design process of "Learning Games". The program received THB 15 million funding from Banpu for its three-year operations.

Year 1: Development of curriculum and training aids to enhance design thinking and innovative design skills; recruitment of students from schools nationwide and selection of the best 20 teams, each consisting of five members and a mentor.

Year 2: Workshops on design thinking through game design and creation process to develop skills for future innovators.

Year 3: Application of the innovations in real-life situations and sharing the innovations to the public.



Community Development

Public Infrastructure Development: The Lamphun Mine helped repair the damaged roads in Ban Hong to facilitate convenient commute of the local people.

Healthcare Development: The Lamphun Mine hosted a "mobile medical service unit" to provide free health

checkups, dental care, and medical consultation to the villagers of Ban Hong and Ban Waen-Narin. In addition, the Lamphun Mine has also been monitoring the operations of the Garbage Bank project run by a housewife group in Ban Hong. The group has donated some profit to the temple and the village to support public service activities.

Educational Development: In the 2017 academic year, the Lamphun Mine awarded 95 scholarships worth THB 200,000 in total to students from 17 villages surrounding the mine. The Lamphun Mine has awarded scholarships worth about THB 2,000,000 in total to students in the surrounding communities for nine consecutive years since 2009. In addition, the Lamphun Mine has been supporting a wide range of activities, including Children's Day, at the schools in the surrounding areas.

Religious and Cultural Development: The Lamphun Mine offered Lent candles to nine temples in Ban Hong, Na Sai, and Li sub-districts, and held a robe offering ceremony at six temples in Li as a way to nurture Buddhism. Moreover, during the Songkran festival, the Company held a ceremony to pour water on senior government officials and the elders to show respect and to build a strong relationship with the community.

Economic Development: The Lamphun Mine has been promoting professional development under the "Sufficiency Economy Project" through the training to manufacture of organic and bio-fertilizers, for the locals living near the mining site and students at Ban Hong, Ban Na Klang and Ban Puang Kham (Pracha Uthit),



as well as 60 Banpu staff. This was aimed to generate additional income for the local residents and the staff. In addition, the Company also allocated areas in the mining site for the locals and staff to conduct organic farming, fish farming, frog farming, and chicken farming so as to raise their awareness of self-reliance.

In 2017, the Lamphun Mine hosted the "Cultivating Marigolds" activity to provide marigold seedlings to 17 villages in the mining vicinity, Ban Hong Temple, and three Sub-district Health Promoting Hospitals – Ban Na Sai, Ban Na Klang, and Ban Puang Kham, as a show of respect to His Majesty the late King Bhumibol Adulyadej.



CONNEXT ED Project

In mid-2016, Banpu joined the CONNEXT ED Project (the Public-Private Partnerships in Education and Leadership Development Project), a new dimension of collaborative initiative among the public, private, and social sectors, to drive and enhance the quality and standard of education. Under the project, the Company is collaborating with 12 participating schools in 3 provinces: 5 schools in Khon Kaen, 3 schools in Maha Sarakham, and 4 schools in Roi Et, to improve the potential of school directors and teachers, and to reform teaching and learning to become more effective, modern and student-centered. In 2017, the Company carried out the following activities:

1. Fifteen Banpu volunteer staff worked with its school partners in formulating teaching and learning development plans, and provided assistance during the project period.

2. The Company arranged two workshops for school principals on “Leadership” and “Coaching”, to improve and update their administration skills.
3. The Company arranged 15 training workshops for primary school teachers of all grades, by adopting the curriculum of Chulalongkorn University Demonstration School on the following subjects: Thai, English, Mathematics, and Science. These workshops endowed participating teachers with new pedagogical skills and techniques, and uses of diverse teaching materials, empowering teachers to teach more effectively while enhancing students’ motivation to learn and achieve better results, which satisfy parents’ expectations.
4. Creating “Community of Practices”, provides school management and teachers, the communication channels to access information and share knowledge regarding teaching and learning experiences.
5. The Company organized the “Professional Learning Community” activity, to provide a platform for the sharing of knowledge and experiences in teaching and learning development, which will assist to raise the teacher’s capacity to a higher level.
6. Teachers collaborated in developing lesson plans for every subject being trained under the guidance of Chulalongkorn University Demonstration School. By doing so, their lesson plans are well-crafted and have a similarly high standard.



Nan Forest Rehabilitation Project

Nan is a mountainous province with lush greenery, a fertile river, and spectacular local traditions and culture. The Nan River, which provides 40% water of the Chao Phraya River, originates in Nan. Unfortunately, over the past decade, it is worrying that Nan has been losing its forest at nearly 100,000 rais of land a year, mainly from forest encroachment by the locals, in order to generate higher income. The parties involved should attend to the problem and participate in working out a solution.

Banpu’s tie with Nan has begun since the start of the Hongsong Power Plant. The Company has thus witnessed the change, and decided to launch “Nan Forest Rehabilitation Project” with the aim of restoring the forest for the betterment of the lives of local people. The project offers year-round irrigation for terrace farming so that it can replace subsistence farming and deforestation. Under its collaboration with the local governmental organization and concerned governmental agencies, two villages in Bo Sub-district, Mueang, Nan Province were selected to undergo the pilot project.

In 2017, Banpu supported the construction of 22 weirs to increase humidity of the forest areas, as well as two mountain irrigation systems to pipe water from the mountains down to a tank before distributing the water to cultivation areas, which benefits 52 households. This system enables year round farming, including growing vegetables and fruit trees, fish farming, and



farming of other animals without encroachment on protected forest areas to extend cultivation areas.

In addition, the Company has granted scholarships to eight vocational and university students, who are required to perform community services. The Company required that these students learn and participate in the activities of this project in the hope that they will become a driving force for the development of their local communities.

People's Republic of China

In 2017, Banpu Investment (China) Co., Ltd. (BIC), Banpu's Chinese subsidiary, has been promoting social and community development activities in the communities where it has mining operations. BIC stresses assistance for the local communities and return of benefits to local people for their continued support by providing them with office furniture and supplies worth CNY 299,953 in total, to help improve the working environment of four local government offices in the towns near Gaohe mine. These towns are the places where mining infrastructures are situated, e.g. railways, loading terminals, ventilation chimneys, and tailings ponds.



Republic of Indonesia

PT. Indo Tambangraya Megah (ITM), a subsidiary of Banpu in the Republic of Indonesia, places top priority on CSR and community development activities as it does on its mining business. ITM runs and aligns its CSR activities with Banpu's policy and implementation guideline, which focuses on the promotion of education for sustainable development. ITM underlines the improvement of education quality for students, teachers, and volunteers in Indonesia, as well as, the improvement of the quality of life through community development activities in the communities surrounding the Company's five mining sites on Kalimantan Island: Indominco, Trubaindo, Bharinto, Kitadin-Embalut and Jorong.

In 2017, ITM carried out the following activities:

- Organizing workshops for primary school teachers under the concept "World Care in One Step" in the communities surrounding Kitadin-Embalut mine, and the concept "Integrated Learning Based on Personality Traits" in the communities surrounding Indominco and Kitadin-Embalut mines. These workshops were part of the Volunteer Action Project, joined by 301 volunteer teachers from 89 primary schools.



In 2017, ITM sponsored the following community development activities:

- Public Infrastructure Development: The Company sponsored the construction of multi-utility community buildings, pre-school learning centers, bridges linking villages and cultivation fields; the improvement of roads and bridges in many villages to facilitate

safer and faster travel and transport; and the dredging of dikes and canals.

Economic Development and Income Generation:

The Company organized a variety of professional development training, for instance; car driving, welding, and study trips to cacao orchards to learn about cacao planting, and integrated agriculture. Furthermore, the Company promoted diverse income-generating agricultural activities in the villages where its mining sites are located. Agricultural activities include broiler chicken rearing, fish farming, cattle, and goat rearing. Also included are planting vegetables, oil palms, rubber trees, fruit trees, and cacao orchards, rice farming, mushroom farming, food processing, handicraft, and dressmaking. The Company also provided management assistance to the community stores.

Educational Development: The Company prioritizes educational development, which is one of the key factors of strong and sustainable community development. In the past year, the Company's educational development activities include:

- Granting more than 200 scholarships to students from the primary school to the university levels
- Granting continuous scholarships to young local students who are studying nursing and education, and encouraging them to return to work in their local communities after graduation to become a major driving force in their community's health care and education development in the future
- Providing continued financial support for schools to buy school furniture, such as desks, chairs, cabinets, teaching materials, and books
- Arranging non-formal education classes for the disadvantaged in four villages so that they have better education and job opportunities
- Organizing computer training for students, teachers and community leaders

Development of Health and Sanitation and Primary Health Care: The Company has been promoting health and sanitation development for the communities, which

covers lifelong health care for newborns to the elderly through the following activities:

- Training workshop on maternal and child health; health checkup for women after marriage, during pregnancy and delivery; and the provision of supplementary food for pregnant women and pre-school children
- Dispatch of mobile medical units providing medical checkup for school students and the elderly, as well as, health promotion activities and medical care for students
- Anti-drugs workshops and campaigns targeting students
- Provision of clean drinking water to communities



Environmental Conservation: The Company has supported many environmental conservation activities, for example, village garbage bank project, mangrove reforestation, and the recycling of coconut fiber to ropes and nets for sale, which manages to reduce a huge amount of coconut fiber waste. The biodiversity conservation project was initiated to study the pre-mining native plants, and to collect seeds to replant in the post-mining site after the end of the mining concession, as part of the Company's sustainable rehabilitation plan.

Promotion of Community Relations: Banpu has carried out various activities to promote the preservation of cultural traditions, especially those of the Dayak tribes. The Company has also supported religious activities in the communities in the mining vicinity and provided assistance to the communities affected by disasters, such as fires or floods.

Board of Directors and Management

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Work Experience in the Last Five Years		
				Period	Position	Organization
1. Mr. Chanin Vongkusolkrit <ul style="list-style-type: none"> Chairman of the Board of Directors Dated 28 April 2016 Director Dated 16 May 1983 Senior Executive Officer Dated 10 April 2015 <p>* An uncle of person number 7 and 10</p>	65	<ul style="list-style-type: none"> M.B.A. (Finance), St. Louis University, Missouri, U.S.A. B.Econ., Thammasat University DCP Refresher Course #3/2006, Thai Institute of Directors Association (IOD) Director Certification Program (DCP) #20/2002, Thai Institute of Directors Association (IOD) TLCA Leadership Development Program (LDP) – Enhancing Competitiveness #0/2012, Thai Listed Companies Association 	Own share: 0.60 Spouse: 0.13	2016 – Present	Chairman	Banpu Public Company Limited
				1983 – Present	Director	Banpu Public Company Limited
				2015 – Present	Senior Executive Officer	Banpu Public Company Limited
				1983 – Apr 2015	Chief Executive Officer	Banpu Public Company Limited
				2015 – Present	Director	Banpu Power Public Company Limited
				2016 – Present	Commissioner	The Securities and Exchange Commission, Thailand
				2015 – Present	Task Force Chairperson	Task Force for Sustainability in Listed Companies, The Securities and Exchange Commission, Thailand
				1983 – Present	Director	Mitr Phol Sugar Corp., Ltd.
				2004 – Present	Director	The Erawan Group Public Company Limited
				2013 – Present	Advisor to Chairman	Thai Listed Companies Association
2. Mr. Rutt Phanijphand <ul style="list-style-type: none"> Vice Chairman Dated 28 April 2016 Independent Director Dated 27 April 2005 Chairman of the Compensation Committee Dated 4 May 2005 Member of the Audit Committee Dated 30 April 2014 	70	<ul style="list-style-type: none"> M.S. in Business Ad., Fort Hays Kansas State University, Hays, Kansas, U.S.A. B.S., Kasetsart University Director Accreditation Program (DAP): Governance Training for Listed Company Directors #4/2003, Thai Institute of Directors Association (IOD) Director Certification Program (DCP) #61/2005, Thai Institute of Directors Association (IOD) Financial Institutions Governance Program (FGP) #1/2010, Thai Institute of Directors Association (IOD) Corporate Governance for Capital Market Intermediaries (CGI) #14/2016, Thai Institute of Directors Association (IOD) National Defence College of Thailand (Class 388) 	–	2005 – Present	Independent Director/ Chairman of the Compensation Committee	Banpu Public Company Limited
				2016 – Present	Vice Chairman	Banpu Public Company Limited
				2014 – Present	Member of the Audit Committee	Banpu Public Company Limited
				2013 – Present	Chairman/ Director	Land and Houses Securities Public Company Limited
				2010 – Present	Chairman/ Director	Land and Houses Fund Management Co., Ltd.
				2009 – Present	Chairman of Executive Directors/ Director	LH Financial Group Public Company Limited

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Work Experience in the Last Five Years		
				Period	Position	Organization
2. Mr. Rutt Phanijphand (Continued)				2001 – Present	Chairman of the Nomination and Compensation Committee/ Executive Director/ Director	Home Product Center Public Company Limited
				2005 – Present	Chairman of Executive Directors/ Director	Land and Houses Bank Public Company Limited
				2001 – 2014	President/Chief Executive Officer	Quality Houses Public Company Limited
3. Mr. Teerana Bhongmakapat	61	<ul style="list-style-type: none"> Ph.D. (Econ), University of Wisconsin at Madison, U.S.A. M.Econ., Thammasat University B.Econ. (Quantitative Economics), Chulalongkorn University Capital Market Academy Leader Program #14, Capital Market Academy (CMA) Director Certification Program (DCP) #161/2012, Thai Institute of Directors Association (IOD) Financial Institutions Governance Program (FGP) #7/2013, Thai Institute of Directors Association (IOD) Director Certification Program Update (DCPU) #2/2014, Thai Institute of Directors Association (IOD) IT Governance Program (ITG) #2/2016, Thai Institute of Directors Association (IOD) Audit Committee Forum 2016, Federation of Accounting Professions under the Royal Patronage of His Majesty the King, and Thai Institute of Directors Association (IOD) Audit Committee Effectiveness Seminar, Federation of Accounting Professions under the Royal Patronage of His Majesty the King Audit Committee Forum 2017, Thai Institute of Directors Association (IOD) Cyber Incident Management for Executive Committees of Listed Companies, The Securities and Exchange Commission 	–	2012 – Present	Independent Director	Banpu Public Company Limited
				2014 – Present	Chairman of the Audit Committee/ Member of the Compensation Committee	Banpu Public Company Limited
				Present	Director/Member of the Audit Committee	Tisco Financial Group Public Company Limited
				2011 – Present	Professor of Economics (C11)	Chulalongkorn University
				2006 – Present	Professor of Economics	Chulalongkorn University
				2016 – Present	Chairman of the Research Support Committee	National Anti-Corruption Commission (NACC)
				2010 – 2015	Eminent Member	Anti-Money Laundering Office (AMLO)
4. Mr. Rawi Corsiri	68	<ul style="list-style-type: none"> M.B.A., Sasin Graduate Institute of Business Administration of Chulalongkorn University Bachelor Degree (Geology), Chulalongkorn University Director Certification Program (DCP) #32/2003, Thai Institute of Directors Association (IOD) Capital Market Academy Leader Program #2/2006, Capital Market Academy (CMA) 	Own share: – Spouse: 0.02	2012 – Present	Director	Banpu Public Company Limited
				2016 – Present	Chairman of the Corporate Governance and Nomination Committee	Banpu Public Company Limited
				2012 – 2016	Member of the Corporate Governance and Nomination Committee	Banpu Public Company Limited
				2012 – 2016	Advisor	Banpu Public Company Limited

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Work Experience in the Last Five Years		
				Period	Position	Organization
4. Mr. Rawi Corsiri (Continued)		<ul style="list-style-type: none"> NIDA–Wharton Executive Leadership Program, co-program between National Institute of Development Administration (NIDA), and The Wharton School, University of Pennsylvania, U.S.A. Top Executive Program (TEA#3), Thailand Energy Academy 		2001 – Present	Director	Banpu Power Public Company Limited
				2015 – Present	Member of the Corporate Governance and Nomination Committee	Banpu Power Public Company Limited
				2001 – Present	Director	BLCP Power Ltd.
				2009 – Present	Director	Hongsa Power Co., Ltd.
				2009 – Present	Director	Phu Fai Mining Co., Ltd.
				2010 – 2017	Director	Centennial Coal Co., Ltd.
5. Mr. Suthad Setboonsarng	66	<ul style="list-style-type: none"> Ph.D. in Economics, University of Hawaii, U.S.A. M.A. in Agricultural Economics, University of Hawaii, U.S.A. B.A. in Economics, Thammasat University Director Certification Program (DCP) #194/2014, Thai Institute of Directors Association (IOD) 	–	Present	Director/ Member of the Audit Committee	Banpu Public Company Limited
				2015 – Present	Director/ Member of the Audit Committee/ Risk Oversight Committee	Bank of Thailand
				Present	Senior Tax Advisor	Grant Thornton Thailand
				2013 – Present	Chairman	NawaChiOne Foundation
				2013 – Present	Director	Board of Trustee International Rice Research Institute (IRRI) Los Banos, Philippines
				2013 – Present	Director	Cambodia Development Research Institute (CDRI)
6. Mr. Sudiarso Prasetyo	69	<ul style="list-style-type: none"> Civil Engineering, Brawijaya University, Malang, Indonesia Astra Middle Management Program, INSEAD Astra Executive Program, INSEAD Professional Director Program Leadership, Focus & Execution 	–	2014 – Present	Independent Director/Member of the Corporate Governance and Nomination Committee	Banpu Public Company Limited
				Present	Chairman/ Member of Advisory Board	Indonesian Mining Services Association
				2013 – Present	President Commissioner	PT. Unitras Energy
				2011 – 2014	Vice President – Commissioner	PT. Asmin Bara Bronang
				2013 – 2014	Commissioner	PT. United Tractors Tbk (Listed Company)
				1999 – 2013	President Director	PT. Pamapersada Nusantara
				1999 – 2013	Vice President	PT. Pama Indo Kodeco

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Work Experience in the Last Five Years		
				Period	Position	Organization
7. Mr. Buntoeng Vongkusolkrit • Director Dated 3 April 2014 • Member of the Compensation Committee Dated 30 April 2014 *A nephew of person number 1 and a cousin of person number 10	61	<ul style="list-style-type: none"> M.S. in Political Science, Ramkhamhaeng University B.S. in Political Science, Ramkhamhaeng University Ultra Wealth – Invest Like a Master (UW#2) Top Executive Program (TEA#5) Thailand Energy Academy TLCA Leadership Development Program (LDP#1), Thai Listed Companies Association Top Executive Program in Commerce and Trade (TEPCOT) #5, University of the Thai Chamber of Commerce Director Certification Program (DCP) #161/2012, Thai Institute of Directors Association (IOD) Senior Executive Program #9, Sasin Graduate Institute of Business Administration of Chulalongkorn University Management Problem Solving & Decision Making Program, Kepner – Tregoe, International, Princeton, New Jersey, U.S.A. 	0.05	Present	Director/ Member of the Compensation Committee	Banpu Public Company Limited
				1982 – Present	Director	Mitr Phol Group
				2015 – Present	Chief Operating Officer – Cane Management Business	Mitr Phol Group
				2011 – Present	Senior Executive Vice President, Sugarcane Development & Management Group	Mitr Phol Group
8. Mr. Metee Auapinyakul • Director Dated 16 May 1983 • Advisor Dated 1 January 2014 *An older brother of person number 9	64	<ul style="list-style-type: none"> Doctor of Business, Engineering and Technology, (Honoris Causa), St. Louis University, Missouri, U.S.A. B.Sc. (Management), St. Louis University, Missouri, U.S.A. Infrastructure for the Market Economy, Harvard University John F. Kennedy School of Government, Boston, U.S.A. National Defence College of Thailand (Class 377) #7 National Defence College of Thailand, College of Management, (Class 1) Director Certification Program (DCP) #61/2005, Thai Institute of Directors Association (IOD) 	Own share: 0.08 Spouse: 0.01	1983 – Present	Director	Banpu Public Company Limited
				2014 – Present	Advisor	Banpu Public Company Limited
				1983 – 2013	Executive Officer	Banpu Public Company Limited
				2015 – Present	Director	Banpu Power Public Company Limited
				2004 – Present	Chairman of Advisors	GENCO Public Company Limited
				2008 – 2013	Honorary Advisor, Energy Committee	House of Representatives
				2009 – 2013	Advisor, the National Accreditation Council	Ministry of Industry

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Work Experience in the Last Five Years		
				Period	Position	Organization
9. Mr. Ongart Auapinyakul • Director Dated 29 July 1983 • Advisor Dated 1 January 2017 • Executive Officer Dated 8 January 2001 *A younger brother of person number 8	61	• B.S. (Mechanical Engineering), University of Missouri, Columbia, U.S.A. • Senior Executive Program 3, Sasin Graduate Institute of Business Administration of Chulalongkorn University • National Defence College of Thailand (Class 4414) • Director Certification Program (DCP) #23/2002, Thai Institute of Directors Association (IOD) • Capital Market Academy Leader Program (CMA) #8, Capital Market Academy • Top Executive Program 1, Urban Green Development Institute, Bangkok • Top Executive Program (TEA#1), Thailand Energy Academy • Top Executive Program 17, Indicial Training Institute • Top Executive Program 1, Institute of Business and Industrial Development • Top Executive Program in Commerce and Trade (TEPCOT) #4 • Business Revolution and Innovation Network (BRAIN) #1 • Tourism Management Program for Executives (TME) #1	Own share: 0.19 Spouse: 0.06	1983 – Present	Director	Banpu Public Company Limited
				2017 – Present	Advisor	Banpu Public Company Limited
				1983 – 2016	Executive Officer	Banpu Public Company Limited
10. Mr. Verajet Vongkusolkrit • Director Dated 1 June 2010 • Member of the Corporate Governance and Nomination Committee Dated 1 June 2010 *A nephew of person number 1 and a cousin of person number 7	53	• Bachelor of Science (Finance), Babson College, Massachusetts, U.S.A. • Director Certification Program (DCP) #24/2002, Thai Institute of Directors Association (IOD)	0.12	2010 – Present	Director/ Member of the Corporate Governance and Nomination Committee	Banpu Public Company Limited
				2008 – Present	Director	Mitr Siam Sugar Corp., Ltd.
				2008 – Present	Director	Mitr Phol Sugar Corp., Ltd.
				2008 – Present	Director	United Farmer and Industry Co., Ltd.
11. Ms. Somruedee Chaimongkol 56 • Chief Executive Officer Dated 10 April 2015 • Director Dated 4 April 2015		• B.Sc. (Accounting), Bangkok University • Program for Global Leadership, Harvard University Graduate School of Business Administration, Boston, U.S.A. • Director Certification Program (DCP) #78/2006, Thai Institute of Directors Association (IOD) • Top Executive Program, Capital Market Academy (CMA) #18 • Top Executive Program 2, Institute of Business and Industrial Development	0.10	2015 – Present	Chief Executive Officer/Director	Banpu Public Company Limited
				2009 – Present	Director	Banpu Power Public Company Limited
				2006 – 2015	Chief Financial Officer	Banpu Public Company Limited
				Present	Director	BLCP Power Ltd.
					Director	Hunnu Investments Pte. Ltd.
					Director	AFE Investments Pty Ltd.

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Work Experience in the Last Five Years		
				Period	Position	Organization
11. Ms. Somrudee Chaimongkol (Continued)				Present	Director	BMS Coal Sales Pte. Ltd.
					Director	Banpu Singapore Pte. Ltd.
					Director	Banpu Minerals Co., Ltd.
					Director	Banpu International Ltd.
					Director	BP Overseas Development Co., Ltd.
					Director	Centennial Coal Co., Ltd.
					Director	Banpu Engineering Services Co., Ltd.
					Director	Banpu Engineering Services (Thailand) Co., Ltd.
					Director	Hunnu Coal Pty Ltd.
					Director	Banpu Minerals (Singapore) Pte. Ltd.
					Director	Chiang Muan Mining Co., Ltd.
					Director	Banpu Coal Investment Co., Ltd.
					Director	Asian American Coal, Inc.
					Director	AACI SAADEC (BVI) Holdings Ltd.
					Director	PT. Indo Tambangraya Megah Tbk
					Director	Banpu Australia Resources Pty Ltd.
					Director	Banpu Australia Co. Pty Ltd.
					Director	BPIN Investment Co., Ltd.
					Director	Sunseap Group Pte. Ltd.
					Director	Banpu Infinergy Co., Ltd.
					Director	Banpu North America Corporation
					Director	BOG Co., Ltd.

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Work Experience in the Last Five Years		
				Period	Position	Organization
12. Mr. Anon Sirisaengtaksin <ul style="list-style-type: none"> • Director Dated 19 April 2016 • Member of the Corporate Governance and Nomination Committee Dated 28 April 2016 • Executive Advisor Dated 1 April 2014 	65	<ul style="list-style-type: none"> • M.B.A. Thammasat University • B.Sc. (Geology), Chulalongkorn University • Certificates in Project Investment Appraisal and Management and Global Leadership, Harvard University, Massachusetts, U.S.A. • Director Accreditation Program (DAP) #52/2006 • Director Certification Program (DCP) #73/2006, Thai Institute of Directors Association (IOD) 	–	Present	Director/ Member of the Corporate Governance and Nomination Committee	Banpu Public Company Limited
					Executive Advisor	Banpu Public Company Limited
				Present	Director	PTT Global Chemical Public Company Limited
				Present	Director	PTT Chemical International Private Limited
					Director	Energy Oleochemical (M) Sdn. Bhd.
					Director	Energy Specialty Chemical Sdn. Bhd.
					Director	Natureworks LLC
					Director	Venecorex Holding
					Director	Myriant Corporation
					Director	PTTGC International (USA) Inc.
				2012 – 2013	Director	PTTGC International (Netherlands) Inc.
13. Mr. Somyot Ruchirawat <ul style="list-style-type: none"> • Deputy Chief Executive Officer Dated 1 January 2013 	62	<ul style="list-style-type: none"> • M.Eng (Industrial Engineering and Management), Asian Institute of Technology (AIT) • M.B.A. (Executive), Chulalongkorn University • B.Eng (Chemical Engineering), Chulalongkorn University • Director Certification Program (DCP) #75/2006, Thai Institute of Directors Association (IOD) • Capital Market Academy Leader Program (CMA) #3/2006, Capital Market Academy 	–	Present	Deputy Chief Executive Officer	Banpu Public Company Limited
				2011 – 2012	Chief Operating Officer	Banpu Public Company Limited
				2015 – Present	Director	Centennial Coal Co., Ltd.
				2015 – Present	Director	Hebi Zhong Tai Mining Co., Ltd.
				2015 – Present	Director	Shanxi Gaohe Energy Co., Ltd.
				2014 – Present	Director	Akira Energy Ltd.
				2014 – Present	Director	Akira Energy (South) Ltd.
				2014 – Present	Director	Aura Land Development Pte. Ltd.
				2014 – Present	Director	Banpu Renewable Energy Co., Ltd.
				2013 – Present	Director	BMS Coal Sales Pte. Ltd.
				2010 – Present	Director	Banpu Minerals (Singapore) Pte.Ltd.
				2001 – Present	Director	Banpu Minerals Co., Ltd.
				2001 – Present	Director	Banpu International Ltd.
				2012 – Present	Director	Hunnu Investments Pte. Ltd.
				2012 – Present	Director	Hunnu Coal Pty Ltd.
				2012 – Present	Director (Commissioner)	PT. Indo Tambangraya Megah Tbk

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Work Experience in the Last Five Years		
				Period	Position	Organization
14. Mr. Voravudhi Linananda • Chief Operating Officer Dated 1 January 2013 • Advisor Dated 1 January 2018 • Chief Executive Officer Banpu Power Public Company Limited Dated 10 September 2015	61	<ul style="list-style-type: none"> M.B.A., Sasin Graduate Institute of Business Administration of Chulalongkorn University Bachelor of Engineering (Mechanical), Kasetsart University Advanced Management Program (AMP173) Harvard Business School, U.S.A. Director Certificate Program (DCP 149/2011), Thai Institute of Directors Association (IOD) Orchestrating Winning Performance Program (OWP 2/2013), International Institute for Management Development (IMD SE Asia) 	—	Present	Advisor	Banpu Public Company Limited
				2013 – 2017	Chief Operating Officer	Banpu Public Company Limited
				2015 – 2017	Chief Executive Officer	Banpu Power Public Company Limited
				2009 – Present	Director	Banpu Power Public Company Limited
					Director	BLCP Power Ltd.
					Director	Banpu Coal Power Ltd.
					Director	Hongsa Power Co., Ltd.
					Director	Phu Fai Mining Co., Ltd.
				2014 – Present	Director	Banpu Engineering Services Co.,Ltd.
					Director	Banpu Energy Service (Thailand) Co.,Ltd.
					Director	Banpu Energy Services (Japan) Co., Ltd.
					Director	Shanxi Lu Guang Power Co., Ltd.
				2015 – Present	Director	Zouping Peak Pte. Ltd.
					Director	Pan Western Energy Corporation LLC
					Director	Banpu Coal Investment Co., Ltd.
					Director	Banpu Power International Ltd.
					Director	BP Overseas Development Co., Ltd.
					Director	Hokkaido Solar Estate G.K.
					Director	BPPR Co., Ltd.
					Director	BPPR Japan Co., Ltd.
				2016 – Present	Director	BPP Renewable Co., Ltd.
					Director	PT. ITM Banpu Power

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Work Experience in the Last Five Years		
				Period	Position	Organization
15. Mr. Sutee Sukruan • Senior Vice President – Corporate Finance Dated 1 January 2009 • Chief Operating Officer – Power Business Dated 1 January 2018 • Chief Executive Officer – Banpu Power Public Company Limited Dated 1 January 2018	53	<ul style="list-style-type: none"> • M.B.A. (Finance), Chulalongkorn University • Bachelor of Accounting, Chulalongkorn University • TLCA Executive Development Program #11 by Thai Listed Companies Association • Economic Leader Forum by Thammasat Economics Association 	–	2009 – 2017	Senior Vice President – Corporate Finance	Banpu Public Company Limited
				Present	Chief Operating Officer – Power Business	Banpu Public Company Limited
				Present	Chief Executive Officer	Banpu Power Public Company Limited
16. Mr. Sathidpong Wattananuchit • Assistant Chief Executive Officer - Corporate Services Dated 1 January 2006	59	<ul style="list-style-type: none"> • Doctor of Philosophy in Strategic Management, University of Northern Washington • M.B.A. Strategic Management Leadership, IOU of Netherlands • Theology Study, St. Gabriel's Institution, India • Director Certification Program (DCP) #74/2006, Thai Institute of Directors Association (IOD) 	–	2006 – 2017	Assistant Chief Executive Officer – Corporate Services	Banpu Public Company Limited
17. Mr. Akaraphong Dayananda 59 • Assistant Chief Executive Office – Strategy and Business Development Dated 1 January 2011	59	<ul style="list-style-type: none"> • M.B.A, Bowling Green State University, Ohio, U.S.A. • B.S. (Engineering), Chulalongkorn University • Executive Program in Strategy and Organization, Stanford University, California, U.S.A. • Director Certification Program (DCP) # 91/2007, Thai Institute of Directors Association (IOD) • Director Diploma Examination #22/2007, Thai Institute of Directors Association (IOD) 	–	2011 – Present	Assistant Chief Executive Officer – Strategy and Business Development	Banpu Public Company Limited
				2015 – 2017	Director	Banpu Power Public Company Limited
				2015 – Present	Director	Banpu North America Corporation
				2009 – Present	Director	Banpu Minerals Co., Ltd.
				2009 – Present	Director	Banpu International Ltd.
				2010 – Present	Director	Banpu Australia Co. Pty Ltd.
					Director	Banpu Engineering Services Co., Ltd
					Director	Banpu Renewable Energy Co., Ltd.
					Director	Banpu Infinergy Co., Ltd.
					Director	Banpu Energy Services (Thailand) Co., Ltd.
				2011 – Present	Director	AACI SAADEC (BVI) Holdings Ltd.
					Director	Chiang Muan Mining Co., Ltd.

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Work Experience in the Last Five Years		
				Period	Position	Organization
17. Mr. Akaraphong Dayananda (Continued)				2011 – Present	Director	Banpu Coal Power Ltd.
					Director	Banpu Australia Resources Pty Ltd.
					Director	Hunnu Coal Pty Ltd.
					Director	Hunnu Investment Pte. Ltd.
				2013 – Present	Director	AFE Investments Pty Ltd.
					Director	BMS Coal Sales Pte. Ltd.
				2014 – Present	Director	Akira Energy Ltd.
					Director	BOG Co., Ltd.
					Director	Aizu Energy Pte. Ltd.
					Director	Akira Energy (South) Ltd.
				2016 – Present	Director	Banpu Power (Japan) Co., Ltd.
18. Ms. Udomlux Olarn	58	<ul style="list-style-type: none"> B.A., Journalism and Mass Communication (Advertising and Public Relations), Thammasat University 	–	2009 – Present	Senior Vice President – Corporate Affairs	Banpu Public Company Limited
19. Mr. Varoj Limjaroon	57	<ul style="list-style-type: none"> M.B.A. Executive Program, Thammasat University B.B.A. Finance and Accountancy, Thammasat University 	–	2009 – Present	Senior Vice President – Human Resources	Banpu Public Company Limited
20. Ms. Arisara Sakoongaravek	47	<ul style="list-style-type: none"> Master of Science, Thammasat University Bachelor of Accounting (BA), Thammasat University Certification from IMD – Orchestrating Winning Performance in 2016 Certification from IMD – Global Leadership Program for Strategic Leader in 2017 Certification from School of Tax Certified Public Accountant (Thailand) (CPA) 	–	Present	Senior Vice President – Corporate Finance	Banpu Public Company Limited
				2016 – 2017	Senior Vice President – Controller	Banpu Public Company Limited
				2009 – 2015	Vice President – Accounting	Banpu Public Company Limited
21. *Ms. Boonsiri Charusiri	60	<ul style="list-style-type: none"> M.S., (Geological Science), Queen's University, Canada EMBA, Sasn Graduate Institute of Business Administration of Chulalongkorn University B.A., Geology (Science), Chulalongkorn University Company Secretary Program (CSP), Thai Institute of Directors Association (IOD) 	–	2008 – 2017	Company Secretary	Banpu Public Company Limited

* Note: Ms. Boonsiri Charusiri retired as the Company Secretary on 31 December 2017.

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Work Experience in the Last Five Years		
				Period	Position	Organization
22. *Mr. Virach Vudhihanaseth • Company Secretary Dated 1 January 2018	43	<ul style="list-style-type: none"> • Master of Arts in Economics, State University of New York, Albany, U.S.A. • Master of Science in Finance, Bentley College, U.S.A. • Master in Business Administration, Clark University, U.S.A. • Bachelor of Economics (International Economics) Bangkok University 	—	2015 – Present	Vice President – Investor Relations	Banpu Public Company Limited
				2009 – 2015	Manager – Investor Relations	Banpu Public Company Limited

* **Note:** Mr. Virach Vudhihanaseth was appointed as the Company Secretary, effective from 1 January 2018.

Details about the Head of Internal Control Unit and the Secretary of the Audit Committee

Name/ Position/ Appointed Date	Age	Education	% of Shares Held	Familial Relationship between Directors and Executives	Work Experience in the Last Five Years		
					Period	Position	Organization
23. Mr. Vorravit Varutbangkul • Vice President – Audit & Secretary of the Audit Committee Dated 10 April 2015	39	<ul style="list-style-type: none"> • Master of Business Administration – Strategy, University of Southampton • BBA Accounting, Assumption University (ABAC) • Certified Public Accountant of Thailand: CPA 	—	—	2015 – Present	Vice President - Audit & Secretary of the Audit Committee	Banpu Public Company Limited
					2008 – 2015	Manager – Internal Audit	Banpu Public Company Limited

Shareholding of the Board of Directors and Management

Members of the Board of Directors are required to report the number of shares owned by themselves, their spouses, and minor children not yet becoming sui juris, to the Board meeting after they are appointed as Board members. Subsequently, if any Board members, their spouses, and minor children not yet becoming sui juris, buy or sell the Company's shares, they are required to report such transactions to the next Board meeting.

Shareholding of the Board of Directors and Management, as of 31 December 2017

Name	Ordinary Share		
	31 Dec 2017	31 Dec 2016	+ / (-)
1. Mr. Chanin Vongkusolkrit	31,146,376	28,946,376	2,200,000
Spouse/Minor child	6,488,580	6,488,580	-
2. Mr. Rutt Phanijsaphand	-	-	-
Spouse/Minor child	-	-	-
3. Mr. Teerana Bhongmakapat	-	-	-
Spouse/Minor child	-	-	-
4. Mr. Rawi Corsiri	-	-	-
Spouse/Minor child	1,200,000	1,200,000	-
5. Mr. Suthad Setboonsarng	30,188	30,188	-
Spouse/Minor child	15,000	15,000	-
6. Mr. Sudiarsa Prasertio	-	-	-
Spouse/Minor child	-	-	-
7. Mr. Buntoeng Vongkusolkrit	2,660,000	2,660,000	-
Spouse/Minor child	-	-	-
8. Mr. Metee Auapinyakul	4,301,200	5,436,000	(1,134,800)
Spouse/Minor child	645,200	645,200	-
9. Mr. Ongart Auapinyakul	9,581,700	8,998,500	583,200
Spouse/Minor child	2,860,000	3,360,000	(500,000)
10. Mr. Verajet Vongkusolkrit	6,075,536	6,075,536	-
Spouse/Minor child	238,970	238,970	-
11. Mr. Anon Sirisaengtaksin	20,000	20,000	-
Spouse/Minor child	13,518	13,518	-
12. Ms. Somruedee Chaimongkol	5,255,910	5,255,910	-
Spouse/Minor child	-	-	-
13. Mr. Somyot Ruchirawat	-	-	-
Spouse/Minor child	-	-	-
14. Mr. Voravudhi Linananda	-	-	-
Spouse/Minor child	22,000	22,000	-
15. Mr. Sutee Sukruan	-	N/A	N/A
Spouse/Minor child	-	N/A	N/A
16. Mr. Sathidpong Wattananuchit	-	-	-
Spouse/Minor child	-	-	-
17. Mr. Akaraphong Dayananda	100,000	100,000	-
Spouse/Minor child	-	-	-
18. Ms. Udomlux Olarn	165,000	165,000	-
Spouse/Minor child	-	-	-
19. Mr. Varoj Limjaroon	-	-	-
Spouse/Minor child	-	-	-

Remuneration

1. Remuneration in Cash for the Year Ended 31 December 2017

1.1 Total cash remuneration of the Board of Directors in forms of meeting allowances, and annual remuneration amounted to THB 34,792,540.00, the details of which are as follows

Name/Position	Meeting Allowances (THB)				Annual Remuneration (THB)	Total Remuneration (THB)
	Director	Audit Committee	Corporate Governance and Nomination Committee	Compensation Committee		
1. Mr. Chanin Vongkusolkrit Chairman of the Board of Directors	912,600.00	-	-	-	2,411,417.30	3,324,017.30
2. Mr. Rutt Phanijphand Vice Chairman/Independent Director/ Member of the Audit Committee/ Chairman of the Compensation Committee	807,300.00	208,800.00	-	124,800.00	2,189,960.63	3,330,860.63
3. Mr. Teerana Bhongmakapat Independent Director/ Chairman of the Audit Committee/ Member of the Compensation Committee	702,000.00	271,440.00	-	96,000.00	1,968,503.94	3,037,943.94
4. Mr. Sudiarmo Prasertio Independent Director/ Member of the Corporate Governance and Nomination Committee	684,000.00	-	60,000.00	-	1,968,503.94	2,712,503.94
5. Mr. Suthad Setboonsarng Independent Director/ Member of the Audit Committee	702,000.00	208,800.00	-	-	1,968,503.94	2,879,303.94
6. Mr. Rawi Corsiri Director/Chairman of the Corporate Governance and Nomination Committee	702,000.00	-	124,800.00	-	1,968,503.94	2,795,303.94
7. Mr. Buntoeng Vongkusolkrit Director/Member of the Compensation Committee	682,000.00	-	-	96,000.00	1,968,503.94	2,746,503.94
8. Mr. Metee Auapinyakul Director	682,000.00	-	-	-	1,968,503.94	2,650,503.94

Name/Position	Meeting Allowances (THB)				Annual Remuneration (THB)	Total Remuneration (THB)
	Director	Audit Committee	Corporate Governance and Nomination Committee	Compensation Committee		
9. Mr. Ongart Auapinyakul Director	702,000.00	-	-	-	1,968,503.94	2,670,503.94
10. Mr. Verajet Vongkusolkit Director/Member of the Corporate Governance and Nomination Committee	682,000.00	-	96,000.00	-	1,968,503.94	2,746,503.94
11. Ms. Somruedee Chaimongkol Director	468,000.00	-	-	-	1,968,503.94	2,436,503.94
12. Mr. Anon Sirisaengtaksin Director/Member of the Corporate Governance and Nomination Committee	702,000.00	-	78,000.00	-	1,476,377.95	2,256,377.95
13. Mr. Krirk-Krai Jirapaet	-	-	-	-	639,763.78	639,763.78
14. Mr. Anothai Techamontrikul	-	-	-	-	565,944.88	565,944.88
Total						34,792,540.00

Notes:

- Mr. Krirk-Krai Jirapaet and Mr. Anothai Techamontrikul resigned as Directors, effective from 19 April 2016. The 2016 annual remuneration was paid out in 2017.
- In addition to the above remuneration, each Director received other benefits, including annual medical check-up fee of THB 50,000, and fees for attending seminars held by the Thai Institute of Directors Association (IOD) and other related institutions as regulated by the Company.

1.2 Cash remuneration of the Company's executives in forms of salaries and bonuses

Cash remuneration of the Company's executives in forms of salaries and bonuses are rewarded based on performance against the pre-determined Key Performance Indicators and individual achievement, the details of which are as follows:

Unit: THB	Number of Executives	2017	Number of Executives	2016
Total Salaries	8	75,134,070.07	9	81,247,671.88
Total Bonuses	8	31,648,022.48	9	21,685,227.20
Total		106,782,092.55		102,932,899.08

Notes: 2017: There were eight executives, namely, Ms. Somruedee Chaimongkol, Mr. Somyot Ruchirawat, Mr. Voravudhi Linananda, Mr. Peter Parry (as Chief Financial Officer in the 1st - 2nd Quarter), Mr. Sutee Sukruan (as Senior Vice President - Corporate Finance in the 2nd - 4th Quarter), Mr. Sathidpong Wattananuchit, Mr. Akaraphong Dayananda, Ms. Udomlux Olarn and Mr. Varoj Limjaroon.

2016: There were nine executives, namely, Ms. Somruedee Chaimongkol, Mr. Somyot Ruchirawat, Mr. Voravudhi Linananda, Mr. Peter Parry, Mr. Philip Gasteen (as Chief Commercial Officer - Marketing in the 1st - 2nd Quarter), Mr. Aphimuk Taifayongvichit (as Chief Commercial Officer - Marketing in the 2nd - 4th Quarter), Mr. Sathidpong Wattananuchit, Mr. Akaraphong Dayananda, Ms. Udomlux Olarn, and Mr. Varoj Limjaroon.

2. Other Remunerations

Contributions to Provident Fund

Details of the Company's contributions to the provident fund for executives, are as follows:

Unit: THB	Number of Executives	2017	Number of Executives	2016
Contributions to Provident Fund	8	3,213,836.00	9	3,213,252.00

Notes: 2017: There were eight executives, namely, Ms. Somruedee Chaimongkol, Mr. Somyot Ruchirawat, Mr. Voravudhi Linananda, Mr. Peter Parry, Mr. Sutee Sukruan, Mr. Sathidpong Wattananuchit, Mr. Akaraphong Dayananda, Ms. Udomlux Olarn and Mr. Varoj Limjaroon.

2016: There were nine executives, namely, Ms. Somruedee Chaimongkol, Mr. Somyot Ruchirawat, Mr. Voravudhi Linananda, Mr. Peter Parry, Mr. Sathidpong Wattananuchit, Mr. Akaraphong Dayananda, Ms. Udomlux Olarn, Mr. Aphimuk Taifayongvichit and Mr. Varoj Limjaroon.

3. Employees

The number of the Company's and its subsidiaries' employees as of 31 December 2017, is as follows:

Country of employees	Number of employees
Thailand	430
Indonesia	2,709
China	923
Australia	1,562
Mongolia	112
Singapore	11
Japan	4
Total	5,751

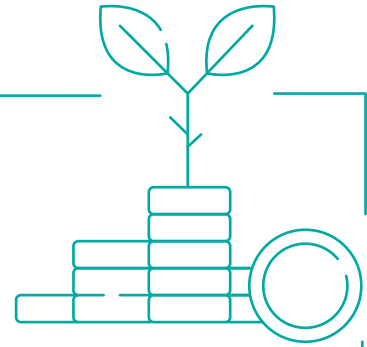
Major Shareholders

Top 10 Major Shareholders, as of 31 December 2017

Major Shareholders	No. of Shares	%
1. Vongkusolkrit Family	507,297,394	9.83
Mitr Phol Sugar Corporation., Ltd.	288,309,528	5.59
TME Capital Co., Ltd.	133,100,000	2.58
United Farmer & Industry Co., Ltd.	35,611,300	0.69
MP Particle Board Co., Ltd.	30,438,448	0.59
Mid-Siam Capital Co., Ltd.	14,916,382	0.29
City Holding Co., Ltd.	14,659,800	0.28
Pacific Sugar Corporation Co., Ltd.	13,646,682	0.26
Ufinves Co., Ltd.	12,400,000	0.24
Mitr Phol Bio-Power (Phu-viang) Co., Ltd.	12,311,744	0.24
Mitr Kalasin Sugar Co., Ltd.	9,606,042	0.19
2. Thai NVDR Co., Ltd.	536,238,646	10.39
3. Social Security Office	112,538,000	2.18
4. State Street Europe Limited	79,600,918	1.54
5. UBS AG Singapore Branch	73,160,000	1.42
6. Chase Nominees Limited	72,469,473	1.40
7. HSBC (Singapore) Nominees Pte Ltd.	67,251,547	1.30
8. Krungsri Dividend Stock LTF	49,430,500	0.96
9. Euroclear Nominees Limited	49,375,839	0.96
10. Maybank Kim Eng Securities (Thailand) Plc.	41,900,000	0.81
Total	2,154,262,243	41.74

Notes :

- Mitr Phol Sugar Corp., Ltd.
Mid-Siam Sugar Corp., Ltd. holds 99.99% of its paid-up capital.
- TME Capital Co., Ltd.
The Vongkusolkrit Family holds 54.23% of its paid-up capital.
Ufinves Co., Ltd. holds 15.23% of its paid-up capital.
The Kanjanakumnerd Family holds 2.58% of its paid-up capital.
The Putpongsiriporn Family holds 0.63% of its paid-up capital.
- City Holding Co., Ltd.
The Vongkusolkrit Family holds 87.00% of its paid-up capital.
The Kanjanakumnerd Family holds 6.00% of its paid-up capital.
The Putpongsiriporn Family holds 2.00% of its paid-up capital.
The Lattapanit Family holds 2.00% of its paid-up capital.
The Jenlapwattanukul Family holds 1.50% of its paid-up capital.
The Pradittan Family holds 1.50% of its paid-up capital.
- United Farmer & Industry Co., Ltd.
Mitr Phol Sugar Corp., Ltd. holds 87.56% of its paid-up capital.
- MP Particle Board Co., Ltd.
United Farmer & Industry Co., Ltd. holds 99.99% of its paid-up capital.
- Mid-Siam Capital Co., Ltd.
Mid-Siam Sugar Corp., Ltd. holds 99.99% of its paid-up capital.
- Pacific Sugar Corporation Ltd.
Mitr Phol Sugar Corp., Ltd. holds 99.99% of its paid-up capital.
- Ufinves Co., Ltd.
TME Capital Co., Ltd. holds 100.00% of its paid-up capital.
- Mitr Phol Bio-Power (Phu-viang) Co., Ltd.
United Farmer & Industry Co., Ltd. holds 51.04% of its paid-up capital.
- Mitr Kalasin Sugar Co., Ltd.
United Farmer & Industry Co., Ltd. holds 99.99% of its paid-up capital.



Dividend Policy

Banpu has a policy to pay approximately 50% of its net profits from the consolidated financial statements, less all kinds of statutory and corporate reserves. However, the dividend payout rate will be dependent on cash flows, investment obligations of the Company and its affiliates as well as legal restrictions and other requirements.



Connected Persons and Transactions

As of 31 December 2017

Company/ Type of Business	Description of Relationship	Major Shareholders	Members of the Board of Directors
1. Mitr Phol Sugar Corp., Ltd. (Production and distribution of sugar and molasses)	1) One of the shareholders of Banpu Plc., holding 5.59% of its paid-up capital 2) The major shareholder is Mid Siam Sugar Co., Ltd. 3) There are three joint directors, as follows: 1. Mr. Chanin Vongkusolkrit 2. Mr. Buntoeng Vongkusolkrit 3. Mr. Verajet Vongkusolkrit	1. Mid-Siam Sugar Co., Ltd. 99.99%	1. Mr. Isara Vongkusolkrit 2. Mr. Chanin Vongkusolkrit 3. Mr. Buntoeng Vongkusolkrit 4. Mr. Chusak Vongkusolkrit 5. Mr. Klanarong Sriroth 6. Mrs. Amporn Kanjanakamnerd 7. Mr. Pongsakorn Wongwuttikraikul 8. Mr. Krisda Monthienvichienchai 9. Mr. Verajet Vongkusolkrit 10. Assoc. Prof. Dr. Chiradet Ousawat 11. Mr. Attaphol Vongkusolkrit
2. TME Capital Co., Ltd. (Investment company)	1) One of the shareholders of Banpu Plc., holding 2.58% of its paid-up capital 2) The major shareholder is the Vongkusolkrit Family. 3) There are two joint directors, as follows: 1. Mr. Metee Auapinyakul 2. Mr. Ongart Auapinyakul	1. The Vongkusolkrit Family 54.23% 2. The Auapinyakul Family 24.16% 3. Ufinves Co., Ltd. 15.23% 4. The Kantatham Family 3.17% 5. The Kanjanakumnerd Family 2.58% 6. The Putpongsiriporn Family 0.63%	1. Mr. Vitoon Vongkusolkrit 2. Mr. Metee Auapinyakul 3. Mr. Ongart Auapinyakul 4. Mr. Pakorn Kantatham 5. Mr. Annop Vongkusolkrit 6. Ms. Phatsawan Vongkusolkrit
3. City Holdings Co., Ltd. (Holding company)	1) One of the shareholders of Banpu Plc., holding 0.28% of its paid-up capital 2) The major shareholder is the Vongkusolkrit Family. 3) There is no joint director.	1. The Vongkusolkrit Family 87.00% 2. The Kanjanakumnerd Family 6.00% 3. The Putpongsiriporn Family 2.00% 4. The Lattapanit Family 2.00% 5. The Jenlapwattanukul Family 1.50% 6. The Pradittan Family 1.50%	1. Mr. Vitoon Vongkusolkrit 2. Mr. Banchoet Vongkusolkrit 3. Mrs. Arada Vongkusolkrit 4. Ms. Theerarat Vongkusolkrit 5. Ms. Phatsawan Vongkusolkrit 6. Mr. Kawin Vongkusolkrit 7. Mr. Amnuay Kanjanakamnerd
4. United Farmer and Industry Co., Ltd. (Production and distribution of sugar and molasses)	1) One of the shareholders of Banpu Plc., holding 0.69% of its paid-up capital 2) The major shareholder is Mitr Phol Sugar Corp., Ltd. 3) There are two joint directors, as follows: 1. Mr. Buntoeng Vongkusolkrit 2. Mr. Verajet Vongkusolkrit	1. Mitr Phol Sugar Corp., Ltd. 87.56%	1. Mr. Isara Vongkusolkrit 2. Mr. Buntoeng Vongkusolkrit 3. Ms. Chayawadee Chaianan 4. Mrs. Amporn Kanjanakamnerd 5. Mrs. Anchalee Suwattanapim 6. Mr. Sukkan Wattanawekin 7. Mr. Krisda Monthienvichienchai 8. Mr. Verajet Vongkusolkrit 9. Mr. Pongsakorn Wongwuttikraikul

Company/ Type of Business	Description of Relationship	Major Shareholders	Members of the Board of Directors
5. MP Particle Board Co., Ltd. (Investment company)	1) One of the shareholders of Banpu Plc., holding 0.59% of its paid-up capital 2) The major shareholder is United Farmer and Industry Co., Ltd. 3) There is no joint director.	1. United Farmer and Industry Co., Ltd. 99.99%	1. Mr. Isara Vongkusolkrit 2. Mr. Krisda Monthienvichienchai 3. Mrs. Amporn Kanjanakumnerd 4. Mr. Pariwat Kanchanathana 5. Ms. Kannikar Vongkusolkrit
6. Mid-Siam Capital Co., Ltd. (Sugar cane planting and stock investment)	1) One of the shareholders of Banpu Plc., holding 0.29% of its paid-up capital 2) The major shareholder is Mid Siam Sugar Co., Ltd. 3) There is one joint director: 1. Mr. Buntoeng Vongkusolkrit	1. Mid-Siam Sugar Co., Ltd. 99.99%	1. Mr. Soonthorn Vongkusolkrit 2. Mr. Isara Vongkusolkrit 3. Mr. Buntoeng Vongkusolkrit
7. Pacific Sugar Corporation Ltd. (Import and export of sugar)	1) One of the shareholders of Banpu Plc., holding 0.26% of its paid-up capital 2) The major shareholder is Mitr Phol Sugar Corp., Ltd. 3) There is one joint director: 1. Mr. Verajet Vongkusolkrit	1. Mitr Phol Sugar Corp., Ltd. 99.99%	1. Mr. Krisda Monthienvichienchai 2. Ms. Amporn Kanjanakumnerd 3. Mr. Jirasak Vongkusolkrit 4. Mr. Verajet Vongkusolkrit
8. Ufinves Co., Ltd. (Holding company)	1) One of the shareholders of Banpu Plc., holding 0.24% of its paid-up capital 2) The major shareholder is TME Capital Co., Ltd. 3) There are two joint directors, as follows: 1. Mr. Metee Auapinyakul 2. Mr. Ongart Auapinyakul	1. TME Capital Co., Ltd. 100.00%	1. Mr. Vitoon Vongkusolkrit 2. Mr. Metee Auapinyakul 3. Mr. Ongart Auapinyakul 4. Mr. Pakorn Kantatham 5. Mr. Annap Vongkusolkrit 6. Ms. Phatsawan Vongkusolkrit
9. Mitr Phol Bio-Power (PhuViang) Co., Ltd. (Production and distribution of sugar and molasses)	1) One of the shareholders of Banpu Plc., holding 0.24% of its paid-up capital 2) The major shareholder is United Farmer and Industry Co., Ltd. 3) There is one joint director: 1. Mr. Buntoeng Vongkusolkrit	1. United Farmer and Industry Co., Ltd. 51.04%	1. Mr. Isara Vongkusolkrit 2. Mr. Buntoeng Vongkusolkrit 3. Mr. Krisda Monthienvichienchai 4. Mr. Chanchai Jiracate 5. Mr. Sirasak Tathong 6. Mr. Prawit Prakritsri 7. Mr. Jirasak Vongkusolkrit 8. Ms. Theeranat Vongkusolkrit 9. Mr. Nattapong Vongkusolkrit 10. Mr. Arnat Panya
10. Mitr Kalasin Sugar Co., Ltd. (Production and distribution of sugar and molasses)	1) One of the shareholders of Banpu Plc., holding 0.19% of its paid-up capital 2) The major shareholder is United Farmer and Industry Co., Ltd. 3) There are two joint directors, as follows: 1. Mr. Buntoeng Vongkusolkrit 2. Mr. Verajet Vongkusolkrit	1. United Farmer and Industry Co., Ltd. 99.99%	1. Mr. Isara Vongkusolkrit 2. Mr. Buntoeng Vongkusolkrit 3. Mrs. Amporn Kanjanakamnerd 4. Mr. Pongsakorn Wongwuttikraikul 5. Mr. Sukkan Wattanawekin 6. Ms. Chayawadee Chaianan 7. Mr. Krisda Monthienvichienchai 8. Mrs. Anchalee Suwattanapim 9. Mr. Verajet Vongkusolkrit

Other References

1) Ordinary Share Registrar	Thailand Securities Depository Company Limited 1st Floor, The Securities Exchange of Thailand 93 Ratchadapisek Road, Din Daeng, Bangkok 10400 Tel. +66 2009 9000 Contact center +66 2009 9999
2) Debenture Registrar	Bangkok Bank Public Company Limited 333 Silom Road, Bangrak, Bangkok 10500 Tel. +66 2230 1893
3) Bond Representative	Siam Commercial Bank Public Company Limited 9 Ratchadapisek Road, Jatujak, Bangkok 10900 Tel. +66 2544 1111 Kasikornbank Public Company Limited Head Office: 1 Soi Rat Burana 27/1, Rat Burana Road, Rat Burana, Bangkok 10140 Contact: 400/22 Phaholyothin Road, Phaya Thai, Bangkok 10400 Tel. +66 2470 3687, +66 2470 1946 Bangkok Bank Public Company Limited 333 Silom Road, Bangrak, Bangkok 10500 Tel. +66 2230 1893
4) Auditor	Ms. Amornrat Pearmpoonvatanasuk Authorised Auditor No. 4599 PricewaterhouseCoopers ABAS Ltd. 15th Floor, Bangkok City Tower 179/74-80 South Sathorn Road, Bangkok 10120 Tel. +66 2844 1000
5) Financial Advisor	--None--
6) Advisor or Manager under Management Agreement	The Company did not hire any advisors or managers under any permanent management agreement. Advisors, including financial advisors, were hired on a case-by-case basis as necessary to support its operations from time to time. The Company's management is mainly supervised by the Board of Directors.
7) Financial Institutions Regularly in Contact	The Company is regularly in contact with around 30 local and international commercial banks and financial institutions

Details of the Company, its Subsidiaries and Associated Companies, and Joint Ventures

Name	Type of business	Authorized capital	Paid up capital	No. of paid-up capital (shares)	Par value per share	% of holding	Head Office	Telephone
1. Banpu Public Company Limited	Energy	5,165,257,100 Baht	5,161,925,515 Baht	5,161,925,515	1	-	1550, Thanapoom Tower, 27 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2694 6600
Subsidiary companies								
Thailand								
2. Banpu Minerals Co., Ltd.	Coal mining and trading	3,200,000,000 Baht	3,200,000,000 Baht	3,200,000	1,000	99.99% (held by Banpu Public Company Limited)	58/1, Moo 1, Tambon Thungkwaw, Amphoe Muang Phrae, Phrae Province, Thailand	0 2694 6600
3. Chiang Muan Mining Co., Ltd.	Coal mining and trading	57,837,500 Baht	57,837,500 Baht	5,783,750	10	99.99% (held by Banpu Minerals Co., Ltd.)	1550, Thanapoom Tower, 27 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2694 6600
4. Banpu Coal Sales Co., Ltd.	Coal trading	10,000,000 Baht	10,000,000 Baht	100,000	100	99.99% (held by Banpu Minerals Co., Ltd.)	1550, Thanapoom Tower, 27 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2694 6600
5. Banpu International Ltd.	ศึกษาการลงทุน	250,000,000 Baht	250,000,000 Baht	25,000,000	10	99.99% (held by Banpu Public Company Limited)	1550, Thanapoom Tower, 27 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2694 6600
6. Banpu Engineering Services Co., Ltd.	Investment in alternative energy	247,000,000 Baht	247,000,000 Baht	24,700,000	10	99.99% (held by Banpu Public Company Limited)	1550, Thanapoom Tower, 27 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2694 6600
7. Banpu Infinergy Co., Ltd.	Investment in alternative energy	635,000,000 Baht	635,000,000 Baht	63,500,000	10	99.99% (held by Banpu Public Company Limited)	1550, Thanapoom Tower, 29 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2095 6595
8. BOG Co., Ltd.	Investment in energy business	1,550,000,000 Baht	1,550,000,000 Baht	15,500,000	100	99.99% (held by Banpu Public Company Limited)	1550, Thanapoom Tower, 27 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2694 6600
9. Banpu Energy Services (Thailand) Co., Ltd.	Investment in alternative energy	150,000,000 Baht	150,000,000 Baht	15,000,000	10	99.99% (held by Banpu Engineering Services Co., Ltd.)	1550, Thanapoom Tower, 27 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2694 6600
10. Biofuel Development Holdings Co., Ltd.	Investment in alternative energy	76,000,000 Baht	76,000,000 Baht	7,600,000	10	99.99% (held by Banpu Engineering Services Co., Ltd.)	1550, Thanapoom Tower, 27 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2694 6600
11. Banpu Power Public Company Limited	Investment in power business	31,044,920,000 Baht	30,483,550,000 Baht	3,048,355,000	10	78.64% (held by Banpu Public Company Limited)	1550, Thanapoom Tower, 26 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2007 6000
12. Banpu Coal Power Limited	Investment in power business	5,921,587,160 Baht	5,921,587,160 Baht	592,158,716	10	99.99% (held by Banpu Power Public Company Limited)	1550, Thanapoom Tower, 26 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2007 6000
13. Banpu Renewable Energy Co., Ltd.	Investment in renewable energy business	960,000,000 Baht	960,000,000 Baht	96,000,000	10	99.99% (held by Banpu Power Public Company Limited)	1550, Thanapoom Tower, 26 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2007 6000
14. Banpu Power (Japan) Co., Ltd.	Investment in renewable energy business	5,000,000 Baht	5,000,000 Baht	500,000	10	100.00% (held by Banpu Power Public Company Limited)	1550, Thanapoom Tower, 26 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2007 6000

Name	Type of business	Authorized capital	Paid up capital	No. of paid-up capital (shares)	Par value per share	% of holding	Head Office	Telephone
Indonesia								
15. PT. Indo Tambangraya Megah Tbk	Construction, trading, transportation, industry, repair and services related to coal mining and electricity business	1,500,000,000,000 IDR	564,962,500,000 IDR	1,129,925,000	500	68.09% (held by Banpu Minerals (Singapore) Pte. Ltd.)	Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
16. PT. Kitadin	Coal Mining and related business	1,000,000,000,000 IDR	377,890,000,000 IDR	188,945	2,000,000	99.99% (held by PT. Indo Tambangraya Megah Tbk)	Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
17. PT. Indominco Mandiri	Coal Mining in Indonesia	20,000,000,000 IDR	12,500,000,000 IDR	12,500	1,000,000	99.99% (held by PT. Indo Tambangraya Megah Tbk) 0.01% (held by PT. Kitadin)	Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
18. PT. Jorong Barutama Greston	Coal Mining in Indonesia	318,855,000,000 IDR	318,855,000,000 IDR	21,257	15,000,000	99.99% (held by PT. Indo Tambangraya Megah Tbk) 0.01% (held by PT. Kitadin)	Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
19. PT. Trubaindo Coal Mining	Coal Mining in Indonesia	100,000,000,000 IDR	63,500,000,000 IDR	63,500	1,000,000	99.99% (held by PT. Indo Tambangraya Megah Tbk) 0.01% (held by PT. Kitadin)	Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
20. PT. Bharinto Ekatama	Coal Mining in Indonesia	68,000,000,000 IDR	17,000,000,000 IDR	17,000	1,000,000	99.00% (held by PT. Indo Tambangraya Megah Tbk) 1.00% (held by PT. Kitadin)	Pondok Indah Office Tower 3, 3 rd floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
21. PT. ITM Indonesia	Trading, land transportation, industry, agriculture, construction, repair and services	40,000,000,000 IDR	11,000,000,000 IDR	11,000	1,000,000	99.99% (held by PT. Indo Tambangraya Megah Tbk) 0.01% (held by PT. Kitadin)	Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
22. PT. Tambang Raya Usaha Tama	Mining Support services	500,000,000,000 IDR	228,980,000,000 IDR	22,898	1,000,000	99.99% (held by PT. Indo Tambangraya Megah Tbk) 0.01% (held by PT. Kitadin)	Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
23. PT. ITM Batubara Utama	Coal mining business	40,000,000,000 IDR	11,000,000,000 IDR	11,000	1,000,000	99.99% (held by PT. Indo Tambangraya Megah Tbk) 0.01% (held by PT. Kitadin)	Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
24. PT. ITM Energi Utama	Energy business	1,200,000,000,000 IDR	300,000,000,000 IDR	300,000	1,000,000	99.99% (held by PT. Indo Tambangraya Megah Tbk)	Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
25. PT. ITM Banpu Power	Investment in power business	1,200,000,000,000 IDR	300,000,000,000 IDR	300,000	1,000,000	70.00% (held by PT. Indo Tambangraya Megah Tbk) 30.00% (held by Banpu Power Public Company Limited)	Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100

Name	Type of business	Authorized capital	Paid up capital	No. of paid-up capital (shares)	Par value per share	% of holding	Head Office	Telephone
26. PT. Gas Emas	Fuel Distributor for Mining business	38,900,000,000 IDR	16,532,500,000 IDR	1,700,000	9,725	75.00% (held by PT. Indo Tambangraya Megah Tbk, through PT. ITM Indonesia)	Wisma 46 Kota BNI 50 th Floor, Suite 50.06, Jl. Jend Sudirman Kav. 1, Karet Tengsin, Tanah abang, Jakarta Pusat Operational office: Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
27. PT. Tepian Indah Sukses	Coal Mining in Indonesia	3,000,000,000 IDR	1,000,000,000 IDR	1,000	1,000,000	70.00% (held by PT. Indo Tambangraya Megah Tbk)	Jl. A.M. Sangaji No. 38F No. 9-10, Kel. Bandara, Kec. Sungai Pinang, Prov. Samarinda Corresponding office: Pondok Indah Office Tower 3, 3 rd Floor, Jl. Sultan Iskandar Muda, Pondok Indah Kav. V-TA, Jakarta 12310, Indonesia	6221 29328100
Australia								
28. Banpu Australia Co. Pty Ltd.	Investment in coal mining in Australia	2,428,021,000 AUD	2,428,021,000 AUD	2,428,021,000	1	100.00% (held by Banpu Singapore Pte. Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
29. Centennial Coal Co., Ltd.	Coal Mining and Marketing	2,449,783,562 AUD	2,449,783,562 AUD	395,126,381	\$6.20	100.00% (held by Banpu Australia Co. Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
30. Centennial Northern Coal Services Pty Ltd.	Employer Company for Newstan Washery	1 AUD	1 AUD	1	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
31. Berrima Coal Pty Ltd.	Dormant	2 AUD	2 AUD	2	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
32. Centennial Airly Pty Ltd.	Coal Mining	2 AUD	2 AUD	2	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
33. Centennial Angus Place Pty Ltd.	Coal Mining	1 AUD	1 AUD	1	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
34. Centennial Coal Infrastructure Pty Ltd.	Coal exporting logistics and infrastructure	2 AUD	2 AUD	2	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
35. Centennial Coal Sales and Marketing Pty Ltd.	Coal Marketing	1 AUD	1 AUD	1	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
36. Centennial Fassifern Pty Ltd.	Coal Mining	2 AUD	2 AUD	2	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
37. Centennial Northern Mining Services Pty Ltd.	Employer Company for Newstan	1 AUD	1 AUD	1	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
38. Centennial Inglebrook Pty Ltd.	Coal Mining	1 AUD	1 AUD	1	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
39. Centennial Mandalong Pty Ltd.	Coal Mining	1 AUD	1 AUD	1	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
40. Centennial Mannering Pty Ltd.	Coal Mining	1 AUD	1 AUD	1	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
41. Centennial Munmorah Pty Ltd.	Coal Mining (now Dormant)	1 AUD	1 AUD	1	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700

Name	Type of business	Authorized capital	Paid up capital	No. of paid-up capital (shares)	Par value per share	% of holding	Head Office	Telephone
42. Centennial Myuna Pty Ltd.	Coal Mining	1 AUD	1 AUD	1	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
43. Centennial Newstan Pty Ltd.	Coal Mining	1 AUD	1 AUD	1	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
44. Charbon Coal Pty Ltd.	Coal Mining	2 AUD	2 AUD	2	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
45. Coalex Pty Ltd.	Coal Mining - Clarence JV	7,500,000 AUD	7,500,000 AUD	750,000	10	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
46. Clarence Coal Investments Pty Ltd.	Coal Mining - Clarence JV	19,500,002 AUD	19,500,002 AUD	15,500,002 Ord A 4,000,000 Ord B shares	1	100.00% (held by Coalex Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
47. Clarence Colliery Pty Ltd.	Coal Mining - Clarence JV	10,000 AUD	10,000 AUD	10,000	1	100.00% (held by Coalex Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
48. Clarence Coal Pty Ltd.	Coal Mining - Clarence JV	2 AUD	2 AUD	2	1	100.00% (held by Coalex Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
49. Centennial Clarence Pty Ltd.	Coal Mining - Clarence JV	8,800,000 AUD	8,800,000 AUD	8,800,000	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
50. Powercoal Pty Ltd.	Dormant Holding company	4,590,001 AUD	4,590,001 AUD	4,590,001	1	100.00% (held by Centennial Fassifern Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
51. Powercoal Superannuation Pty Ltd.	Superannuation Company (Dormant)	2 AUD	2 AUD	2	1	100.00% (held by Powercoal Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
52. Collieries Superannuation Pty Ltd.	Superannuation Company (Dormant)	2 AUD	2 AUD	2	1	100.00% (held by Powercoal Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
53. Elcom Collieries Pty Ltd.	Dormant	1,500,000 AUD	1,500,000 AUD	750,000	2	100.00% (held by Powercoal Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
54. Huntley Colliery Pty Ltd.	Dormant	354,000 AUD	354,000 AUD	177,000	2	100.00% (held by Powercoal Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
55. Mandalong Pastoral Management Pty Ltd.	Dormant	2,736,028 AUD	2,736,028 AUD	10,000,000 Ord partly paid shares - \$0.20 368,014 Ord shares - \$2.00	2	100.00% (held by Powercoal Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
56. Powercoal Employee Entitlements Company Pty Ltd.	Employee Trust Company Ex Powercoal	2 AUD	2 AUD	2	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
57. Hartley Valley Coal Co Pty Ltd.	Dormant	1,000,000 AUD	1,000,000 AUD	1,000,000	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
58. Ivanhoe Coal Pty Ltd.	Coal Mining	2 AUD	2 AUD	2	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
59. Centennial Drilling Services Pty Ltd.	Drilling Services	1,250,000 AUD	1,250,000 AUD	750,000 A Class 250,000 B Class 250,000 C Class shares	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
60. Centennial Springvale Holdings Pty Ltd.	Coal Mining	1 AUD	1 AUD	1	1	100.00% (held by Centennial Coal Co., Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700

Name	Type of business	Authorized capital	Paid up capital	No. of paid-up capital (shares)	Par value per share	% of holding	Head Office	Telephone
61. Centennial Springvale Pty Ltd.	Coal Mining	1,000,000 AUD	1,000,000 AUD	1,000,000	1	100.00% (held by Centennial Springvale Holdings Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
62. Springvale Coal Pty Ltd.	Coal Mining	2,000,000 AUD	2,000,000 AUD	2,000,000	1	100.00% (held by Centennial Springvale Holdings Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
63. Boulder Mining Pty Ltd.	Coal Mining	1,000 AUD	1,000 AUD	1,000	1	100.00% (held by Centennial Springvale Holdings Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	62 2 9266 2700
64. AFE Investments Pty Ltd.	Mining Investment	2 AUD	2 AUD	2	1	100.00% (held by Banpu Australia Co. Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	62 2 9266 2700
65. Banpu Australia Resources Pty Ltd.	Investment in coal mining	2 AUD	2 AUD	2	1	100.00% (held by Banpu Australia Co. Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
66. Hunnu Coal Pty Ltd.	Coal mining and trading	261,555,190 AUD	261,555,190 AUD	383,632,717	No par value*	100.00% (held by Banpu Minerals (Singapore) Pte. Ltd.)	22 Lindsay Street, Perth WA 6000, Australia	61 8 9328 6262
China								
67. Banpu (Shanghai) Trading Co., Ltd.	Coal Trading	50,000,000 CNY	50,000,000 CNY	N/A	N/A	100.00% (held by Banpu Minerals (Singapore) Pte. Ltd.)	Unit 307-52, 3 rd Floor, Building 2, No.38, Debao Road, Free Trade Zone (Shanghai) Province, P.R. China	(8610) 84004988
68. Shijiazhuang Chengfeng Cogen Co., Ltd.	Power and steam generation and sales	178,971,358 CNY	178,971,358 CNY	N/A	N/A	100.00% (held by Banpu Power Investment Co., Ltd.)	North Beiguan, Zhengding County, Shijiazhuang City 050800, Hebei Province, P.R. China	(86311) 85176918
69. Banpu Investment (China) Co., Ltd.	Investment in power business	248,400,000 CNY	248,400,000 CNY	N/A	N/A	100.00% (held by Banpu Power Investment Co., Ltd.)	9A, 9 th Floor, Tower B, Gateway Plaza, No.18 Xia Guang Li, North Road of East Third Ring, Chaoyang District, Beijing Province, P.R. China	(8610) 57580388
70. Tangshan Banpu Heat and Power Co., Ltd.	Power and steam generation and sales	393,425,339 CNY	393,425,339 CNY	N/A	N/A	87.92% (held by Pan-Western Energy Corporation LLC) 12.08% (held by Banpu Investment (China) Co., Ltd.)	West of Gujiaying Village, Benshi Road, Luannan County, Tangshan City 063500, Hebei Province, P.R. China	(86315) 4168274
71. Zouping Peak CHP Co., Ltd.	Power and steam generation and sales	261,800,000 CNY	261,800,000 CNY	N/A	N/A	70.00% (held by Zouping Peak Pte. Ltd.)	Xiwang Industrial Region, Handian Town, Zouping County, Binzhou City 256209, Shandong Province, P.R. China	(86543) 4615655
72. BPP Renewable Investment (China) Co., Ltd.	Investment in renewable energy business	419,419,777 CNY	419,419,777 CNY	N/A	N/A	100.00% (held by Banpu Renewable Energy Co., Ltd.)	Unit 108, No. 26 Jiafeng Road, Pilot Free Trade Zone, Shanghai Province, P.R. China	(8610) 57580388
73. Anqiu Huineng New Energy Co., Ltd.	Solar power generation	66,000,000 CNY	66,000,000 CNY	N/A	N/A	100.00% (held by BPP Renewable Investment (China) Co., Ltd.)	No.19 Dafugou, Wushan Town, Anqiu County, Weifang City, Shandong Province, P.R. China	(86531) 86025858
74. Weifang Tian'en Jinshan Comprehensive Energy Co., Ltd.	Solar power generation	83,000,000 CNY	83,000,000 CNY	N/A	N/A	100.00% (held by BPP Renewable Investment (China) Co., Ltd.)	Unit 205, No.16 Shengli Street, Wushan Town, Anqiu County, Weifang City, Shandong Province, P.R. China	(86531) 86025858

* Under Corporate Law

Name	Type of business	Authorized capital	Paid up capital	No. of paid-up capital (shares)	Par value per share	% of holding	Head Office	Telephone
75. Dongping Haoyuan Solar Power Generation Co., Ltd.	Solar power generation	69,000,000 CNY	69,000,000 CNY	N/A	N/A	100.00% (held by BPP Renewable Investment (China) Co., Ltd.)	East side of Xishan road North, Dongping County, Taian City, Shandong Province, P.R. China	(86538) 2092568
76. Macao Deyuan Energy-Saving & Environmental Protection Technology Co., Ltd.	Environmental Protection Technology development	300,000 MOP	300,000 MOP	N/A	N/A	100.00% (held by Banpu Renewable Energy Co., Ltd)	Unit G, 12 th Floor, Guanghui Business Center, No.181-187 Alameda Dr.Carlos d' Assumpaco, Macau	(8610) 57580388
77. Anqiu City Hui'en PV Technology Co., Ltd.	Solar power generation	62,000,000 CNY	62,000,000 CNY	N/A	N/A	100.00% (held by BPP Renewable Investment (China) Co., Ltd.)	No. 26 Qinjiazhuangzi Village, Dasheng Town, Anqiu County, Weifang City, Shandong Province, P.R. China	(86531) 86025858
78. Jiaxing Deyuan Energy-Saving Technology Co., Ltd.	Solar power generation	135,190,000 CNY	135,190,000 CNY	N/A	N/A	100.00% (held by BPP Renewable Investment (China) Co., Ltd.)	Room 425, Jinxiu Dadao No.1, Yaozhuang Village, Jiashan County, Zhejiang Province, P.R. China	(86531) 86025858
79. Banpu Power Trading (Shandong) Co., Ltd.	Power Trading	20,000,000 CNY	0 CNY	N/A	N/A	100.00% (held by Banpu Investment (China) Co., Ltd.)	Unit 2608, Tower C, No.11 Jingshi Road, Shizhong District, Jinan Province, P.R. China	(86531) 86025858
80. Banpu Power Trading (Hebei) Co., Ltd.	Power Trading	20,000,000 CNY	0 CNY	N/A	N/A	100.00% (held by Banpu Investment (China) Co., Ltd.)	North of Beiguan Village, Zhengding County, Shijiazhuang City, Hebei Province, P.R. China	(86311) 85176918
Mongolia								
81. Hunnu Altai LLC	Foreign trade, minerals exploration, minerals mining	93,411,174,294 MNT	93,411,174,294 MNT	674,497	138,490	100.00% (held by Hunnu Investments Pte. Ltd.)	Suite 1502, Fides Tower, Gegeenten Complex, 15 th khoroo, Khan-Uul district, Ulaanbaatar-17011, Mongolia	(976) 75551221, (976) 75551551
82. Hunnu Gobi Altai LLC	Foreign trade, minerals exploration, mining	155,000,000 MNT	155,000,000 MNT	155,000	1,000	80.00% (held by Hunnu Altai LLC)	Suite 1502, Fides Tower, Gegeenten Complex, 15 th khoroo, Khan-Uul district, Ulaanbaatar-17011, Mongolia	(976) 75551221, (976) 75551551
83. Hunnu Altai Minerals LLC	Foreign trade, minerals exploration	17,242,032,000 MNT	17,242,032,000 MNT	17,242,032	1,000	100.00% (held by Hunnu Altai LLC)	Suite 1502, Fides Tower, Gegeenten Complex, 15 th khoroo, Khan-Uul district, Ulaanbaatar-17011, Mongolia	(976) 75551221, (976) 75551551
84. Hunnu Resources LLC	Foreign trade	334,451,976,943 MNT	334,451,976,943 MNT	208,436,768	1,605	100.00% (held by Hunnu Coal Pty Ltd.)	Suite 1502, Fides Tower, Gegeenten Complex, 15 th khoroo, Khan-Uul district, Ulaanbaatar-17011, Mongolia	(976) 75551221, (976) 75551551
85. Munkh Sumber Uul LLC	Foreign trade	2,664,050,983 MNT	2,664,050,983 MNT	266,405	10,000	100.00% (held by Hunnu Resources LLC)	Suite 1502, Fides Tower, Gegeenten Complex, 15 th khoroo, Khan-Uul district, Ulaanbaatar-17011, Mongolia	(976) 75551221, (976) 75551551
86. Golden Gobi Mining LLC	Foreign trade, minerals exploration	16,242,718,667 MNT	16,242,718,667 MNT	1,624,271	10,000	100.00% (held by Hunnu Resources LLC)	Suite 1502, Fides Tower, Gegeenten Complex, 15 th khoroo, Khan-Uul district, Ulaanbaatar-17011, Mongolia	(976) 75551221, (976) 75551551
87. Great East Minerals LLC	Foreign trade, minerals exploration	2,851,018,000 MNT	2,851,018,000 MNT	285,101	10,000	99.99% (held by Hunnu Resources LLC)	Suite 1502, Fides Tower, Gegeenten Complex, 15 th khoroo, Khan-Uul district, Ulaanbaatar-17011, Mongolia	(976) 75551221, (976) 75551551
88. Bilegt Khairkhan Uul LLC	Foreign trade, minerals exploration, minerals mining	28,272,138,355 MNT	28,272,138,355 MNT	2,827,213	10,000	100.00% (held by Hunnu Resources LLC)	Suite 1502, Fides Tower, Gegeenten Complex, 15 th khoroo, Khan-Uul district, Ulaanbaatar-17011, Mongolia	(976) 75551221, (976) 75551551
89. Hunnu Power LLC	Foreign trade	40,702,000 MNT	40,702,000 MNT	4,070	10,000	100.00% (held by Hunnu Resources LLC)	Suite 1502, Fides Tower, Gegeenten Complex, 15 th khoroo, Khan-Uul district, Ulaanbaatar-17011, Mongolia	(976) 75551221, (976) 75551551

Name	Type of business	Authorized capital	Paid up capital	No. of paid-up capital (shares)	Par value per share	% of holding	Head Office	Telephone
90. Borganchan LLC	Foreign trade	31,437,000 MNT	31,437,000 MNT	31,437	1,000	100.00% (held by Hunnu Resources LLC)	Suite 1502, Fides Tower, Gegeenten Complex, 15 th khoroo, Khan-Uul district, Ulaanbaatar-17011, Mongolia	(976) 75551221, (976) 75551551
91. Munkhnoyon Suvraga LLC	Foreign trade, minerals mining, tourism and construction	174,396,786,000 MNT	174,396,786,000 MNT	174,396,786	1,000	100.00% (held by Hunnu Resources LLC)	Suite 1502, Fides Tower, Gegeenten Complex, 15 th khoroo, Khan-Uul district, Ulaanbaatar-17011, Mongolia	(976) 75551221, (976) 75551551
Singapore								
92. Banpu Minerals (Singapore) Pte. Ltd.	Investment in coal mining	N/A	17,670,002 SGD 11,000,000 USD	17,670,002 17,670,002	No par value*	50.00% Ordinary Shares (held by Banpu Minerals Co., Ltd.) 50.00% Preference Shares (held by Banpu Coal Investment Co., Ltd.)	One Marina Boulevard, #28-00 Singapore 018989	65 6890 7188
93. BMS Coal Sales Pte. Ltd.	Coal trading including coal agent and coal blending	N/A	5,000,000 USD	5,000,000	No par value*	100.00% (held by Banpu Minerals (Singapore) Pte. Ltd.)	One Marina Boulevard, #28-00 Singapore 018989	65 6890 7188
94. Banpu Singapore Pte. Ltd.	Coal trading	N/A	1,500,000 SGD 300,000,000 USD 2,308,711,708 USD	1,500,000 300,000,000 2,308,711,708	No par value*	75.00% (held by Asian American Coal, Inc.) 25.00% (held by Banpu Minerals Co., Ltd.)	One Marina Boulevard, #28-00 Singapore 018989	65 6890 7188
95. Hunnu Investments Pte. Ltd.	Foreign trade	N/A	100 SGD 34,818,188.82 USD	100 34,818,188	No par value*	100.00% (held by Hunnu Coal Pty Ltd)	One Marina Boulevard, #28-00 Singapore 018989	65 6890 7188
96. Banpu Power Investment Co., Ltd.	Investment in power business	N/A	84,177,391 USD	77,132,663	No par value*	100.00% (held by Banpu Power International Ltd.)	8 Marina Boulevard #05-02, Marina Bay Financial Centre, Singapore 018981	65 6338 1888
97. Zouping Peak Pte. Ltd.	Investment in power business	N/A	2 SGD	2	No par value*	100.00% (held by Banpu Power Investment Co., Ltd.)	8 Marina Boulevard #05-02, Marina Bay Financial Centre, Singapore 018981	65 6338 1888
98. Banpu Renewable Singapore Pte. Ltd.	Investment in renewable energy business	N/A	55,987,676.69 USD	55,987,675	No par value*	100.00% (held by Banpu Renewable Energy Co., Ltd.)	8 Marina Boulevard #05-02, Marina Bay Financial Centre, Singapore 018981	65 6338 1888
Mauritius								
99. Banpu Coal Investment Co., Ltd.	Investment in coal mining	11,050,500 USD	11,050,500 USD	11,050,500	1	100.00% (held by Banpu Minerals Co., Ltd.)	4 th Floor, Ebene Skies, Rue de L' Institut, Ebene, Republic of Mauritius	230 404 8000
100. BP Overseas Development Co., Ltd.	Investment in coal mining	515,533,002 USD	515,533,002 USD	515,533,002	1	100% (held by Banpu Public Company Limited)	4 th Floor, Ebene Skies, Rue de L' Institut, Ebene, Republic of Mauritius	230 404 8000
101. BPIN Investment Co., Ltd.	Investment in renewable energy	57,000,100 USD	57,000,100 USD	57,000,100	1	100.00% (held by Banpu Infinergy Co., Ltd.)	4 th Floor, Ebene Skies, Rue de L' Institut, Ebene, Republic of Mauritius	230 404 8000
102. Banpu Power International Ltd.	Investment in power business	63,050,000 USD	63,050,000 USD	63,050,000	1	100.00% (held by Banpu Power Public Company Limited)	4 th Floor, Ebene Skies, Rue de L' Institut, Ebene, Republic of Mauritius	230 404 8000
British Virgin Islands								
103. Asian American Coal, Inc.	Investment in coal mining	50,000,000 USD	40,917,026 USD	40,917,026	1	100.00% (held by BP Overseas Development Co., Ltd.)	Geneva Place, 2 nd Floor, #333 Waterfront Drive, Road Town, Tortola, British Virgin Islands	284 494 4388

* Under Corporate Law

Name	Type of business	Authorized capital	Paid up capital	No. of paid-up capital (shares)	Par value per share	% of holding	Head Office	Telephone
104. AACI SAADEC (BVI) Holdings Ltd.	Investment in coal mining	50,000 USD	1 USD	1	1	100.00% (held by Asian American Coal, Inc.)	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	284 494 4640
Cayman Islands								
105. Pan-Western Energy Corporation LLC	Investment in power business	100,000 USD	100,000 USD	10,000,000	0.01	100.00% (held by Banpu Power Investment Co., Ltd.)	PO Box 309, Ugland House, Grand Cayman, KY1-1104 Cayman Islands	1 345 949 8066
Japan								
106. Banpu Energy Services Japan Co., Ltd.	Consultancy services to the operator of power generation in Japan	50,000,100 JPY	50,000,100 JPY	500,001	No par value*	100.00% (held by Banpu Energy Services (Thailand) Co., Ltd.)	4 th Floor, Olympia Building, 13-3 Tomizawa-cho, Nihonbashi, Chuo-ku, Tokyo, Japan	81 3 6661 0328
107. BPPR Japan Co., Ltd.	Consultancy services to the operator of power generation in Japan	100,000 JPY	100,000 JPY	1,000	No par value*	100.00% (held by BPPR Co., Ltd.)	4 th Floor, Olympia Building, 13-3 Tomizawa-cho, Nihonbashi, Chuo-ku, Tokyo, Japan	81 3 6661 0328
108. Aizu Land Solar GK	Land owner of solar project	100,000 JPY	100,000 JPY	NA	No par value*	100.00% (held by Aura Land Development Pte. Ltd.)	4 th Floor, Olympia Building, 13-3 Tomizawa-cho, Nihonbashi, Chuo-ku, Tokyo, Japan	81 3 6661 0328
United States of America								
109. Banpu North America Corporation	Investment in oil and gas business	40,000,100 USD	40,000,100 USD	40,000,100	1	100.00% (held by BOG Co., Ltd.)	2711 Centerville Road, Suite 400, Wilmington, Delaware 19808	1 302 654 7584
Hong Kong								
110. Akira Energy Ltd.	Investment in renewable energy business	7,000,000 HKD	7,000,000 HKD	7,000,000	1	100.00% (held by Banpu Renewable Energy Co., Ltd.)	9 th Floor, York House, The Landmark, 15 Queen's Road, Central, Hong Kong	852 2522 8101
111. Akira Energy (South) Ltd.	Investment in renewable energy business	500 HKD	500 HKD	500	1	100.00% (held by Akira Energy Ltd.)	9 th Floor, York House, The Landmark, 15 Queen's Road, Central, Hong Kong	852 2522 8101
Associated companies								
Australia								
112. Port Kembla Coal Terminal Ltd.	Shiploading Coal Port	600,000 AUD	600,000 AUD	600,000	1	16.66% (held by Centennial Coal Co., Ltd.)	Port Kembla Road, Inner Harbour, Wollongong NSW 2520, Australia	61 2 4228 0288
Joint Ventures								
Australia								
113. Springvale Coal Sales Pty Ltd.	Coal Marketing	2 AUD	2 AUD	2	1	50.00% (held by Centennial Springvale Holdings Pty Ltd.)	Level 18, BT Tower, 1 Market Street, Sydney NSW 2000, Australia	61 2 9266 2700
China								
114. Shanxi Gaohe Energy Co., Ltd.	Coal mining in China	1,519,860,000 CNY	1,519,860,000 CNY	N/A	N/A	45.00% (held by Asian American Coal, Inc.)	Changzhi County, Changzhi City, Shanxi Province, P.R. China	(8610) 5820 3663
115. Hebi Zhong Tai Mining Co., Ltd	Investment in coal mining	783,330,000 CNY	783,330,000 CNY	N/A	N/A	40.00% (held by Banpu Minerals Co., Ltd.)	No. 98, Hongqi Street, Hebi, Henan Province, P.R. China	(86) 392 291 7401-2
116. Shanxi Lu Guang Power Co., Ltd.	Power generating and sales	1,500,000,000 CNY	690,281,550 CNY	N/A	N/A	30.00% (held by Banpu Power Investment Co., Ltd.)	Songcunxiang, Zhangzi County, Changzhi City, Shanxi Province, P.R. China	(86355) 8580511

* Under Corporate Law

Name	Type of business	Authorized capital	Paid up capital	No. of paid-up capital (shares)	Par value per share	% of holding	Head Office	Telephone
Japan								
117. Hokkaido Solar Estate	Land owner of solar project	10,000,000 JPY	10,000,000 JPY	N/A	No par value*	60.00% (held by Banpu Energy Services (Thailand) Co., Ltd.)	1-1-7 Moto-akasaka, Minato-ku, Tokyo, Japan	81 3 3560 1115
Laos								
118. Hongsa Power Co., Ltd.	Power generating and sales	927,000,000 USD	927,000,000 USD	92,700,000	10	40.00% (held by Banpu Power Public Company Limited)	NNN Building 4 th Floor, Room No.D5 Bourichan Road, Phonsinouane Village, Sisattanak District, Vientiane Capital, Lao PDR	856 (0) 2122 483
119. Phu Fai Mining Co., Ltd.	Mining concession	50,000 USD	50,000 USD	5,000	10	37.50% (held by Banpu Power Public Company Limited)	NNN Building 4 th Floor, Room No.D5 Bourichan Road, Phonsinouane Village, Sisattanak District, Vientiane Capital, Lao PDR	857 (0) 2122 483
Singapore								
120. Aura Land Development Pte. Ltd.	Investment in property for solar energy business	N/A	3,840,989 USD	3,840,988	No par value*	75.00% (held by Banpu Energy Services (Thailand) Co., Ltd.)	8 Marina Boulevard #05-02, Marina Bay Financial Centre, Singapore 018981	65 6338 1888
121. Aizu Energy Pte. Ltd.	Investment in renewable energy business	N/A	17,630,952.87 USD 1,258,473,406.83 JPY	17,630,949 1,258,473,406	No par value*	75.00% (held by Banpu Renewable Energy Co., Ltd.)	8 Marina Boulevard #05-02, Marina Bay Financial Centre, Singapore 018981	65 6338 1888
122. Sunseap Group Pte. Ltd.	Investment in renewable energy business	N/A	6,322,808.83 SGD 120,031,196.95 SGD	995,725 1,056,372	No par value*	28.86% (held by BPIN Investment Co., Ltd.)	18 Boon Lay Way #06-135, Tradehub 21, Singapore 609966	65 6816 1000
Thailand								
123. BPPR Co., Ltd.	Investment in consultancy services to the operator of power generation	100,000 Baht	100,000 Baht	1,000	100	75.00% (held by Banpu Energy Services (Thailand) Co., Ltd.)	1550, Thanapoom Tower, 27 th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400, Thailand	0 2694 6600
124. BLP Power Ltd.	Power generation and sales	12,010,000,000 Baht	12,010,000,000 Baht	120,100,000	100	50.00% (held by Banpu Coal Power Ltd.)	9 I-8 Road, Map Ta Phut Industrial Estate, Muang District, Rayong, Thailand	038 925 100
125. Urban Mobility Tech Co., Ltd.	Electric vehicle business	1,290,320 Baht	1,290,320 Baht	129,032	10	22.50% Preference Shares (held by Banpu Infinergy Co., Ltd.)	256 Soi Soonvijai, Rama IX Road Soi 17, Bangkok, Huaykwang, Bangkok, Thailand	086 887 4796

* Under Corporate Law



Banpu Public Company Limited
27th Floor, Thanapoom Tower,
1550 New Petchburi Road,
Makkasan, Ratchathewi,
Bangkok 10400

Telephone : +66 2694 6600
Facsimile : +66 2207 6095-7
Website : www.banpu.com