

RATCH



RATCHABURI
ELECTRICITY GENERATING
HOLDING PCL.



ANNUAL
REPORT
2016

Strengthening our fundamentals for long-term growth

Expanding Investment in Infrastructure

Increase Productivity

Strengthening Capability

Clean, Safe & Green

RATCH



RATCHABURI
ELECTRICITY GENERATING
HOLDING PCL.

Vision

To be a leading value-oriented integrated energy company in Asia-Pacific

Mission

- To ensure shareholders' value creation by continuously generating superior financial returns
- To achieve world-class operational excellence and project development
- To be socially and environmentally responsible, conducting business in a fair and sustainable manner and complying with all related laws and regulations
- To provide an enjoyable, secure, and motivating work environment
- To support long-term domestic energy security
- To seek new opportunities and alternatives in related business to generate growth and expand business base for shareholders

Goal

To enhance long-term growth of the business within 2023 by

- Increasing capacity to 10,000 megawatts or equivalent
- Maintaining domestic revenue at no less than 60 percent of the total revenue
- Increasing capacity from renewable energy by no less than 20 percent of the Company's total capacity

Business Strategies

- To continuously improve existing projects' potential
- To focus on developing new power plant projects in the region that the Company has already operated in
- To seek partners for expanding investment in new markets
- To add value by expanding investment in related business
- To enhance and develop corporate strength

Core Values

R Reliability

A Accountability

T Trust

C Challenge

H Happiness



“...Let’s talk about electricity and energy. For electricity and energy, electricity needs energy to generate. We need energy to have electricity. This has been done for a long time. When there is energy shortage, people are told to switch off television. Switch off television and light. Then it is said this measure is effective. Switching off television is fine. If oil is used up, we can still use other sources of fuel. There is other fuel but we have to work hard to generate new sources of fuel. Fuel, which we call oil, will be used up in a few years time, or in tens of years...”

H.M. King Bhumibol Adulyadej’s speech given to well-wishers on the occasion of his birthday at Dusidalai Hall, Chitralada Villa, Dusit Palace on Sunday 4 December 2005.
(Unofficial Translation by Ratchaburi Electricity Generating Holding Public Company Limited)

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Definition



Expanding Investment **in Infrastructure**

Making further investment in infrastructure business, adjusting operational direction with the focus on strategy to create sustainable and stable growth by seeking new partners for long-term investment in power and energy related business in neighboring countries and Asia-Pacific countries.



Increase **Productivity**

Follow up on the management in terms of work force and equipments to ensure of continuous improvement, development and maintenance to increase productivity capability with the goal to increase production capacity from renewable energy and clean energy to 20% (20,000 megawatts) of the target production capacity of 10,000 megawatts in 2023.



Strengthening Capability

Enhancing and strengthening the organization's competitiveness together with creating learning opportunities for the staff so that they can study about business development as well as operation and maintenance works in order to prepare their readiness to support the plan to increase production capacity to the 10,000 megawatts or equivalent within 2023.



Clean,

Safe & Green

Operating the business under the strategy to grow sustainably by adhering to the good corporate governance principles as well as moral, ethics, honesty, transparency, responsibilities to the safety of community, society and environment, and treating all stakeholders equally.

Message

from the Chairman



Dear shareholders and stakeholders,

The intense competition in 2016, global economic uncertainty and risks of exchange rate fluctuation and oil price sensitivity that may affect business growths are all great challenges for a business to maintain sustainable growth. The Company has continued our policy to operate business in accordance with the strategic plan focusing on increasing enterprise value and supporting national power security. We have not only directed its efforts to maximize efficiency in asset management and developing new power plants in different regions that is has already been operating but we also sought new partners to increase opportunity to invest in power plants in new markets. In addition, the Company plans to seek opportunities to invest in other related business to drive growth and business expansion in order to create added value to our shareholders.

At present, our electricity generating business continues to enjoy constant growth. The power plants that are operating commercially and generating major income are Ratchaburi Power Plant, Tri Energy Power Plant, Ratchaburi Power's Power Plant, Ratchaburi World SPP Power Plant, Nava Nakorn SPP Power Plant as well as Nam Ngum 2 Hydroelectric Power Plant, and Hongsa Thermal Power Plant in Lao PDR, power plants in Australia and other renewable energy power plants in which we have jointly invested. With the operations of those power plants, the Company's total attribution installed capacity is 6,442 MW and enjoyed the total income of Baht 50,485 million in 2016.

The Company has also accelerated construction projects to ensure that all plants make good progress as scheduled. Projects under development and construction, which have a total attribution installed capacity of 538 MW are, for example, Xe-Pian Xe-Namnoy Hydroelectric Power Plant

in Lao PDR which is scheduled for completion and commercial operation commencement in 2019, the Mount Emerald Wind Farm in Australia with the schedule of completion and commercial operation in 2018 and Berkprai Cogeneration SPP Power Plant.

For new investment projects in 2016, it is noted that the economic growth in the region and the ASEAN Economic Community (AEC) integration have resulted in rising trend in electricity demand. The Company therefore focuses more on risk management when making business decision. In addition to economic situation, currency fluctuation and oil price sensitivity, the Company has added risk assessment for both macro level and project level into the list of factors to be closely monitored. The risk assessment tool at the project level is very crucial to control and limit the degree of risk at the acceptable level. We also consider project stability by focusing on projects with long-term power purchase agreement, which will enhance shareholders' confidence. With both commercially operating and developing power plant projects, the Company's total production capacity as of 31 December 2016 was 6,980 MW.

Considering increasing competition trend in the energy and electricity generating industry, the Company introduced a new policy in 2016 to expand and add value to its investment in infrastructure. The move also supports the government's policy in allowing the private sector to participate in the country's infrastructure development. The Company has partnered with BTS Group Holdings Public Company Limited and Sino-Thai Engineering & Construction Public Company Limited as "BSR Joint Venture" and participated in the bidding of the MRT Pink Line Project (Khao Rai-Min Buri) and the MRT Yellow Line Project (Lat Phrao-Samrong). Both projects are part of the rail system development master plan for Bangkok and suburban areas. The proposals were accepted by

the Mass Rapid Transit Authority of Thailand as the best proposal. Currently, the project is in the negotiation process.

The overall performance in 2016 resulted in satisfactory profitability. This reflects the strength in our investment structure and financial position. The Company and subsidiaries have consolidated income of Baht 51,248 and profit for the year 2016 of Baht 6,166 million, 93.40 per cent increase from the previous year.

The Company has been operating its business by adhering to the good corporate governance principle, moral, ethics, integrity, transparency, responsibilities towards the society and environment and equitable treatment of stakeholders. With this commitment, the Company has participated and certified by the Collective Action Coalition against Corruption Council in 2016. The Company also received important awards from various organizations, including:

1. Sustainability Report Award 2016 by CSR Club under the Thai Listed Company Association for the 4th consecutive year.
2. Investors' Choice Award for the annual general shareholders' meeting assessment, with 100 full score for the 8th consecutive year.
3. Rated "Excellent" for the corporate governance assessment for listed companies in 2016.

In terms of social and environmental responsibility, the Company continued all the projects, including Love Forest and Community Project; Happy Elderly, Healthy Thailand Project; Care@Line Happy Community Network Project, etc. These projects range from energy conservation and resource optimization to promoting community forest as the natural carbon sinks to reduce the impact from the Global Warming, quality of life enhancement for the elderly and awareness raising on health and safety among children.

On behalf of the Company's Board of Directors, the Management and employees, I wish to thank all shareholders and stakeholders for the great supports throughout these years. We are confident that the management under our strategic plan will enable us to grow and become the value-oriented integrated energy company in the Asia Pacific.



(Mr. Sutat Patmasiriwat)
Chairman of the Board of Directors
31 December 2016

Board of Directors' Report on Its Responsibility to Financial Report



The Public Company Act 2535 (B.E.), the Accounting Act 2543 (B.E.), the Securities and Stock Exchange Act 2535 (B.E.) and the Securities and Exchange Commission's Announcement on the Rules, Conditions and Procedure of Financial Information and Company Performance Disclosure require the Board of Directors to prepare financial statements to describe the Company's financial position, operating performance and cash flow in the previous year in an accurate, reasonable and transparent manner for shareholders and investors.

(Mr. Sutat Patmasiriwat)
Chairman of the Board of Directors

The consolidated and separate financial statements as at 31 December 2016 have been audited by the Auditor, KPMG Phoomchai Audit Limited. The Board of Directors provided information and documents to enable the Auditor to examine and express his opinion in conformity with generally accepted auditing standards. His opinion appears in Independent Auditor's Report in this annual report.

In this regard, the Board of Directors has appointed the Audit Committee to review the accounting policies, the quality of the financial statements, the internal control system, and internal audit. The opinions of the Audit Committee also appeared in the Audit Committee's Report in the annual report.

The Board of Directors has provided for and maintained the appropriate and efficient internal control system to reasonably ensure that the financial statements are free from material misstatement, whether due to fraud or error.

The Board of Directors agreed that the overall internal control system in five areas including organizational structure and environment, risk management, control activities, information and communication, and operation monitoring system of the Company was satisfactory and ensured that the consolidated and the separate financial statements for the year ended 31 December 2016 were prepared in conformity with financial reporting standards and in compliance with law and all relevant regulations.

(Mr. Rum Herabat)
Chief Executive Officer

Audit

Committee's Report



The Audit Committee of Ratchaburi Electricity Generating Holding Public Company Limited comprises 3 independent directors, namely (1) Mr. Chavalit Pichalai as the Chairman of the committee, (2) Miss Prapa Puranachote, and (3) Miss Piyathida Praditbatuga as committee members. The three members have been serving the Audit Committee since 2015 and Mrs. Chatsuree Thammakulkrajang, Vice President-Head of Internal Audit Division, serves as the secretary.

All members of the Audit Committee have complete qualifications of Independent Directors and Audit Committee members as stated in the Company's Regulations on the Company's Board of Directors 2015 and the Company's Regulations on Audit Committee 2008. Both of which are compliant with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

In 2016, the Audit Committee convened 7 meetings, including one meeting between the Committee and the auditors without the presence of the Management's representative, and one meeting between the Audit Committee and the Corporate Governance and Social Responsibility Committee (Details on each Committee member's meeting attendance appeared in the Meeting Attendance Table in the Good Corporate Governance Section.) The Management of the Company and its subsidiaries and the auditors participated in the meetings to present information, listen to opinions and suggestions that are useful to the Company's management. The results of each meeting were presented to boards of directors of the Company and its subsidiaries for their acknowledgement.

In 2016, significant activities of the Audit Committee are as follows:

- Reviewing quarterly and annual financial statements of the Company and its subsidiaries prior to presentation to their respective boards of directors.
- Reviewing the sufficiency of internal control system to ensure the Company's effective and efficient operations, enabling the Company to achieve its goals.
- Ensuring that the Company fully conforms to Securities and Exchange Law, rules and regulations of the Stock Exchange of Thailand, and laws related to the Company's business operations.
- Reviewing items that may involve conflict of interest and ensuring that they comply with laws and regulations issued by the Capital Market Supervisory Board and related bodies. Connected transactions or items that may involve conflict of interest were reported to the Audit Committee for approval before it was forwarded to the Board of Directors for consideration. The Company's

Management reported major transactions to the Board on quarterly basis.

- Overseeing the accounting system and financial statements to ensure appropriate internal control system in the entire operation process, covering risks related to corruption and fraud, and ensuring that the control system is completely and efficiently implemented.

- Reviewing information on risk management system based on the report received from the Risk Management Working Team. Significant risks related to the Company's business are reported in this Annual Report.

- Reviewing the internal audit activities by approving annual audit plan to ensure efficiency and effectiveness, approving annual audit plan, acknowledging the audit report, providing opinions on effective internal control to prevent and reduce possible risks, and making recommendations on improvement monitoring in order to secure appropriate and effective internal control activities.

In summary, the Audit Committee considered that the financial statements prepared by the Company and its subsidiaries clearly meet with generally accepted accounting standard, that the information disclosure is sufficient, accurate, complete and reliable, that the internal control is efficient and sufficient to prevent corruption and conflict of in the internal control system was found and no observation or any issue related to fraud and corruption was found. The operations of the Company and its subsidiaries fully comply with the laws regulating the Securities and the Stock Exchange of Thailand, the Stock Exchange of Thailand's regulations or other related laws. This opinion is also consistent with the auditor's assessment.

At the 1/2016 quarterly meeting held on 22 April 2016, the Private Sector Collective Action Coalition Against Corruption Council certified the Company's membership in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). The certification lasts for 3 years starting from the date of certification. As the Chairman of the Audit Committee, I wish to convey my gratitude to the Corporate Government and Social Responsibility Committee for the collaboration in overseeing all activities related to anti-corruption practice and to all executives and employees for cooperation, support and serious practice of anti-corruption policies. This has earned the Company the CAC certification. This underlines everyone's responsibility to fight against fraudulent act and corruption in all forms.

The Audit Committee approved and appointed Mr.Vairoj Jindamaneepitak (Registration No. 3565) or Mr. Charoen Phosamritlert (Registration No. 4068) or Mr. Waiyawat Kosamarnchaiyakij (Registration No. 6333) of KPMG Poomchai Audit Limited as the auditor of the Company and its subsidiaries in 2017. The total audit fee is Baht 2,365,0000 (including out-of-pocket expenses), Baht 850,000 of which is the Company's audit fee. The Audit Committee proposed the matter to the Board of Directors for further consideration by the shareholders at the shareholders' annual general meeting.



(Mr.Chavalit Pichalai)
Chairman of the Audit Committee
31 December 2016

Independent Auditor's Report

To the Shareholders of Ratchaburi Electricity Generating Holding Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries (the "Group") and of Ratchaburi Electricity Generating Holding Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2016, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2016 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

I draw attention to Note 32 to the financial statements, which discloses the fair values of the interest rate swap and cross currency swap contracts of subsidiaries. My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Impairment of goodwill, right to power purchase agreement, property, plant and equipment and development costs particularly the renewable power generation in Australia

Refer to Notes 12, 14 and 16

The key audit matter	How the matter was addressed in the audit
The Group holds significant amounts of goodwill, right to power purchase agreement, property, plant and equipment and development costs on the consolidated statement of financial position. There is a risk that the carrying values of the Group's goodwill, right to power purchase agreement, property, plant and equipment and development costs balances might exceed its recoverable values. I focused on the estimated value in use of the cash generation units "CGUs" of the operation in Australia, which contains a net book value of goodwill of Baht 297.33 million and net book value of right to power purchase agreement, property, plant and equipment and development costs of Baht 15,064.84 million together representing approximately 16% of total assets, because the determination of future cash flows is highly judgmental and subject to material uncertainty.	My audit procedures in this area included, among others: - involving KPMG Sydney to assist in evaluating the appropriateness of discount rates applied, which included comparing the weight average cost of capital with sector averages for the relevant markets in which the Group operate and evaluating the appropriateness of the assumptions applied to key inputs such as contracted revenue, prices, operating costs, inflation rate and long-term growth rates, which included comparing these inputs with externally derived data as well as my knowledge of the client and the industry. In addition, KPMG Sydney performed sensitivity analysis, which included assessing the effect of reasonably possible reductions in growth rates and forecast cash flows to evaluate the impact on the CGUs; - consulting KPMG valuation specialist to assess the appropriateness of discount rates applied; - performing a stress test, through discussion with the managements of the subsidiary company in Australia, the technical feasibility of completing each project and their commercial prospects; - evaluating the adequacy of the financial statement disclosures.

Recognition of deferred tax assets in Australia

Refer to Note 15

The key audit matter	How the matter was addressed in the audit
The Group has significant recognised deferred tax assets in respect of tax losses. This requires management judgement in estimating future taxable income. There is inherent uncertainty involved in forecasting future taxable profits, which determines the extent to which deferred tax assets are or are not recognised. As at 31 December 2016, the book value of deferred tax asset relate to tax losses is of Baht 481.10 million and represents 0.50% of total assets.	My audit procedures in this areas included, among others; - involving KPMG Sydney to assess the recoverability of deferred tax assets; - assessing the reasonableness of forecast future taxable profits using my understanding obtained during my audit, including their consistency with business plans and forecasts used for impairment testing as described in my response to the goodwill key audit matters above; - evaluating the adequacy of the financial statement disclosures.

Valuation of investment in subsidiary in the separate financial statements

Refer to Note 9

The key audit matter	How the matter was addressed in the audit
The Company has an investment in RH International Corporation Limited ("RHIC"), a subsidiary, amounting to Baht 17,650 million which indirectly holds investments in power generation projects in Australia. The recoverability of the investment in RHIC is a key audit matter because the investments in the power generation projects in Australia might be impaired. The determination of the recoverable amount is based on judgement and forecasts of future events which are subject to significant uncertainty. As at 31 December 2016, the book value of the investment in subsidiary in the separate financial statements is of Baht 17,650 million and represents 18% of total assets.	My audit procedures in this areas included, among others; - assessing the Company's process for identifying indicators of impairment; - involving KPMG Singapore to evaluate the appropriateness of key assumptions applied in determining the recoverable value of the investments the power generation in Australia and my knowledge of the industry and my understanding obtained during my audit, including their consistency with business plans and forecasts used for impairment testing as described in my response to the goodwill key audit matters above; - evaluating the adequacy of the financial statement disclosures.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern

and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Waiyawat l.

(Waiyawat Kosamarnchaiyakij)

Certified Public Accountant

Registration No. 6333

KPMG Phoomchai Audit Ltd.

Bangkok

15 February 2017

Financial Overview

Profit and Loss Statement		2016*	2015*	2014*	2013*	2012
Total revenue	Million Baht	51,279.88	59,326.30	58,700.32	51,670.20	59,213.35
Earning before interest, taxes, depreciation and amortization (EBITDA) **	Million Baht	9,323.54	8,644.78	10,175.05	10,351.25	14,320.06
The Company's profit for the year	Million Baht	6,165.72	3,187.87	6,279.03	6,514.12	7,726.27

Statement of Financial Position		2016*	2015*	2014*	2013*	2012
Assets	Million Baht	96,391.09	92,605.05	96,235.04	93,874.50	96,810.76
Liabilities	Million Baht	33,938.32	32,185.21	35,035.64	34,748.03	43,079.11
Shareholders' equity	Million Baht	64,452.77	60,419.84	61,199.40	59,126.47	53,731.65

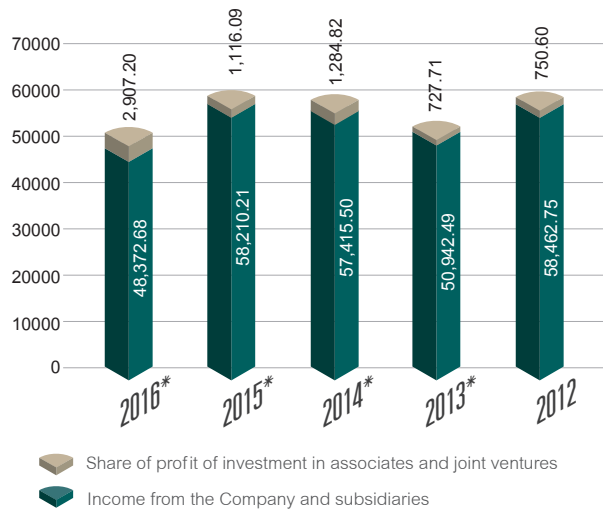
Informaion about ordinary shares		2016*	2015*	2014*	2013*	2012
Book value per share	Baht	42.98	41.51	41.92	40.20	36.53
Earning per share	Baht	4.25	2.20	4.33	4.49	5.33
Paid dividend per share	Baht	2.35 ^{***}	2.27	2.27	2.27	2.27
Dividend payment ratio	%	55.27	103.25	52.42	50.53	42.60
Share price at the end of accounting period	Baht	50.00	47.50	58.75	49.00	59.75

Financial ratios (excluding the effect of exchange rate)		2016*	2015*	2014*	2013*	2012
Liquidity ratio	Time	2.40	2.23	1.96	1.06	1.38
Profit to total revenue (excluding fuel cost)	%	40.85	30.28	36.03	37.11	36.72
Return on equity	%	9.81	7.48	9.96	10.44	13.73
Return on total assets ratio	%	6.26	4.61	6.09	6.09	7.35
EBITDA to total assets ratio	%	9.87	9.16	10.70	10.61	14.75
Total debt to equity ratio	Time	0.54	0.53	0.57	0.59	0.80
Net debt to equity ratio	Time	0.19	0.16	0.13	0.22	0.33

Remark: * 2013-2016 information is prepared according to the Thai Financial Reporting Interpretation Committee standard No. 4 (TFRIC 4)
 ** Exclude the effect of exchange rate and finance lease receivables (Baht 1,592.83 million, Baht 3,815.90 million, Baht 3,552.83 million and Baht 3,313.03 million in 2013, 2014, 2015 and 2016 respectively)
 *** Proposed for shareholders' consideration in the Shareholders' Annual General Meeting Year 2560 (B.E.) on 5 April 2017

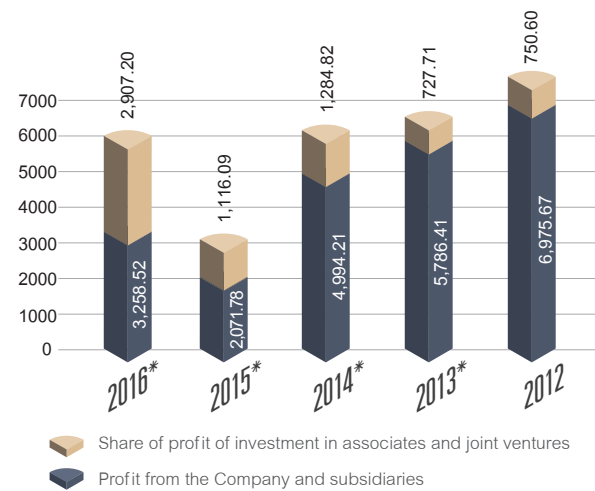
Total Revenue

Million Baht



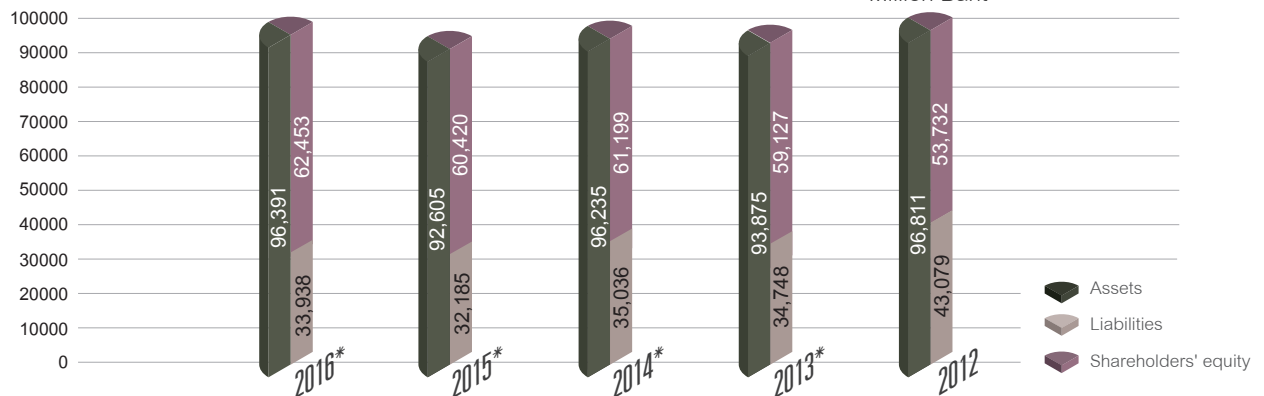
The Company's Profit

Million Baht

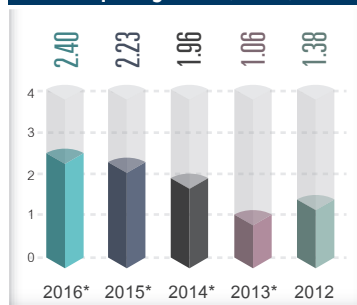


Statement of Financial Position

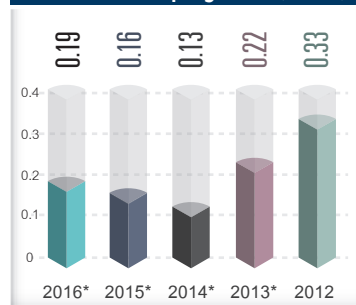
Million Baht



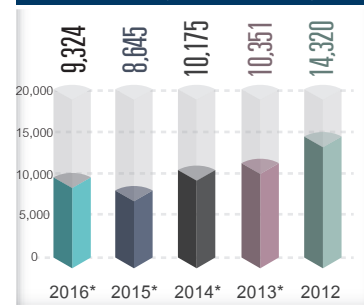
Liquidity Ratio (Times)



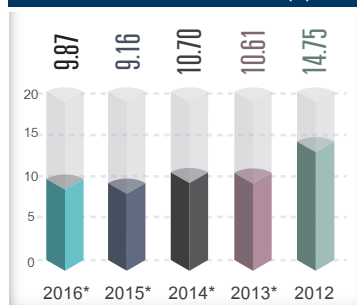
Net Debt to Equity Ratio (Times)



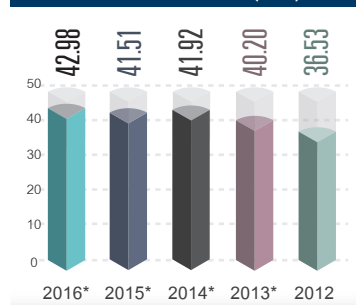
EBITDA (Million Baht)



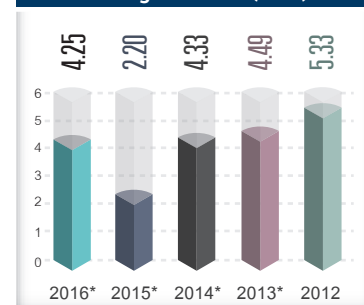
EBITDA to Total Assets Ratio (%)



Book Value Per Share (Baht)



Earning Per Share (Baht)



Remark: * 2013-2016 information is prepared according to the Thai Financial Reporting Interpretation Committee standard No. 4 (TFRIC 4)



Operating Performance and Significant Changes

The year 2016 marked a significant moment for the Company in moving towards greater business diversity to create strong long-term growth. The Company has made investment in new business aside from electricity generation by joining BTS Group Holdings Public Company Limited and Sino-Thai Engineering & Construction Public Company Limited under the name “BSR Joint Venture” for the biddings of the MRT Pink Line Project (Khae Rai - Min Buri) and the MRT Yellow

Line Project (Lat Phrao - Samrong). Both projects were in rail transport master plan for Bangkok and suburban areas. BSR Joint Venture was notified it had made the best proposal for each project and is currently in negotiation process with the Mass Rapid Transit Authority of Thailand. The Company was also successful in the development of Mount Emerald Wind Farm Project, a wind farm in Queensland. This marks a significant start of the Company’s Group’s long-term business base expansion in the Commonwealth of Australia.

Operating Performance Electricity Generating Business

Commercially operating power plants

- **Ratchaburi Power Plant** has successfully managed power plant operations and maintenance business with 93.61 percent availability, 1.0310 times of CAH Index, 1.0054 times of Fuel Ratio, and has continually maintained occupational health, safety and environment standard in accordance with the OHSAS 18001:2007 and ISO 14001:2004 standards.

- **Tri Energy Power Plant** has 73.40 percent availability for the power plant operations and maintenance activity, 6,450 hours of CAH, 2.28 percent of fuel margin and can operate efficiently with 2,000,000 work hours without any accident that causes interruption. The plant also received the Ecomagination Award–Silver Level from GE Global while maintaining the occupational health, safety and environment standard in accordance with the OHSAS 18001, ISO 14001 and ISO 9001 standards.

- **Ratchaburi Power's Power Plant** has 91.77 percent availability, 1.01 times of CAH Index and 1.021 times of fuel ratio. The plant has achieved international standards for electricity generation efficiency and safety.

In 2016, Ratchaburi Power's Power Plant changed all lighting system in its plant from 36W fluorescent tubes to 16W T8 LED tubes, enabling the plant to reduce electricity consumption by over 50 percent. This represents a saving of approximately 300,000 units of electricity per annum. The energy-saving cooling tower fan blade at the generation unit 1 and 2 were installed replacing the old ones, enabling the plant to significantly reduce energy consumption by 25 percent compared with the old ones.



In terms of safety, the power plant has emphasized on occupational safety practice among employees and those working within the area. As a result, the plant has achieved 4.4 million hours of zero accident that causes absenteeism. It also received the Outstanding Corporate Award (Gold Level) which is granted to a company with outstanding practice on occupational health, safety and environment for 1-4 consecutive years from the Department of Labor Welfare and Protection and also received a certification from the Ministry of Labor's Zero Accident Campaign.

- **Nam Ngum 2 Hydroelectric Power Plant** has successfully and smoothly implemented environment and quality of life improvement for relocated villagers in Mueang Fueang Village, Vientiane.

- **Hongsa Thermal Power Plant** has already commenced commercial operation for all 3 units. The first unit began on 2 June 2015, the second unit on 2 November 2015 and the third unit on 2 March 2017. The combined achieved available hours of the three plants were 17,243 hours.

- **RATCH-Australia Power Plant** has negotiated and amended the contract for power plant operations and maintenance service for the thermal and wind power plants. The amendment allows the company to increase contract management efficiency and reduce annual expenses for plant

operations and maintenance by 10 percent. Kemerton Thermal Power Plant has already improved its control system according to the power plant maintenance schedule while Townsville Thermal Power Plant's system improvement is in preparation process.

- **Navanakorn SPP Power Plant** is a small power producer with firm co-generation contract. Commencing operation 3 June 2016, it sells electricity to the EGAT and also sells electricity and steam to industrial plants in Navanakorn Industrial Estate. It has achieved over 97.50 percent availability payment.

- **Songkhla Biomass Power Plant** has been operating and transmitting electricity to the PEA since 9 November 2015. Its equivalent availability factor (EAF) at the end of 2016 was projected to be approximately 86.02 percent and the plant is expected to complete the preparation under ISO 9001 and Carbon Credit standards within the first quarter of 2017.

Projects under construction and development

- **Xe-Pian Xe-Namnoy Hydroelectric Power Plant** is doing construction works including clay core rock-fill dam, reinforced concrete building, concrete weir, earth-fill dam at a valley, water tunnel, power house, a canal to irrigate water from production process back to Xe-Kong River and transmission system and power station. The construction is 65 percent complete, which is ahead of schedule. It is expected to commence commercial operation in 2019.



- **RATCH-Australia Power Plants** In addition to the commercially operating power plants, Mount Emerald Wind Farm Project in Queensland is part of the company's projects. It has already obtained power purchase agreement with Ergon Energy Queensland, the electricity state enterprise of Queensland and has successfully secured loans for project development since 1 November 2016. The construction is in progress and is expected to be completed in 2018. Meanwhile, Collinsville Solar Power Plant Project has already obtained license for project development and AUD 9.50 million funding from Australian government. The power purchase agreement is under negotiation process.

- **RICI Solar Power Plant** Iwaki-Fukushima Project has already signed investment contract, consultancy contract, land purchase contract and FiT and is now seeking financial institution for project funding. The high voltage transmission system has already been completed while power plant construction is under preparation phase. Ueda Project, meanwhile, is waiting for construction permission approval after having filed additional documents to the local government.

- **Berkprai Cogeneration SPP Power Plant** is studying and preparing the Environmental Impact Assessment (EIA) and seeking Engineering Procurement and Construction contractors (EPC) for gas pipeline and the power plant. Meanwhile, the plant is seeking funding for the project.

Related Businesses

The company operates related business through its subsidiaries, associates and joint ventures in order to enhance its capability and drive overall growth of the Company Group. Related businesses are power plant operations and maintenance, gas turbine maintenance service, coal mining and fuel supplies, etc.

In 2016, the Company in cooperation with BTS Group Holdings Public Company Limited and Sino-Thai Engineering & Construction Public Company Limited under the name “BSR Join Venture” participated in the bidding for the construction of the MRT Pink Line Project (Khae Rai–Min Buri) with track length of 34.50 kilometers, and the MRT Yellow Line Project (Lat Phrao - Samrong) with track length of 30.40 kilometers. Both projects are included in the rail transport master plan for Bangkok and suburban areas. The proposals made for two projects were regarded as the best proposal by the Mass Rapid Transit Authority of Thailand. Further negotiation is in place.

Management of the business in which the Company invests or joint ventures

The Company has assigned its directors and executives to sit in the Board of Directors and Management of the companies it has invested in from the development and construction period through to commercial operation period. This is to ensure that the operations of those businesses are in line with the Company's policy and achieve the Company's long-term goals.

Financial management

- The company made additional investment in the EDL-Generation Public Company (“EDL-Gen”) by acquiring 4.51 million shares in February 2016. The ordinary shares have been traded on Lao Securities Exchange since 2010. The Company currently holds stakes through two subsidiaries, RH International (Singapore) Corporation Pte. Limited (“RHIS”) and RATCH-Lao Services Company Limited, with a total shares held of 169.78 million shares or 10.11 percent of the total shares issued.

- The Company invested in Hongsa Power Company Limited through RHIS, a subsidiary. Its investment in the equity is USD 198.40 million while accumulated equity investment is USD 370.80 million. The Company also made equity investment in Xe-Pian Xe-Namnoy Power Company of USD 13.92 million with accumulated equity investment of USD 43.28 million.

- Cash balance management is based on the overall benefits for the Company's Group in terms of savings, loans and liquidity in inter-company loans which is done under consideration and approval from the Board of Directors. The average annual returns for 2016 on short-term and long-term investment are higher than the market reference rate of return.

- The Company has studied the interest rate trend in USD and other related currencies as a part of the preparation for various financial tools, including interest rate swap (“IRS”) and sale back parts of JPY Bond and EMTN issued by RHIS, a subsidiary. This has enabled the Company to manage financial cost and cash balance. Considering the volatile money market situation in 2016 due to Brexit and the US Presidential Election, the Company has to continue closely monitoring the situation in order to take the right action for the best benefits of the Company.

- Credit rating: Standard and Poor's and Moody's Investor Service have maintained the Company rating at BBB+ and Baa1 respectively, which are the same as country's credit rating.



Corporate management

Concrete action against corruption

The Company has been strongly committed to operating its business with transparency and integrity and is against all forms of corruption. In 2016 the Company took concrete action by preparing and implementing the Company Group's Anti-Corruption Policy and guideline, amending the Code of Conduct to cover corporate governance practice and anti-corruption, and improving internal audit system to meet with international standards. As a result, the Company has passed the consideration and certified as the member of the Thailand's Private Sector Collective Action Coalition against Corruption (CAC) by the CAC Council on 22 April 2016. This reflected the Company's compliance to anti-corruption practice and management as stated in CAC standard.

Interested persons may find further detail in the Good Corporate Governance Section No. 3.6 Anti-Corruption Practice.

Knowledge management to promote knowledge-based organization

Realizing the importance of an internal factor on sustainable growth, the Company initiated the knowledge management system in order to create a strong corporate culture as a learning organization. Knowledge management within the organization is an important task under the Company's strategy to maintain and increase corporate competitiveness under its goal of reaching 10,000 MW or equivalent production capacity within 2023.

The Company continued this activity in 2016 for the second consecutive year by collecting information and accumulating knowledge from executives and employees who are about to retire and have the highest experience and expertise in various engineering fields, covering production, plant operation and management, as well as business development and investment. This knowledge sharing was done through discussions with employees responsible for respective topics and those who need to study in detail the particular topic as the audience. Three focus group knowledge sharing session have already been organized, including

- Power plant maintenance
- Business development process, and
- Business development in Lao PDR

All the knowledge and information has been collected and stored in the e-document form on the Company's server. It can be easily and quickly shared with target groups who are interested in this. Close monitoring has been implemented to ensure that the knowledge that the Company has collected will be actually utilized and meet specific needs, which will be useful to employees' knowledge and capability enhancement.

In 2017, the Company plans to further develop new body of knowledge and expand the target audience even further.

Corporate capability management and enhancement to support sustainable growth

The Company understands that enhancing employees' capability is crucial to achieve sustainable corporate growth. It therefore clearly laid out continuous human resource development framework, job rotation and transfer to different fields, talent maintenance and appropriate responsibility and challenging task assignment.

The Company has clear human resource management system, ranging from recruitment, screening, selection, responsibility assignment and employee competency enhancement. In 2016, the Company planned and improved career path to prepare its employees for progress in their career. With clear career path, employees are encouraged to learn and developed themselves. At the same time, technical competency is analyzed and planned in order that the Company can provide the right training that best suit individual employee's skill and capability.

The Company also adopts appraisal tools and system to assess the operation efficiency of its employees at individual and division levels, enabling the Company to maintain talents and better lay out the succession plan. As part of this, a course to enhance executives' skills is offered to prepare them for higher responsibility.

Talent management plan has also been in place. The Company introduced the competent personnel assessment program, using the same criteria as the "RATCH's Leadership Competency (Best Model)" in order to prepare those with high competency to be ready for higher



responsibility, which will effectively maintain highly capable talents with the Company in the long run.

Significant development and progress

The year 2016 marked a significant moment for the Company in moving towards greater business diversity. Significant movements are as follows:

- Adjusting the business goal to achieve long-term growth: The Company plans to increase production capacity to 10,000 MW or equivalent in parallel to maintaining domestic income of no less than 60 percent of the total income and to increase production capacity in renewable energy power plants by no less than 20 percent of the total income in Thailand and abroad. The Company studied and negotiated with business partners so as to expand its investment in non-electricity generating businesses, such as electric train, solar cell production, joint venture in nuclear power plant in China which is a government-to-government project, tap water production in Lao PDR, LNG depot in Myanmar, etc.
- Maximizing existing assets and developing new power plants in the regions the Company is operating. In 2016, the Company successfully developed the Mount Emerald Wind Farm Project, a large wind power project that strengthens power security in Queensland. This marks a beginning of the Company's long-term business expansion in the Commonwealth of Australia.
- Entering into a joint venture with the Chinese government to develop a nuclear power plant. This also allows the Company's employees a great opportunity to learn more about nuclear power technology and to gain extensive experience. It is a significant move to prepare its employees for advancement under the Power Development Plan (PDP 2015) under which nuclear power plant will be explored.
- New markets for new business opportunities: The Company has been expanding its business in the Republic of Philippines, the Republic of Korea (South Korea), the Socialist Republic of Vietnam and the People's Republic of China, etc. It is very important for the Company to enrich its people with new capability and project development in and outside Thailand.



Other significant changes for the year 2016 are as follows:

February 2016

- RHIS acquired 4,514,400 traded shares in EDL-GEN from Lao Securities Exchange at 5,900 kips per share. As a result, the Company's shareholding in EDL-GEN through RHIS and RL has been increased from 9.84 percent to 10.11 percent.

March 2016

- Hongsa Thermal Power Plant began commercial operations for its Power Plant Unit 3 on 2 March 2016. As a result, all three units are commercially operated.
- RH International Corporation Limited (RHIC) increased its registered capital by another Baht 10,650 million by issuing 1,065 million ordinary shares at Baht 10 per share. The Company has paid Baht 10,650 million in accordance with its investment ratio, which increased RHIC registered capital to Baht 17,650 million.

April 2016

- Ratchaburi Energy Company Limited (RE) has sold PTO-A Power Plant and Saothian-A power plants together with their assets, contracts and rights related to electricity generation from natural gas to UAC Energy Company Limited. The total value of the sales is Baht 205 million.
- RL transferred the rights under Nam Ngum 2 Hydroelectric Power Plant's operation and maintenance service agreement with EGAT to Nam Ngum 2 Power Company Limited and received the compensation of Baht 168.92 million.

May 2016

- RE established 3 wholly-owned subsidiaries, namely CN Biomass Company Limited, PB Biomass Company Limited and LP Biomass Company Limited. The objective is to invest in alternative energy power plants. Each of the new subsidiaries

has a registered capital of Baht 20 million, comprising 2 million ordinary shares at Baht 10 each. The total paid-up capital is 25 percent of the share value.

- Mount Emerald Wind Farm Pty, the operator of Mount Emerald Wind Farm in the north of Queensland, Commonwealth of Australia. The project is a 50:50 joint venture between RATCH-Australia Corporation (RAC) and Port Bajool Pty Ltd. The power purchase contract has already been signed with Ergon Energy Queensland, a state enterprise operating electricity business in Queensland, and will last until 31 December 2030.

June 2016

- Navanakorn SPP Power Plant began its commercial operation on 3 June 2016.
- Huay Bong 3 Wind-Turbine power plant temporarily stopped electricity transmission on 19 June 2016 due to fire on power line under the plant's high-voltage power station building. The power plant was not affected or damaged.
- RAC signed an agreement with Port Bajool Pty Ltd. to acquire the remaining 50 percent stake in Mount Emerald Wind Farm Pty at AUD 10 million. The payment was made in 2 installments with the first installment of 25 percent paid in 10 working days after the contract signing and the second installment of 75 percent within 160 days after the contract signing. As a result, RAC holds total stakes in the company.

September 2016

- Berkprai Cogeneration Company Limited raised registered capital by Baht 1,231 million by issuing 123.10 million new ordinary shares at Baht 10 per share and paid up at Baht 2.50 each. The Company's investment in this subsidiary therefore becomes 43.08 million shares or Baht 107.71 million. Berkprai Cogeneration's registered capital was raised to Baht 1,331 million.

November 2016

- Mount Emerald Wind Farm Pty signed a financial contract with 4 financial institutions, namely Australia and New Zealand Bank, National Australia Bank, The Bank of Tokyo Mitsubishi and Societie Generale for AUD 258.30 million or approximately Baht 7,120 million. The funding will be used for developing the AUD 400 million Mount Emerald Wind farm.

- The Company, BTS Group Holdings Public Company Limited and Sino-Thai Engineering & Construction Public Company Limited, as the “BSR Joint Venture”, participated in the Mass Rapid Transit Authority’s bidding for the MRT Pink Line Project (Khae Rai – Min Buri), covering 34.50 kilometres

and the MRT Yellow Line Project (Lat Phrao - Samrong), covering 30.40 kilometres. The project is under the Public-Private Partnership Framework.

December 2016

- The Company was informed in writing from the Mass Rapid Transit Authority that BSR Joint Venture was the best bidder for the MRT Pink Line Project and MRT Yellow Line Project. In the next step, BSR Joint Venture will enter into the negotiation step as required by the Private Investments in State Undertakings Act B.E. 2556 (2013).



Awards and Recognitions for the Year 2016

Ratchaburi Electricity Generating Holding Public Company Limited

- Membership Certification from Thailand's Private Sector Collective Action Coalition Against Corruption Council on 22 April 2016



Membership Certification of Coalition Against Corruption

- Outstanding Sustainability Report Award 2016 from the CSR Club, Thai Listed Companies Association, in cooperation with the Securities and Exchange Commission and Thaipat Institute, for the 4th consecutive year



Outstanding Sustainability Report

- Investors' Choice Award 2016 from the Thai Investors Association as the Company has been receiving 100 full scores in the quality assessment of the annual general shareholder meeting for eight consecutive years (2009-2016)



Investors' Choice Award

- Rated "Excellent" with average score of 93 at the Corporate Governance Report of Thai Listed Companies 2016

- Receiving 100 full scores at the Thai Investors Association's quality assessment of shareholders' annual general meeting arrangement for the 8th consecutive years

Ratchaburi Electricity Generating Company Limited

- Social Responsibility and Sustainability Plant Award 2016 (CSR-DIW Continuous) from the Department of Industrial Works

- Excellence in Labor Relations and Welfare Award for 5 consecutive years (2012 - 2016) in the “small enterprise without labor union” category from Ministry of Labour.

- Drug-Free Organization Certification 2016 from the Ratchaburi Provincial Labor Welfare and Protection Office

- Silver plaque from the zero-accident campaign 2016 from the Ministry of Labour

- Outstanding Corporate in Occupational Safety, Health and Workplace Environment 2016, “the 1-4 consecutive year National Level-Gold award”

- Global Warming Reduction Certification 2016 from the Thailand Greenhouse Gas Management Organization

Ratchaburi Power Company Limited

- Outstanding Corporate in Occupational Safety, Health and Workplace Environment 2016, “the 1-4 consecutive year National Level-Gold award”

- Silver plaque from the zero-accident campaign 2016 from the Ministry of Labour



Silver Plaque : Zero Accident Campaign 2016



Outstanding Corporate



Global Warming Reduction

Human Resources and Remuneration Committee's Report



In 2016, the Human Resources and Remuneration Committee held 8 meetings to perform its duty as specified in the Ratchaburi Electricity Generating Holding Public Company Limited's Regulation on Human Resources and Remuneration Committee 2003. All Committee members attended every meeting. All meetings results were reported to the Board of Directors for acknowledgement and consideration according to the Company's process. Significant matters in focus in the past year were as follows:

1. Nominating and selecting directors replacing those who resign and retire at the end of the terms set by the Company and Company's Group. The Committee also considers and proposes members of committees in accordance with the Company's Regulation on the Board of Directors and corporate governance principle. In doing so, the Committee gives high priority to the composition and proportion of the committees, including diverse set of knowledge, skills and expertise related to the Company's business. This is to ensure that the Company's strategy is effectively and efficiently implemented.

2. Providing recommendation and reviewing human resources management strategy, especially capability and competency development that addresses the Company's growth target and enhances competitive advantages.

3. Considering the appointment of the Company's high level executives and nominating the Company's representatives to be seconded as directors in subsidiaries, associates and joint ventures by considering experience and expertise that would support each business and enable each business to achieve its goal.

4. Reviewing and revising the Company's regulations and order as well as corporate structure to achieve better flexibility and efficiency while enabling the Company to quickly respond to changes and high competition.

5. Reviewing remuneration for directors and high level executives by considering their responsibilities, individual performance and the Company's performance as well as business environment, economic situation and the average rate and practice in the energy sector and companies of the same sizes. The directors' remuneration was proposed for consideration and approval from the Board of Directors and shareholders' annual general meeting respectively.

6. Providing recommendation on remuneration and benefit for executives and employees by considering the Company's performance, individual performance and inflation rate.

The Committee has performed its duty and responsibility as stated in the Company's regulation with honesty, transparency and carefulness. Every member has freedom to express their opinions, consider and make fair decisions for the best benefits of shareholders, stakeholders and the Company.

(Mr. Witoon Kulcharoenwirat)
Chairman of the Human Resources
and Remuneration Committee
31 December 2016



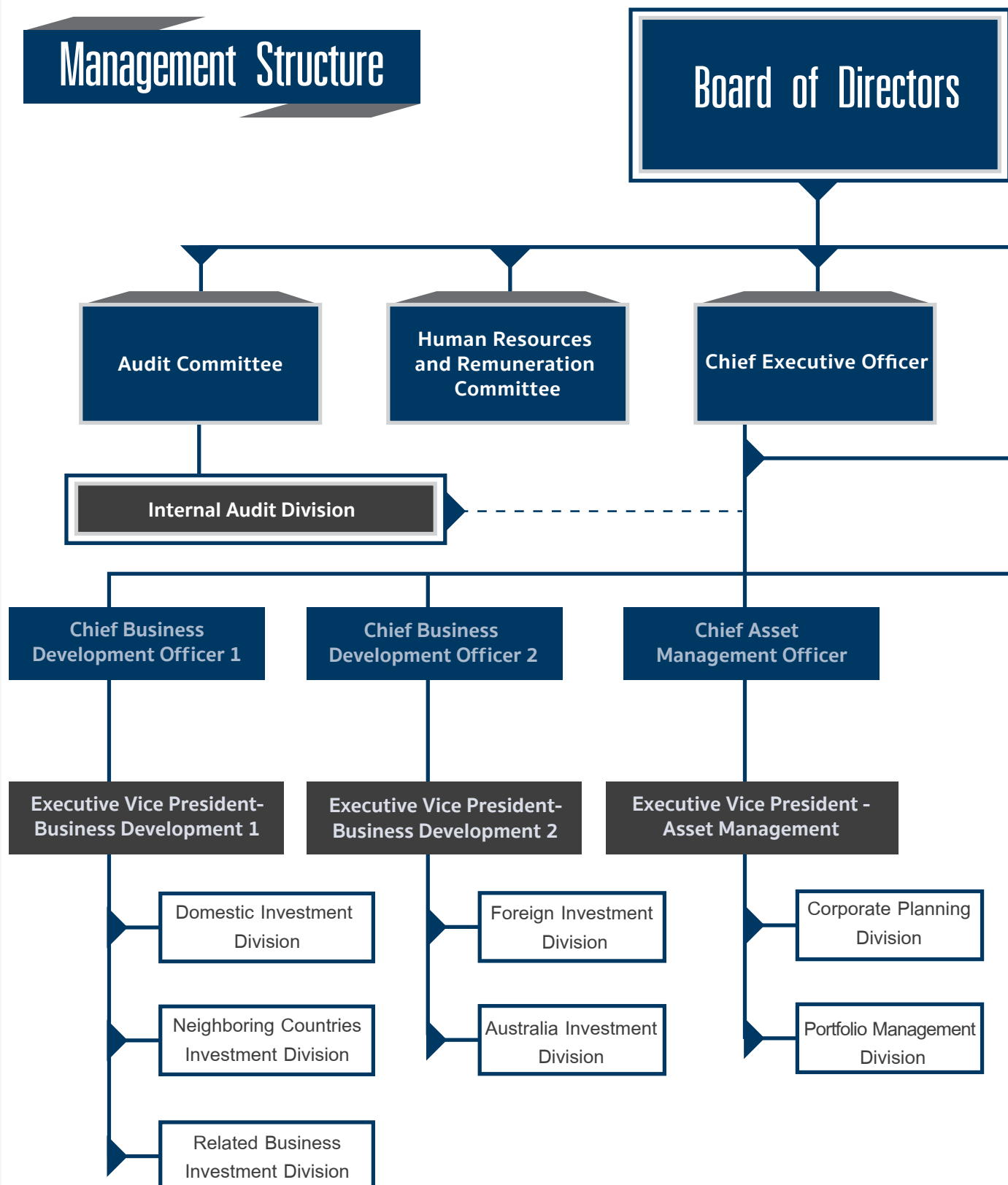


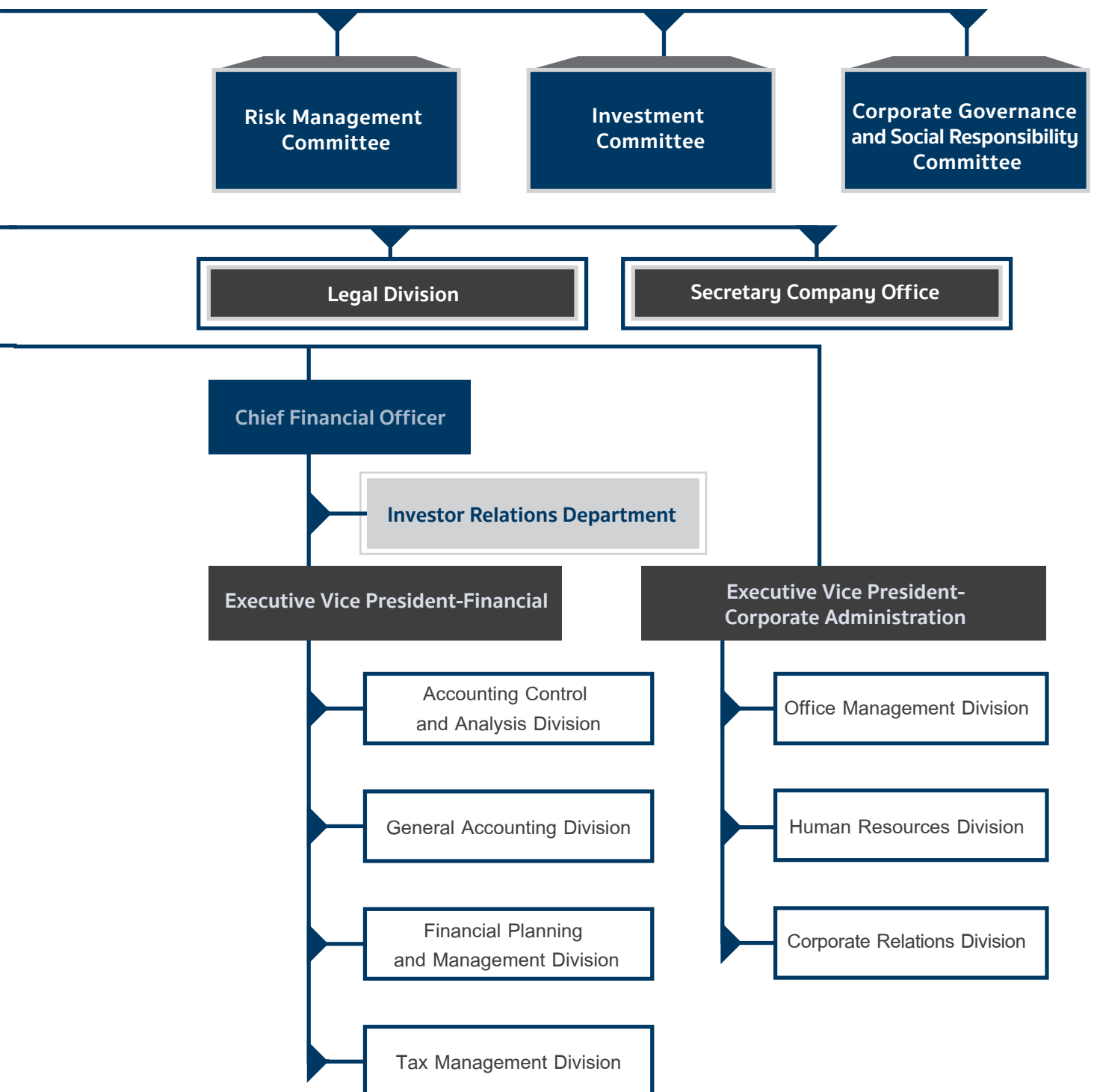
Management Structure

The Company sets management structure in correspondence with its mission and objectives

as well as compliance to the laws, regulations, regulator's guideline, the Company's Articles of Association established by the resolutions of the shareholders' meeting. This is to achieve maximum efficiency and effectiveness to support the Board of Directors in performing its duty in formulating policy, setting business direction, ensuring balance of power, corporate governance, monitoring of the management and performance of executives, providing opinion in depth and width on the issues under consideration that address all factors and ensuring that the implementation of policies corresponds with the related regulations.

Management Structure





Board of Directors



1. Board of Directors

Structure and composition of the Board of Directors and the qualifications of directors and independent directors have been set in correspondence with business activities and objectives of the Company while complying with the related laws, regulations, regulator's guideline and the Company's Articles of Association established by the resolution of the shareholders' meeting and the Company's regulations on the Board of Directors. This is to achieve maximum efficiency, effectiveness and support for the Board of Directors in performing its duty in formulating policy, setting business direction, ensuring balance of power, corporate governance, monitoring of the management and performance of the executives, providing opinions in depth and width on the issues under consideration that addresses all factors and ensuring that the implementation of policies corresponds with the related regulations.

1.1 Composition of the Board of Directors

- Comprising no less than 7 members and no more than 15 members.

- Executive directors shall not exceed one third of the total members.
- Independent Directors shall comprise no less than one third of the total directors and no less than three members.
- No less than half of the directors shall reside within the country.
- Directors shall have **different fields of expertise**, including **engineering, accounting, business administration, economics, laws and political sciences**, etc, **experiences, skills, specializations and age**.
- Each of the directors has not been convicted in a legal proceeding to violation of laws related to assets in a fraudulent action and has no record on involving in activities that may create conflict of interest for the Company.
- The Chairman shall be a non-executive member and not be the same person as the CEO who is the top management of the Company. The Chairman and the CEO were elected from the directors who was elected in the shareholders' or the Board of Directors' meeting.

As of 31 December 2016, the Company's Board of Directors comprised 13 members as (categorized by director type) follows:

Name		Position in the Board of Directors	Term	Starting Date	Position in Committee
1	Mr. Sutat Patmasirawat	Chairman (EGAT's representative) (Authorized person)	2	20/10/2014	• Investment Committee Chairman
2	Mr. Chuan Sirinunporn	Director (EGAT's representative) (Authorized person)	1	19/12/2014	• Corporate Governance and Social Responsibility Committee Chairman • Human Resource and Remuneration Committee Member
3	Mr. Witoon Kulcharoenwirat	Director (EGAT's representative) (Authorized person)	1	20/10/2014	• Human Resources and Remuneration Committee Chairman • Investment Committee Member
4	Mr. Ratanachai Namwong	Director (EGAT's representative) (Authorized person)	1	01/10/2015	• Human Resources and Remuneration Committee Member • Investment Committee Member
5	Mr. Suthon Boonprasong	Director (EGAT's representative) (Authorized person)	2	01/01/2015	• Risk Management Committee Member • Investment Committee Member
6	Mr. Rum Herabat	Director, Secretary to the Board of Director and CEO (EGAT's representative and executive director) (Authorized person)	2	21/10/2013	• None
7	Mr. Chavallit Pichalai	Director (Independent Director)	1	29/03/2014	• Audit Committee Chairman
8	Captain Siridech Julpema	Director (Independent Director)	2	13/02/2012	• Risk Management Committee Chairman
9	Mr. Veerasak Punggrassamee	Director (Independent Director)	1	08/04/2016	• Risk Management Committee Member
10	Mr. Prapon Kitichantaropas	Director (Independent Director)	1	11/04/2015	• Corporate Governance and Social Responsibility Committee Member
11	Mr. Samack Chouvaparnante	Director (Independent Director)	1	11/04/2015	• Risk Management Committee Member
12	Miss Prapa Puranachote	Director (Independent Director)	2	01/02/2015	• Audit Committee Member
13	Miss Piyathida Praditbatuga	Director (Independent Director)	2	27/03/2012	• Audit Committee Member • Corporate Governance and Social Responsibility Committee Member

Note: Policy on Authorized Person Appointment appears in Section 1.7.

Directors' Profiles

Mr. Sutat Patmasiriwat

- Chairman (EGAT's Representative Director)
- Chairman of the Investment Committee

Starting Date of Directorship: 20 Oct 2014

Date of Elected to be Chairman: 21 Dec 2015

Current Position in Office: 2

Age: 63 years

The Company's Securities Holding Proportion: None



Education and Training

- Bachelor of Engineering (Mechanical Engineering), Chulalongkorn University
- Certificate, Advanced Management Program, Harvard Business School, USA
- Certificate, Senior Executive Development Program-2, Foundation for International Human Resource Development
- Certificate, Creating Value Through Product Management and Customer Profitability, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, ASEAN Executive Development Program, Thammasat Business School, Thammasat University

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- 2011-2013 Board of Directors Chairman, EGAT International Company Limited
- 2010-2014 Board of Directors Chairman, Ratchaburi Electricity Generating Company Limited and Ratchaburi Power Company Limited
- 2010-2013 Board of Directors Member, Ratchaburi Electricity Generating Holding Public Company Limited

- 2010-2011 Board of Directors Chairman, EGAT Diamond Service Company Limited
- 2009-2013 Board of Directors Member and Governor, EGAT

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- 2015-Present Director, EGAT⁽¹⁾

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year:

- Connected transactions with EGAT, a major shareholder, as disclosed in this annual report. However, he did not participate in the consideration or the voting for such transactions.

Mr. Chuan Sirinunporn

- Director (EGAT's Representative Director)
- Chairman of the Corporate Governance and Social Responsibility Committee
- Human Resources and Remuneration Committee Member

Starting Date of Directorship: 19 Dec 2014

Current Position in Office: 1

Age: 63 years

The Company's Securities Holding Proportion: None



Education and Training

- Honorary Doctorates Degree, Ubon Ratchathani Rajabhat University
- Honorary Doctorates Degree, Ubon Ratchathani University
- Master Development Administration (Honors), The National Institute of Development Administration
- Bachelor of Arts (Political Science), Chulalongkorn University
- Certificate, Thai Senior Executive Development Program, National Graduate Institute for Policy Studies (GRIPS), Japan
- Certificate, Transformational Executive Leadership, Prince Damrongrajanubhab Institute of Research and Development, Ministry of Interior
- Diploma, The National Defence Course, National Defence College
- Graduate Diploma in Public Law, Thammasat University
- Certificate, Senior Executive Development Program, Institute of Administration Development

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- 2012-2013 Director of General, Department of Provincial Administration
- 2011-2012 Governor of Nakhon Ratchasima Province
- 2010-2011 Governor of Phrae Province

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- 2014-Present Board of Directors Member, EGAT⁽¹⁾

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year:

- Connected transactions with EGAT, a major shareholder, as disclosed in this annual report. However, he did not participate in the consideration or the voting for such transactions.

Mr. Witoon Kulcharoenwirat

- Director (EGAT's Representative Director)
- Chairman of the Human Resources and Remuneration Committee
- Investment Committee Member

Starting Date of Directorship: 20 Oct 2014

Current Position in Office: 1

Age: 58 years

The Company's Securities Holding Proportion: None



Education and Training

- Master of Engineering in Safety Engineering, Kasetsart University
- Master of Engineering in Transportation Engineering, Chulalongkorn University
- Bachelor of Engineering (Civil Engineering), Chiang Mai University
- Diploma, National Defence College Class 52 (2009), National Defence College
- Certificate, The Civil Service Executive Program for Senior Civil Servants, Class 43 (2005), Office of the Civil Service Commission

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- 2003-2014 Member with Specialization in Petroleum Development Projects, Pipeline Transportation of Fuel and Thermal Power Stations, The National Environment Board of Directors
- 2012-2013 Consultant, Disaster Prevention and Mitigation Commission, House of Representatives
- 2003-2013 Committee Member and Assistant Secretariat, Hazardous Substance Control Committee, Ministry of Industry

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- 2016-Present Director EGAT⁽¹⁾
- 2014-Present Director-General, Department of Energy Business, Ministry of Energy

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year:

- Connected transactions with EGAT, a major shareholder, as disclosed in this annual report. However, he did not participate in the consideration or the voting for such transactions.

Mr. Ratanachai Namwong

- Director (EGAT's Representative Director)
- Investment Committee Member
- Human Resources and Remuneration Committee Member

Starting Date of Directorship: 1 Oct 2015

Current Position in Office: 1

Age: 60 years

The Company's Securities Holding Proportion (%):
0.0005 (Own 0.0005)



Education and Training

- Master of Engineering (Nuclear Technology), Chulalongkorn University
- Bachelor of Engineering (Metallurgical Engineering), Chulalongkorn University
- Certificate, Public Law and Management, King Prajadhipok's Institute
- Certificate, Promotion of Peaceful Society, King Prajadhipok's Institute
- Certificate, Senior Executive Development Program-2, Foundation for International Human Resource Development
- Certificate, Masterful Coaching Workshop, Hay Group
- EGAT Newly-Promoted Executive Orientation Program (ENOP)
- EGAT Senior Executive Program (ESEP)
- EGAT Director Development Program (EDDP)
- EGAT's Successor Development Program (ESDP)

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- 2013-2016 Deputy Governor-Power Plant Development, EGAT
- 2010-2013 Assistant Governor-Power Plant Engineering, EGAT

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- Consultant, EGAT⁽¹⁾

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year:

- Connected transactions with EGAT, a major shareholder, as disclosed in this annual report. However, he did not participate in the consideration or the voting for such transactions.

Mr. Suthon Boonprasong

- Director (EGAT's Representative Director)
- Risk Management Committee Member
- Investment Committee Member

Starting Date of Directorship: 1 Jan 2015

Current Position in Office: 2

Age: 59 years

The Company's Securities Holding Proportion: None



Education and Training

- Master of Business Management, Chiang Mai University
- Bachelor of Economics, Sukhothai Thammathirat Open University
- Bachelor of Laws, Ramkhamhaeng University
- Bachelor of Engineering (Electrical Engineering), Chulalongkorn University
- Certificate, Advanced Management Program, Harvard Business School, USA
- Advanced Certificated, Public Economics Management for Executives, King Prajadhipok's Institute
- Certificate, Senior Command Course (Class 27), Institute of Police Administration Development
- Masterful Coaching Workshop, Hay Group
- Financial for Executive Decision Program, Continuing Education Center, Chulalongkorn University
- Coaching for Success
- Leading into the Future Under Strategic Inflection of Change
- Common Strategy for the Asia Pacific Region : Regional Arrangement for the merging Challenges, Thailand National Defence College
- EGAT Newly-Promoted Executive Orientation Program (ENOP)
- EGAT Senior Executive Program (ESEP)
- Incoming Successor Program (ISP)
- Senior Executive Development Program (Class 2), Foundation for International Human Resource Development
- EGAT's Executive Development Program (EEDP)
- EGAT's Director Development Program (EDDP)

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- 2010-2013 Assistant Governor - Transmission System, EGAT
- 2010 Assistant Governor - Corporate Social Affairs and Environment, EGAT

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- 2013-Present Deputy Governor - Transmission System, EGAT⁽¹⁾

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year:

- Connected transactions with EGAT, a major shareholder, as disclosed in this annual report. However, he did not participate in the consideration or the voting for such transactions.

Mr. Rum Herabat

- Director (EGAT's Representative Director and Executive Director)
- Chief Executive Officer
- Secretary to the Board of Directors

Starting Date of Directorship: 21 Oct 2013

Current Position in Office: 2

Age: 60 years

The Company's Securities Holding Proportion (%):
0.0010 (Own and Spouse at 0.0005 each)



Education and Training

- Bachelor of Engineering (Mechanical Engineering), Chulalongkorn University
- Certificate of Advanced Management Program, Harvard Business School, USA
- Certificate of Army War College Regular, Institute of Advanced Military Studies
- Certificate, Energy Literacy for a Sustainable Future TEA Class 6/2015 (TEA 6) (2015), Thailand Energy Academy
- Leading into the Future Under Strategic Inflection of Change
- EGAT Senior Executive Program (ESEP)
- EGAT Director Development Program (EDDP)
- EGAT Newly-Promoted Executive Orientation Program (ENOP)
- EGAT Assistant Director Development Program (EADP)
- EGAT's Executive Development Program (EEDP)

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- 2014-2015 Deputy Governor-Generation, EGAT
- 2013-2014 Deputy Governor-Fuel, EGAT
- 2012-2013 Board of Directors Member, EGAT Diamond Service Company Limited
- 2011 - 2013 Assistant Governor-Operation and Maintenance Business, EGAT
- 2010 - 2011 Director, Civil Maintenance Division, EGAT

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- 2016-Present Board of Directors Chairman, Mount Emerald Wind Farm Pty.⁽²⁾
- 2015-Present Board of Directors Chairman, Ratchaburi Electricity Generating Company Limited⁽²⁾ and RATCH-Australia Corporation Limited⁽²⁾
- 2015-Present Board of Directors Chairman, Hongsa Power Company Limited⁽³⁾ and Phu Fai Mining Company Limited⁽³⁾

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year:

- Connected transactions with EGAT, a major shareholder, as disclosed in this annual report. However, he did not participate in the consideration or the voting for such transactions.

Mr. Chavalit Pichalai

- Director (Independent Director)
- Chairman of the Audit Committee

Starting Date of Directorship: 29 Mar 2014

Current Position in Office: 1

Age: 61 years

The Company's Securities Holding Proportion: None

Education and Training

- Master of Arts (Development Economics), National Institute of Development Administration
- Master of Arts, Public Administration, Carleton University, Canada
- Bachelor of Arts (Economics), Thammasat University
- Certificate, Training Course on Administrative Justice for Executive (AJE) Class 5 (2015) The Administrative Court
- Certificate, Chief Information Officer (CIO), Class 24 (2012), National Electronics and Computer Technology Center (NECTEC)
- The Columbia Senior Executive Program (CSEP 131), Columbia University, USA (2011)
- Diploma, The Joint State-Private Sector Course (2008), National Defence College
- Certificate, The Civil Service Executive Program for Senior Civil Servants (Visionary Leadership, Class 39), Office of the Civil Service Commission

Trainings/seminars

Organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- 2015-2016 Deputy Permanent Secretary, Ministry of Energy
- 2015-2016 Board of Directors Member and Enterprise Risk Management Committee Member, PTT Public Company Limited
- 2013-2016 Member, Sirindhorn International Environmental Park Foundation Committee
- 2014-2015 Board of Directors Member and Risk Management Committee Member, PTT Exploration and Production Public Company Limited



- 2014-2015 Director-General, Energy Policy and Planning Office (EPPO), Ministry of Energy
- 2013-2014 Member, Energy Dictionary (Nuclear) Committee, The Royal Institute of Thailand
- 2012-2014 Inspector General, Ministry of Energy
- 2011-2012 Deputy Director General, Department of Mineral Fuels, Ministry of Energy
- 2006-2011 Deputy Director General, Energy Policy and Planning Office (EPPO), Ministry of Energy

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- 2016-Present Chairman, Energy Fund Administration Institute (Public Organization) (EFAI), Ministry of Energy
- 2014-Present Director of Renewable Energy Auditor, National Research Council of Thailand

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

Captain Siridech Julpema

- Director (Independent Director)
- Chairman of the Risk Management Committee

Starting Date of Directorship: 13 Feb 2012

Current Position in Office: 2

Age: 66 years

The Company's Securities Holding Proportion: None



Education and Training

- Master of Public Administration, National Institute of Development Administration
- International Aviation Management, Training Institute for Aviation Manager at Montreal, Canada
- Bachelor of Science, Electrical, Royal Thai Air Force Academy
- Certificate, Public Director Program, Public Director Institute

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- Audit Committee Chairman, Ratchaburi Electricity Generating Holding Public Company Limited
- Counselor of Deputy Prime Minister
- Sub-Committee Chairman of Monitoring and Evaluating Project
- Board of Directors Member, Metropolitan Electricity Authority (MEA)
- Nonthaburi Flood Disaster Committee Member
- Risk Management Committee Member, MEA
- Policy Plan Committee Member, MEA
- Governor Policy Plan and Performance Appraisal Committee Member, MEA
- Provident Fund Committee Member, Thai Airways International Public Company Limited
- Pilot Training Department Manager, Thai Airways International Public Company Limited

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- Chartered Director (Director-Pool), Thai Institute of Directors
- Simulator Instructor, Bangkok Aviation Center

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

Mr. Veerasak Pungrassamee

- Director (Independent Director)
- Risk Management Committee Member

Starting Date of Directorship: 8 Apr 2016

Current Position in Office: 1

Age: 58 years

The Company's Securities Holding Proportion: None



Education and Training

- Bachelor of Engineering (Mechanical Engineering), Prince of Songkla University
- Advance Certificate, Public Economics Management for Executive Course, Class 9 (KPI 9), King Prajadhipok's Institute
- Diploma, The Joint State-Private Sector Course, Class 24 (2011), National Defence College of Thailand
- Petroleum Engineering and Operation Drilling and Equipment Engineer, Shell Training Center, the Netherlands
- Natural Gas Reservoir Engineer, OGCI, USA
- Petroleum Management, IHRDC, USA
- The Energy executive development program Class 2, Ministry of Energy
- Knowledge of administrative law for Management, Foundation for Research and Development of the Administrative Justice System
- People Participation for Country Development Course, Institute for Good Governance Promotion
- Senior Executive Program Class 4, Office of the Civil Service Commission
- Executive Development Course : Executive Government Class 7, Office of the Civil Service Commission

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- 2014-2015 Deputy Direct-General, Department of Mineral Fuels, Ministry of Energy
- 2014 Director of Mineral Fuels Management Division, Ministry of Energy
- 2009-2014 Director of Petroleum Technology and Operations Supervision Bureau, Ministry of Energy

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- 2015-Present Director-General, Department of Mineral Fuels, Ministry of Energy

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of Interest in the Previous Year: None

Mr. Prapon Kitichantaropas

- Director (Independent Director)
- Corporate Governance and Social Responsibility Committee Member

Starting Date of Directorship: 11 Apr 2015

Current Position in Office: 1

Age: 61 years

The Company's Securities Holding Proportion: None

Education and Training

- Bachelor of Engineering (Civil Engineering), Chiang Mai University
- Certificate, Management for Mid-Level Executives, Class 5, Ministry of Science and Technology
- Certificate, Senior Executives on Energy, Class 1, Ministry of Energy
- Senior Executive Development Program (Visionary Leadership) Class 43, Office of the Civil Service Commission
- Certificate, Senior Change Leader (2010), Department of Alternative Energy Development and Efficiency

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- 2014-2016 Inspector General, Ministry of Energy
- 2014 Deputy Director General, Department of Alternative Energy Development and Efficiency, Ministry of Energy
- 2003-2014 Director Bureau of Solar Energy Development, Department of Alternative Energy Development and Efficiency, Ministry of Energy



Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present: None

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

Mr. Samack Chouvaparnante

- Director (Independent Director)
- Risk Management Committee Member

Starting Date of Directorship: 11 Apr 2015

Current Position in Office: 1

Age: 67 years

The Company's Securities Holding Proportion: None



Education and Training

- Master of Political Science (Politics and Governments), Sukhothai Thammathirat Open University
- Bachelor of Law, Thammasat University
- Certificate, Institute of Legal Education of the Thai Bar

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- 2011 - 2014 Senator, Advisory Chairman, Senate Standing Committee on Justice and Police Affairs
- Executive Committee Member, Thai Bar Association
- Lecturer, Institute of Legal Advocacy Training, Lawyer Council of Thailand and Thammasat University
- Advisor to the Executive Committee, Institute of Legal Advocacy Training, Lawyer Council of Thailand
- Committee Member, Institute of Legal Education Thai Bar Association

Positions in Other Listed Companies at Present:

- Legal Advisor, Burapha Golf Public Company Limited
- Legal Advisor, ANANDA Development Public Company Limited

Positions in Non-listed Organizations at Present:

- President, Thammasat Law Association, Thammasat University
- Lecturer and Executive Committee Member, Institute of Legal Education of Thai Bar Association

- Advisor to the Board of Directors of the Office of the National Broadcasting and Telecommunications Commission (NBTC)
- Legal Advisor to companies and associations namely;
 - Red Bull Beverage Company Limited,
 - T.C. Pharmaceutical Industry Company Limited,
 - Siam Winery Trading Plus Company Limited,
 - Siam Winery Company Limited,
 - Tuscany-Ville Company Limited,
 - Chief Advisor, AIA Company Limited (Thailand),
 - St. Andrews 2000 Company Limited,
 - Toscana Valley Country Club Company Limited,
 - Toscana Valley Company Limited and its subsidiaries,
 - Samack & Associates Counselor Company Limited,
 - Vongsayam Korsang Company Limited.

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of Interest in the Previous Year: None

Ms. Prapa Puranachote

- Director (Independent Director)
- Audit Committee Member

Starting Date of Directorship: 1 Feb 2015

Current Position in Office: 2

Age: 62 years

The Company's Securities Holding Proportion: None



Education and Training

- Master of Business Administration (MBA), National Institute of Development Administration
- Bachelor of Arts, Journalism and Mass Communication Program, Thammasat University
- Advance Certificate, Public Economics Management for Executive Course, Class 7 (KPI 7) King Prajadhipok's Institute
- Certificate, Chief Executive Program, Class 14 (CMA 14), Capital Market Academy
- Certificate, Thammasat Leadership Program (TLP 2), Alumni Relations Office, Thammasat University
- Energy Literacy for the World Program, Class 6 (TEA 6), Thailand Energy Academy

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Working Experiences

- 2004-2011 Senior Executive Vice President and Chief of Provident Fund Division, Krung Thai Asset Management Public Company Limited

Positions in Other Listed Companies at Present

- 2015-Present Director and Executive Director, Padaeng Industry Public Company Limited
- 2011-Present Director, Executive Director, Risk Management Committee Member, Good Corporate Governance Committee Member and President, MFC Asset Management Public Company Limited

Positions in Non-listed Organizations at Present: None

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

Ms. Piyathida Praditbatuga

- Director (Independent Director)
- Audit Committee Member
- Corporate Governance and Social Responsibility Committee Member

Starting Date of Directorship: 27 Mar 2012

Current Position in Office: 2

Age: 46 years

The Company's Securities Holding Proportion: None



Education and Training

- Doctor of Business Administration, University of South Australia, Australia
- Master of Business Administration (International Business), University of Birmingham, United Kingdom
- Postgraduate Diploma in Business Administration, (International Business), University of Birmingham, United Kingdom
- Bachelor of Science (Medical Technology), Chulalongkorn University
- Developing Relationships among Executives' Course (KPI) Class 9, Directorate of Civil Affairs, Royal Thai Army
- Advanced Certificate, Politics and Governance in Democratic Systems for Executive Course (Class 16), King Prajadhipok's Institute
- Certificate, Executive Program on Energy Literacy for a Sustainable Future (TEA), Class 3 (2013), Thailand Energy Academy
- Certificate, Capital Market Academy Executive Program (CMA), Class 18, Capital Market Academy

Trainings/seminars

organized by Thai Institute of Directors (IOD)

- Shown in Good Corporate Governance Section No. 5.8

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- 2015-Present National Reform Steering Assembly (NRSA) Member
- 2008-Present Program Director, M.S. in Management, Program, Graduate School of E-learning Assumption University
- 2007-Present Lecturer, M.S. in Management Program, Graduate School of E-learning Assumption University
- 2007-Present Thesis/Dissertation Defense Committee and Chairperson, M.S. in Management, Program, Graduate School of E-learning Assumption University
- 2007-Present Thesis/Dissertation Adviser, M.Sc. in Management, Program, Graduate School of E-learning Assumption University

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

The information about Directors and controllers of the Company's subsidiaries operating in core business is revealed in the Form 56-1 published on the Company's website and SEC's website.

1.2 Qualifications of Directors

- Age no older than 72 years.
- Have no prohibited qualifications by law, not be a bankrupt person or an incapable or quasi-incompetent person.
- Have not been convicted in a legal proceeding to violation of laws related to assets in a fraudulent action.
- Have never been terminated from a government or private organizations due to malpractice.
- Have never been deprived from being a director, manager, employee or an authorized executive in other organization.
- Not being a politician, a member of the Parliament, Senate, or a member of a local administrative office or administrator.
- Have educational and experience or other qualification as specified by the Company.
- Devote sufficient time and full capability for the best benefits of the Company and have duties to attend regular meetings.
- While in office, **hold directorship in no more than 3 other listed companies.**
- Not manage nor make any arrangement that would conflict with the Company's interest or would provide advantages to other person or entity, and for personal or other person's benefit.

1.3 Independent Directors

The Company gave definition of "Independent Director" in the Company's regulation on the Board of Directors 2559 (B.E.) (the regulation is published on the Company's website). Qualifications of Independent Director can be summarized as follows:

- holding shares not exceeding 0.5 percent of the total number of voting rights of the Company, its subsidiary, affiliate, joint venture, or juristic person

which may have conflicts of interest, including the shares held by related persons of the Independent Director (The criteria about the shares held by the Company's Independent Director is **stricter** than the criteria enforced by the Capital Market Supervisory Board which is not exceeding 1 per cent).

- neither being nor having been an Executive Director, employee, staff or advisor who receives salary, or a controlling person of the Company, its subsidiary, affiliate, joint venture, same-level subsidiary or juristic person who may have conflicts of interest unless the foregoing status has ended not less than two years prior to the date of appointment as the Independent Director.
- not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, of executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the Company or its subsidiary.
- not having a business relationship with the Company, its subsidiary, affiliate, joint venture, or juristic person who may have conflicts of interest, in the manner which may interfere with his independent judgment, and neither being nor having a major shareholder, Non-Independent Director or executive of any person having business relationship with the Company, its subsidiary, affiliate, joint venture, or juristic person who may have conflicts of interest unless the foregoing status has ended not less than two years prior to the date of appointment as the Independent Director.

("Business relationship" includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the applicant or his counterparty being subject to indebtedness payable to the other party in the amount of there per cent or more of the net tangible assets or the applicant or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be

calculated according to the calculation method for value of connected transactions under the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions *mutatis mutandis*. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences)

- neither being nor having been an auditor of the Company, its subsidiary, affiliate, joint venture, or juristic person who may have conflicts of interest, and not being a major shareholder, Non-Independent Director, executive or partner of an audit firm which employs auditors of the Company, its subsidiary, affiliate, joint venture, or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years prior to the date of appointment as the Independent Director.

- neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its subsidiary, affiliate or juristic person who may have conflict of interest, and neither being nor having been a major shareholder, Non-Independent Director, executive or partner of the professional advisor unless the foregoing relationship has ended not less than two years prior to the date of appointment as the Independent Director.

- not being a Director who has been appointed as a representative of the Company's Director, major shareholder or shareholders who are related to the Company's major shareholder.

After having been appointed as Independent Director with qualifications complying with the aforementioned criteria the Independent Director may be assigned by the Board of Directors to take part in the business decision of the Company, its subsidiary, affiliate, same-level subsidiary or juristic person who may have conflicts of interest on the condition that such decision must be a collective one.

As of 31 December 2016, the Company has seven Independent Directors (53.85 per cent) which accounts for more than one third of the total members (13 persons), namely Mr. Chavalit Pichalai, Captain Siridech Julpema, Miss Prapa Puranachote, Miss Piyathida Praditbatuga, Mr. Veerasak Punggrassamee, Mr. Prapon Kitichantaropas, and Mr. Samack Chouvapamante

1.4 Recruitment and Nomination of Directors

The Company has in place clear director recruitment and nomination process. The Human Resources and Remuneration Committee is responsible for selecting, recruiting and screening nominees for the Board of Directors' consideration. The process is conducted in accordance with the pre-set criteria and procedure, considering the **quality, diversity of technical knowledge and expertise, skills and experiences that the Board of Directors needs** and support the corporate mission and goals. The consideration is free of discrimination against gender. The nominated directors shall not have prohibited qualifications by law and related rules and regulations or the corporate governance principle and ability to contribute time to perform duties as a director to support the Board of Directors' ability to efficiently and completely perform its duties according to the structure set by the Company. The Company has prepared Competency Matrix to support the nomination process in order to recruit the directors who can support the Company to achieve its strategic goals. The selected directors will be submitted to the Board of Directors and/or shareholders' meeting for approval. Directors appointment includes two cases as follows:

Case 1 : A director position is vacant due to reasons other than rotation of office. The Board of Directors has the authority to elect any persons to replace the resigned Directors. The Director so appointed shall retain his/her office during such time only as the resigned Director is entitled to retain. Approval of no less than three fourths of the remaining Directors is required for this case.

Case 2 : A Director position is vacant due to rotation of office. The Board of Directors shall propose to the shareholders' annual general meeting for consideration and appointment. Criteria and process are specified in the Company's Articles of Association.

Committed to **equal treatment of shareholders**, the Board of Directors **encourages minority shareholders to nominate a person with proper qualifications to be elected as directors** for the Board to consider and propose to in the shareholders' annual general meeting. This practice has been implemented since 2008 Details are specified in Good Corporate Governance section.

1.5 Terms of Directors

- At every shareholders' annual general meeting, one-third of the Directors shall retire from office.
- Directors with the longest stay in office shall retire.
- A retiring Director by a rotation of office may be re-elected.
- In case any Director resigns by reasons other than a rotation of office, the Board of Directors shall elect any person to replace the resigned Director and the Director so appointed shall retain his/her office during such time only as the resigned Director is entitled to retain
- Directors shall have all required qualifications and no prohibited qualities by laws.
- **Directors and Independent Directors shall remain in their offices for no more than 6 consecutive years.**
- Resignation of director becomes effective when the Company receives the resignation letter.
- The CEO's directorship term ends at the end of the next shareholders' annual general meeting after he/she turns 60 years old or leaves the position as CEO.

1.6 Directors' Authority and Duties

Being shareholders' representatives, the Board of Directors has a duty to ensure that all the Company's businesses strictly comply with the policies under legal framework, objectives, regulations



and resolution of the shareholders' meeting. The Board of Directors is authorized to take action as stated in the Memorandum of Association and has roles, duties and responsibilities to manage the Company with integrity and avoid conflict of interest to protect the organization's benefits rather than any particular shareholder or group. The Board of Directors' duties and responsibilities are as follows:

- Formulating strategies, business plan and budget policy.
- Monitoring and following-up the Management's activities and checking against the target or forecast, at least every quarter.
- Managing human resources, including appointing and/or removing Director or high level executives and appraising performance against the earlier agreed target which is linked with remuneration.
- Being responsible for the completion of activities in compliance with rules and regulations, business ethics and the corporate governance principles, with focus on effective and sufficient internal control and monitoring problems and conflict of interests, especially those related to anti-corruption issues.
- Communicating with the stakeholders and the public by providing effective and appropriate communication channels.
- Establishing and setting roles and responsibilities of committees.
- Appraising performance of the Board of Directors, which requires self-appraisal on yearly basis.

The Company publishes the duty and responsibilities of the Board of Directors in the Company's website under the Company's Regulations related to Board of Directors.

1.7 Authorized Directors

The Company's Signatory according to the Company's policy are

- Chairman of the Board of Directors or Chief Executive Officer, with signature and the Company's Seal; or
- Two other directors, except Independent Directors, with joint signatures and the Company's Seal.

This is to provide practical flexibility and independence of independent directors. Investors can study details from the Company's Affidavit registered with the Department of Business Development, Ministry of Commerce, as published on the Company's website.

1.8 Committees: 5 committees are:

1) Audit Committee

The Audit Committee is appointed by the Company's Board of Directors and its term is three years. The committee members have the required knowledge, experience and qualifications as designated by SEC and SET. As of 31 December 2016, the Audit Committee comprises Mr. Chavalit Pichalai, Audit Committee Chairman; and Miss Prapa Puranachote and Miss Piyathida Praditbatuga, Audit Committee Members. The three members are Independent Directors who have the knowledge and ability in auditing the Company's operations and financial statements. Mrs. Chatsuree Thammakulkrajang, Vice Present - Head of the Internal Audit Division, serves as the committee's secretary.

The Audit Committee's Duties and Responsibilities:

- Reviewing and ensuring that the Company has accurate and adequate financial reports.
- Reviewing and making sure the Company has an appropriate and effective internal control and risk management system.

- Reviewing and ensuring that the Company complies with laws on securities and exchange, SET's rules and regulations and other laws relating to the Company's business.

- Selecting and nominating independent persons to be the auditors of the Company and recommending the auditor's fee, and attending at least one meeting per year with the auditors without presence of the Management

- Reviewing connected transaction or items that may have conflict of interest based on existing laws and the SET's rules and regulations.

- Preparing the Audit Committee's report and opinion to be published in the annual report.

- Reviewing the Internal Audit Division's performance in terms of scope of responsibility, annual audit plan, budget, appointment, transfer and terminate of the Vice President - Head of Internal Audit Division and considering and reviewing **the independence of the Internal Audit Division.**

- Reviewing the audit criteria and process to ensure that they always comply with current business environment and summarizing and reporting the Audit Committee's tasks and movement to the Board of Directors; reporting issues discovered or in doubt, which may have significant impact on the Company's financial status or operating performance, to the Board of Directors in order to correct it within the time frame agreed by the Audit Committee.

More information is published on the Company's website under the Company's Regulation on the Audit Committee.

2) Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee is appointed by the Board of Directors and its term is three years. As of 31 December 2016, the committee members are Mr. Witoon Kulcharoenwirat, Human Resources and Remuneration Committee Chairman; Mr. Chuan Sirinunporn and Mr. Ratanachai Namwong, Human Resources and Remuneration Committee

Members. Mr. Prayut Thongsuwan, Executive Vice President – Corporate Administration, serves as the committee’s secretary.

The Human Resources and Remuneration Committee’s Duties and Responsibilities:

- Management of human resources and remuneration of the Board of Directors, committees and top executives of the Company’s Group. Formulating visions and strategies on human resources management and development plan of the Company’s Group.

- Reviewing and ensuring that the Board of Directors of the Company’s Group has appropriate size and good components responsively to the changing environment.

- Formulating appropriate policy, criteria and procedure in nominating, selecting, removing or terminating Directors and senior executives for the Board of Directors’ approval to ensure the Company’s Group has the executive and management team with required qualifications, knowledge, capability and experience to run the group of the Company’s business successfully and effectively.

- Selecting and nominating persons with required qualifications to be the directors and top executives of the Company’s Group.

- Preparing succession plan for key executive posts, formulating remuneration policy and strategy, including other employee’s benefit, to be presented to the Board of Directors for approval. The criteria is clear, transparent and correspondent to the duty and responsibility as well as performance of the Directors in order to attract and maintain the highly capable persons with desired qualifications.

- Formulating effective guidelines, criteria, procedures and process for assessing the performance of the Board of Directors and top executives of the Company against the target mutually agreed in advance each year. These targets shall be relevant to the Company’s business

plan and set up in order to review the Management’s annual remunerations by taking duties, responsibilities, related risks and long term values to shareholders into consideration.

- Ensuring that policy related to remuneration as well as amount of remunerations for the Board of Directors and top executives are disclosed in the Company’s annual report.

The Company publishes the duty and responsibilities of the Human Resources and Remuneration Committee in the Company’s regulation on the Human Resources Management and Remuneration Committee and on the Company’s website.

3) Risk Management Committee

The Risk Management Committee is appointed by the Board of Directors and its term is three years. As of 31 December 2016, its members included Captain Siridetch Julpema, Risk Management Committee Chairman; Mr. Samack Chouvaparnante, Mr. Veerasak Punggrassamee and Mr. Suthon Boonprasong, Risk Management Committee Members. Mr. Suteep Thammarugee, Senior Vice President - Head of Corporate Planning Division serves as the committee’s secretary.

The Risk Management Committee’s Duties and Responsibilities:

- Reviewing the Company’s risk management policy and framework and proposing to the Board of Director for approval.

- Formulating risk management strategies and framework in compliance with the Company’s risk management policy. The Committee shall assess, monitor and control the impact of risk at the appropriate level.

- Monitoring and ensuring that risk management activities are in line with the Company’s policy and framework approved by the Board of Directors.

- Setting risk assessment criteria, risk appetite ceiling and measures to manage risks

in accordance with the environment and situation, reviewing the sufficiency and effectiveness of risk management policy and system; and reporting regularly to the Board of Directors about the management, operations, risk status, changes and areas of improvement to keep risk management in line with the Company's policy and strategy.

The scope of responsibilities of the Risk Management Committee is included in the Company's regulation on the Risk Management Committee and published on the Company's website.

Risk Management Working Team

"Risk Management Working Team" was appointed by the Risk Management Committee. Chief Asset Management Officer is the Working Team Chairman while executives from all functions are members and the Assistant Vice President - Corporate Planning Division serves as the secretary. The Working Team is mainly responsible for identifying nature of risks and risk factors, studying and analyzing internal and external factors that may affect the Company's operations, monitoring and studying risk management activities are in line with the guideline approved by the Risk Management Committee; and preparing the report on the Company's risk management for the Board of Directors' acknowledgement every quarter.

Strategic Plan Management Team

"Strategic Plan Management Team" is appointed by the Chief Executive Officer. It comprises the Chief Officers of all functions and Executive Vice President - Corporate Administration as members. Chief Executive Officer acts as the chairman while the Senior Vice President-Head of Corporate Planning Division is the secretary. The Strategic Plan Management Team is responsible for screening policy and strategic plan management to ensure that they correspond to the Company's goal and address current situation, formulating

strategies, reviewing the sufficiency of policy and strategic plan management system to ensure the system effectiveness and effective implementation, appointing the Strategic Plan Working Team, supervising and monitoring the implementation of strategic plan policy, and reviewing the analysis and assessment of the strategic plan proposed by the Strategic Plan Working Team.

Strategic Plan Working Team

The Strategic Plan Working Team comprises executives from all functions as assigned by the Chief Officer of each functions and Executive Vice President-Corporate Administration as members. Chief Asset Management Officer serves as the chairman and the Assistant Vice President -Corporate Planning Division serves as the secretary. It is responsible for following up, collecting and analyzing information on each project to assess strategic plans and report to the Strategic Plan Management Team on quarterly basis.

4) Investment Committee

Investment Committee is appointed by the Board of Directors and the term is three years. As of 31 December 2016, the Investment Committee consists of Mr. Sutat Patmasirawat, Investment Committee Chairman; Mr. Ratanachai Namwong, Mr. Suthon Boonprasong and Mr. Witoon Kulcharoenwirat, Investment Committee Member while Mr. Peerawat Pumthong, Chief Business Development Officer 1, serves as the Committee's secretary.

The Investment Committee's Duties and Responsibilities:

- Determining strategic plan, goal, investment plan, investment budget, optimum investment return and other benefits from project investment to increase the Company's power generating capacity and growth.
- Carefully reviewing and scrutinizing project investment proposed by the Management to ensure that it is consistent with the Company's

policy and target stated in its investment plan with the consideration on cost-effective investment return and on management of other risk factors at acceptable level.

- Monitoring, following up and evaluating the approved investment project and report to the Board of Directors.

The scope of responsibilities of the Investment Committee is included in the Company's regulation on the Investment Committee and published on the Company's website.

5) Corporate Governance and Social Responsibility Committee

The Corporate Governance and Social Responsibility Committee is appointed by the Board of Directors and its term is three years. As of 31 December 2016, the Corporate Governance and Social Responsibility Committee comprises Mr. Chuan Sirinunporn, Corporate Governance and Social Responsibility Committee Chairman; Miss Piyathida Praditbatuga and Mr. Prapon Kitichantaropas, Corporate Governance and Social Responsibility Committee Member. Mrs. Boontiva Dansamasatid, Executive Vice President serves as the committee's secretary.

The Corporate Governance and Social Responsibility Committee's Duties and Responsibilities

- Considering policies, strategies, goal, guidelines and plan regarding the Company's corporate governance and social responsibility.
- Encouraging the Board of Directors, executives and employees to participate in corporate governance and social responsibility activities.
- Monitoring that policies and regulations related to corporate governance and social responsibilities are practiced.
- Reporting all corporate governance and social responsibilities tasks to the Board of Directors.

- Reviewing and revising policies and guidelines on corporate and social responsibilities if needed by comparing with leading companies, and propose to the Board of Directors for consideration to ensure that the policies and guidelines are up to date.

The scope of responsibilities of the Corporate Governance and Social Responsibility Committee is included in the Company's regulation on the Investment Committee and published on the Company's website.

Changes in the Board of Directors and Committees in 2016

19 January 2016

- Mr. Sutat Patmasiriwat vacated the position as the Chairman of the Human Resources and Remuneration Committee and was appointed the Chairman of the Investment Committee.
- Mr. Witoon Kulcharoenwirat was appointed the Chairman of the Human Resources and Remuneration Committee and Investment Committee Member.
- Mr. Ratanachai Namwong was appointed Human Resources and Remuneration Committee Member.
- Mr. Suthon Boonprasong was appointed Investment Committee Member.

8 April 2016

- Mr. Veerasak Pungrassamee was elected as an Independent Director.
- Mr. Tharapong Vitidsant vacated the position as an Independent Director and Risk Management Committee Member at the end of the term.
- Miss Rattana Tripipatkul vacated the position as an Independent Director and Human Resources and Remuneration Committee Member at the end of the term.

26 April 2016

- Mr. Chuan Sirinunporn was appointed Human Resources and Remuneration Committee Member.
- Mr. Veerasak Pungrassamee was appointed Risk Management Committee Member.

1.9 The Board of Directors and Committees' Meetings in 2016

No.	Board/Committee	No. of meetings	Meetings without presence of executive directors and the management (No. of meetings)	Meetings with auditors without presence of the management (No. of meetings)
1	Board of Directors	13	1*	-
2	Committees :			
	Audit Committee	7	-	1*
	Human Resources and Remuneration Committee	8	-	-
	Risk Management Committee	4	-	-
	Investment Committee	5	-	-
	Corporate Governance and Social Responsibility Committee	1	-	-

Remarks * is one of the number of meetings of the Board of Directors or the Audit Committee.

Board of Directors and Committees' Meeting Attendance in 2016

	Names		Board of Directors	Human Resources and Remuneration Committee	Audit Committee	Risk Management Committee	Investment Committee	Corporate Governance and Social Responsibility Committee
1	Mr. Sutat	Patmasiriwat	13/13	1/1	-	-	5/5	-
2	Mr. Chavalit	Pichalai	13/13	-	7/7	-	-	-
3	Captain Siridech	Julpema	13/13	-	-	4/4	-	-
4	Mr. Chuan	Sirinunporn	12/13	5/5	-	-	-	1/1
5	Mr. Witton	Kulcharoenwirat	12/13	8/8	-	-	5/5	-
6	Miss Prapa	Puranachote	12/13	-	6/7	-	-	-
7	Miss Piyathida	Praditbatuga	12/13	-	7/7	-	-	1/1
8	Mr. Ratanachai	Namwong	13/13	7/7	-	-	5/5	-
9	Mr. Prapon	Kitichantaropas	13/13	-	-	-	-	1/1
10	Mr. Veerasak	Pungrassamee	8/10	-	-	3/3	-	-
11	Mr. Samack	Chouvaparnante	13/13	-	-	4/4	-	-
12	Mr. Suthon	Boonprasong	12/13	-	-	4/4	5/5	-
13	Mr. Rum	Herabat	13/13	-	-	-	-	-
14	Miss Rattana	Tripipatkul	3/3	2/2	-	-	-	-
15	Mr. Tharapong	Vitidsant	3/3	-	-	1/1	-	-

Remarks (1) The number before / shows the number of meetings the director attended
(2) The number after / shows the total meetings held while the director is in office

Directors have duty to attend every meeting except when it is unavoidable for leave of absence. In case a director cannot attend the meeting, he/she may provide opinion on any matter in the meeting agenda which are distributed in advance.

1.10 Secretary to the Board of Directors and the Company Secretary

Secretary to the Board of Directors: The Board of Directors appointed Chief Executive Officer as its Secretary. The Board of Directors Secretariat Department under the Company Secretary Office, is responsible for arranging meetings, administration and coordination for the Board of Directors.

Company Secretary

The Board of Directors appointed “Company Secretary” with responsibilities as specified by the Securities and Exchange Act, which include providing initial advice on related laws and regulations, arranging the meetings of the Board of Directors, committees and the general shareholders’ meetings; handling secretariat works for the Board of Directors and facilitating the Board of Directors’ activities; ensuring that the Board of Directors’ resolutions are strictly executed; handling activities related to shareholders’ rights and proper disclosure of information as regulated by related organizations, preparing the annual report (Form 56-2) as well as preparing and keeping significant document, including meeting invitations and Board of Directors’ meeting minutes, meeting invitation and minutes of the shareholders’ meeting, annual report, directors record and conflict of interest of directors and executives. These responsibilities will ensure that Company’s operations comply well with the good corporate governance of listed companies under the Board of Directors’ responsibility topic, related laws, rules and

regulations, Company’s regulations, policies, and rules and regulations specified by the regulators and concerned organizations and the Securities and Exchange Act

The Company Secretary also plays an important role in promoting good corporate governance by supporting Directors and Chief Executive Officer in performing their duties, as well as ensuring compliance with good corporate governance policy through implementation by the Company’s compliance units, namely the Compliance Department under the Company Secretary Office.

Company Secretary’s Profile



Mr. Sommai Poosanachakorn

- Senior Vice President – Head of Company Secretary Office
- Company Secretary (2015 – Present)

Starting Date

: Senior Vice President – Head of Company Secretary Office: 1 Sep 2015

: Company Secretary: 19 Jan 2016

Age: 52 Years

The Company’s Securities Holding Proportion :None

Education and Trainings

- Master of Public and Private Management, The National Institute of Development Administration
- Bachelor of Accounting, Thammasat University
- Certificate, Chief Financial Officer, Federation of Accounting Professions
- Certificate, Senior Executive Program, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, Leadership Assessment & Development Program (2013)
- Certificate, Leading with the Speed of Trust (2013)

Working Experiences

- 2014-2015 Senior Vice President - Head of Accounting Control and Analysis Division, Ratchaburi Electricity Generating Holding PCL
- 2014 Vice President - Head of Accounting Control and Analysis Division, Ratchaburi Electricity Generating Holding PCL
- 2007-2014 Vice President - Head of Accounting Division, Ratchaburi Electricity Generating Holding PCL
- 2011-2012 Deputy Managing Director, Solarta Company Limited
- 2004-2012 Board of Directors Member, RH International (Mauritius) Corporation Limited and RH International (Singapore) Corporation Pte. Limited
- 2009-2012 Board of Directors Member, RH International Corporation Limited

Positions in Other Listed Companies at Present : None

Position in Non-listed Organizations at Present:

- Board of Directors Member, RATCH China Power Limited

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives :None

Participation in Managing Business Relationship/ Providing Professional Service to the Company's Group in the Previous Year : None

Issues that May Cause Conflict of interest in the Previous Year : None

1.11 Head of Internal Audit

In ensuring that the Company and its subsidiaries' operations are in line with policy, plans, rules and regulations, related laws, and corporate governance principle, the Board of Directors appointed the Vice President-Head of Internal Audit Division to be responsible for reviewing, evaluating the sufficiency and efficiency of internal control and risk management of the company and its subsidiaries. The **Audit Committee** is responsible for **approving the appointment, transfer and performance appraisal of the Vice President - Head of Internal Audit Division.**

At the meeting No. 6/2014 held on 6 December 2014, the Audit Committee resolved to appoint Mrs. Chatsuree Thammakulkrajang as the Vice President - Head of Internal Audit Division, effective from 1 January 2015, considering her good knowledge and understanding of the Company's business operations, capability and experience in reviewing accounting and finance activities, risk management at both corporate and industry level.

The Audit Committee appraised the 2016 performance of the Vice President-Head of Internal Audit Division especially in terms of knowledge and ability to supervise and manage internal audit activities as well as understanding of the role and responsibility of the Secretary to the Audit Committee. The appraisal result score was 95.33 (against 100 full score) or excellent. The appraisal result will be used

to support the annual performance, capability and competency appraisal which will affect the salary increase, bonus and training plan to enhance skills and knowledge.

Head of Internal Audit's Profile



Mrs. Chatsuree Thammakulkrajang

• Vice President – Head of Internal Audit Division (2015-2016)

Starting Date

: Acting Vice President - Head of Internal Audit Division: 1 Jan 2015

: Vice President – Head of Internal Audit Division: 1 Oct 2015

Age: 50 Years

The Company's Securities Holding Proportion :None

Education and Trainings

- Bachelor of Science, Accounting (2nd Class Honor), Kasetsart University
- Certificate, Board Reporting Program (BRP 20/2016), Thai Institute of Directors
- Certificate, Effective Minute Taking (EMT 36/2016), Thai Institute of Directors
- Certificate, Company Secretary Program (CSP 72/2016), Thai Institute of Directors
- Anti-Corruption: The Practical Guide (ACPG 18/2015), Thai Institute of Directors

- Certificate, IT Risk and IT Governance, Federation of Accounting Professions
- Certificate, Working Paper for Anti-Corruption, Federation of Accounting Professions
- Certificate, Financial Risk, Management & Psychology Institute
- Certificate, Chief Financial Officer, Federation of Accounting Professions
- Certificate, Pre Certified Internal Audit, Chulalongkorn University
- Certificate, Mini MBA, Class 64, Thammasat University

Working Experiences

- 2014 Senior Assistant Vice President, Internal Audit Division, Ratchaburi Electricity Generating Holding PCL.
- 2014 Senior Manager, acting Director Finance & Accounting, Tri Energy Company Limited
- 2011–2013 Manager, Acting Director Finance & Accounting, Tri Energy Company Limited
- 2009-2011 Assistant Vice President, Internal Audit Division, Ratchaburi Electricity Generating Holding PCL.

Positions in Other Listed Companies at Present : None

Position in Non-listed Organizations at Present: None

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/ Providing Professional Service to the Company's Group in the Previous Year : None

Issues that May Cause Conflict of interest in the Previous Year : None

1.12 Head of Compliance Unit

(Disclosed in Company Secretary Section)

Management



2. Management

The Board of Directors has clearly specified scope of responsibilities of Directors and the Management, which are clearly separated from each other. The scope of responsibilities as follows:

- The Board of Directors is responsible for policy formulation and monitoring of the implementation by the Management. (Details are disclosed in Management Structure Section.)
- The Management is responsible for implementing policy and reporting the results to the Board of Directors.

Chief Executive Officer **is the top executive in the Management** and is authorized to manage daily operations of the Company as follows:

- Governing employees and staff members;
- Managing, hiring, appointing, punishing and terminating employees and staff members; considering promotion or adjusting salary of employees and staff members, excluding top-level executives who are Executive Vice President and upper levels, which are the responsibilities of the Board of Directors;
- Issuing management process or other operations of the Company that do not conflict with the Company's regulations and the Board of Directors' resolution;
- Deciding on the scope of work and work conditions for employees to strictly follow.

Signatory authority

In terms of external affairs, the Chief Executive Officer is authorized to act as a signatory **except** in any matters that the Chief Executive Officer or persons who have relationship with him may have conflict of interests. Such action can be taken only when approved by the Board of Directors with the presence of Independent Directors. In such case, the Chief Executive Officer may authorize any other person to act on his/her behalf, except for any matter that may hold the Company's liable as a borrower, buyer or hirer engaged in more than Baht 30 million.

For any contract that is wrongfully made by the Chief Executive Officer which breaches the resolution of the Board of Directors, the Company will not be held liable, except in case of ratification by the Board of Directors.

In case the Chief Executive Officer is absent or cannot perform his duty or when the position is vacant, the Board of Directors assigns the chief officers in the next rankings to act as the Acting Chief Executive Officer respectively with full authority, except for Chief Executive Officer's responsibility as a member of the Board of Directors.

Authority to approve procurement and charity donation

The Board of Directors clearly specifies the authority to approve procurement and charity donation as follows:

Procurement		Authorized person
1	Procurement of project not exceeding Baht 30 million	Chief Executive Officer
2	Procurement of project exceeding Baht 30 million	Board of Directors
Charity Donation		Authorized person
1	Charity donation not exceeding Baht 300,000	Chief Executive Officer
2	Charity donation not exceeding Baht 500,000	Chairman of the Board
3	Charity donation exceeding Baht 500,000	Board of Directors

The Company administration comprises 5 functions, including Business Development 1, Business Development 2, Asset Management, Finance and Corporate Administration.

Business Development 1, Business Development 2, Asset Management and Finance is headed by

Chief Officer level executives. Corporate Administration is headed by Executive Vice President. There are 3 divisions under the Chief Executive Officers, including Legal Division, Internal Audit Division and Company Secretary Office. The Internal Audit Division reports directly to the Audit Committee.

As of 31 December 2016, the Company's executives according to the SEC's definition are as follows:

	Name		Position	Date of appointment	Position in the Company Group
1	Mr. Rum	Herabat	Chief Executive Officer (Top executive)	01/10/2015	Shown on page 70
2	Mr. Peerawat	Pumthong	Chief Business Development Officer 1	01/03/2014	Shown on page 71
3	Mr. Paskorn	Dangsmakr	Chief Business Development Officer 2	01/01/2016	Shown on page 72
4	Mr. Somnuk	Jindasup	Chief Asset Management Officer	01/03/2014	Shown on page 73
5	Mr. Wutthichai	Tankuranand	Chief Financial Officer (Top financial executive)	01/01/2012	Shown on page 74
6	Mr. Prayut	Thongsuwan	Executive Vice President - Corporate Administration	01/09/2014	Shown on page 75
7	Mrs. Sunee	Rajathamutha	Executive Vice President - Financial	01/06/2011	Shown on page 76
8	Miss Raywadee	Srikongyos	Senior Vice President - Head of Financial Planning and Management Division	01/01/2014	Shown on page 77
9	Mrs. Supatra	Thongkarn	Vice President - Head of Accounting Control and Analysis Division	01/09/2015	Shown on page 78
10	Mrs. Nisaluck	Mungpalchol	Vice President - Head of General Accounting Division	01/03/2014	Shown on page 79
11	Miss Chatuporn	Laohapiboonratana	Vice President - Head of Tax Management Division	01/03/2016	Shown on page 80

Executive's Profile

Mr. Rum Herabat

Chief Executive Officer (Top Executive)

Starting Date: 1 Oct 2015

Age: 60 years

The Company's Securities Holding Proportion (%):
0.0010 (Own and spouse at 0.0005 each)

(Profile is shown on page 49)



Mr. Peerawat Pumthong

Chief Business Development Officer 1

Starting Date: 1 Mar 2014

Age: 58 Years

The Company's Securities Holding Proportion: None

Education

- Master of Business Administration, Monash University, Australia, Certificate of Merit (Highest score) in International Business
- Master of Engineering, Asian Institute of Technology (AIT), (German Government Scholarship)
- Bachelor of Engineering (2nd Class Honor), Khonkaen University

Important Trainings/Seminars

- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives (Class 17), King Prajadhipok's Institute
- Certificate, Advanced Course in Public Economics (Class 8), King Prajadhipok's Institute
- Certificate, Director Certification Program (DCP 138/2010), Thai Institute of Directors Association
- Certificate, ASEAN Executive Development Program (AEDP), Thammasat Business School, Thammasat University
- Certificate, Mini MBA, Chulalongkorn University
- Certificate, Electric Power Development from Swedish Board of Investment and Technical Support (BITS), Sweden
- Certificate, ASEAN Executive Program, General Electric International Operation Company, Inc., USA
- Certificate, Hydro Electric Power from Japan International Cooperation Agency (JICA), Columbo Plan, Japan
- Certificate, Thermal and Hydro Power Project Planning from Snowy Mountain Engineering Cooperation, Columbo Plan, Australia

Working Experiences

- 2011-2016 Board of Directors Chairman, Ratchaburi World Cogeneration Company Limited



- 2011-2014 Board of Directors Member and Acting for Managing Director, RATCH-Australia Corporation Limited
- 2010-2014 Chief Operating Officer, Ratchaburi Electricity Generating Holding Public Company Limited
- 2013 Board of Directors Member, Ratchaburi Electricity Generating Company Limited
- 2010-2013 Board of Directors Member, Navanakorn Electricity Generating Company Limited
- 2010-2013 Board of Directors Chairman, RATCH-Lao Services Company Limited
- 2006-2013 Board of Directors Chairman, Ratchaburi Energy Company Limited

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- Sub-Committee on the Study and Follow-up on Renewable Energy under Committee on Energy, Committee of the National Legislative Assembly
- Positions in subsidiaries, associates and joint ventures are shown on page 88-89

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

Mr. Paskorn Dangsmakr

Chief Business Development Officer 2

Starting Date: 1 Jan 2016

Age : 59 Years

The Company's Securities Holding Proportion: None

Education

- Bachelor of Engineering (Electrical Engineering), Chiang Mai University

Important Trainings/Seminars

- Director Accreditation Program (DAP), Thai Institute of Directors Association
- Advanced Certificated, Public Economics Management for Executives (2014), King Prajadhipok's Institute
- EGAT New Leader Development Program (ENLP)
- EGAT New Leader Development Program (ENLP) (2014), Japan
- EGAT Newly-promoted Executive Orientation Program (ENOP)
- EGAT Senior Executive Program (ESEP)
- EGAT Director Development Program (EDDP)
- EGAT's Successor Development Program (ESDP)
- Observe Clean Coal Technology Transfer Project : Technical Exchange (2012), Japan
- EGAT Director Development Program (EDDP), China
- EGAT's Successor Development Program (ESDP), United Kingdom
- Residence Course (2005), Royal Thai Army War College

Working Experiences

- 2013-2015 Assistant Governor-Power Plant Development and Planning, EGAT
- 2011-2013 Director Power Plant Development Planning Division, EGAT



- 2010-2011 Assistance Director Power Plant Development Planning Division, EGAT

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- Positions in subsidiaries, associates and joint ventures are shown on page 88-89

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

Mr. Somnuk Jindasup

Chief Asset Management Officer

Starting Date: 1 Mar 2014

Age : 58 Years

The Company's Securities Holding Proportion (%):
0.0005 (Own 0; Spouse 0.0005)

Education

- Bachelor of Science (Electrical Engineering) (2nd Class Honor), King Mongkut's Institute of Technology North Bangkok Campus

Important Trainings/Seminars

- Certificate, Literacy for the World Program, Class 6 (TEA 6) by Thailand Energy Academy
- Certificate, Advanced Mini MBA, Chulalongkorn University
- Certificate, Leadership Assessment & Development Program (2013)
- Certificate, Leading with the Speed of Trust (2013)
- Certificate, Director Certification Program (DCP152/2011), Thai Institute of Directors
- Certificate, Advance Senior Executive Program (2010, SASIN Graduate Institute of Business Administration, Chulalongkorn University)
- Certificate, Executive Development Program (2008), Thai Listed Company Association
- Graduate Diploma in Public Law and Management (2006-2007), King Prajadhipok's Institute
- Certificate, ASEAN Executive Program (2005), General Electric International Operation Company, Inc., USA
- Certificate, Senior Executive Program (2003), SASIN Graduate Institute of Business Administration, Chulalongkorn University

Working Experiences

- 2014-2016 Chief Asset Management Officer, Ratchaburi Electricity Generating Holding Public Company Limited, Acting Managing Director, Ratchaburi Electricity Generating Company Limited
- 2014-2016 Board of Directors Chairman, RATCH-Lao Services Company Limited and Oversea Green Energy Company Limited
- 2015 Board of Directors Chairman, Sustainable Energy Corporation Limited
- 2013-2014 Senior Executive Vice President, Ratchaburi Electricity Generating Holding Public Company Limited seconded to be Managing Director of Ratchaburi Electricity Generating Company Limited



- 2013 Executive Vice President, Ratchaburi Electricity Generating Holding Public Company Limited seconded to be the Managing Director, Ratchaburi Electricity Generating Company Limited
- 2011-2013 Executive Vice President, Ratchaburi Electricity Generating Holding Public Company Limited seconded to be Managing Director of Tri Energy Company Limited
- 2011-2013 Board of Directors Member and Managing Director, Tri Energy Company Limited
- 2011-2013 Board of Directors Member, EGAT Diamond Service Company Limited
- 2009-2011 Board of Directors Member, RATCH-Lao Services Company Limited
- 2009-2012 Executive Vice President, Ratchaburi Electricity Generating Holding Public Company Limited seconded to be Deputy Managing Director of Ratchaburi Electricity Generating Company Limited

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- Positions in subsidiaries, associates and joint ventures are shown on page 88-89

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional

Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

Mr. Wutthichai Tankuranand

Chief Financial Officer

Starting Date: 1 Jan 2012

Age : 50 Years

The Company's Securities Holding Proportion: None

Education

- Master of Business Administration, University of Michigan, USA
- Bachelor of Engineering (Electrical Engineering), Chulalongkorn University

Important Trainings/Seminars

- Certificate, Chief Executive Program, Class 22 (CMA 22), Capital Market Academy
- Certificate, Director Accreditation Program (DAP103/2013) Thai Institute of Directors Association
- Certificate, Leadership Assessment and Development Program (2013)
- Certificate, Leading with the Speed of Trust (2013)

Working Experiences

- 2014 Board of Directors Member, Xe-Pian Xe-Namnoy Power Company Limited
- 2013-2014 Board of Directors Member, Tri Energy Company Limited
- 2001-2012 Deputy Chief Financial Officer, TrueMove Company Limited



Positions in Other Listed Companies at Present: None

Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- Positions in subsidiaries, associates and joint ventures are shown on page 88-89

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

Mr. Pragut Thongsuwan

Executive Vice President - Corporate Administration

Starting Date: 1 Sep 2014

Age: 58 Years

The Company's Securities Holding Proportion: None

Education

- Master of Public and Private Management,
The National Institute of Development Administration
- Bachelor of Political Sciences (Public Administration),
Thammasat University

Important Trainings/Seminars

- Certificate, Financial Statements for Directors
(FSD11/2011) Thai Institute of Directors Association
- Certificate, ASEAN Executive Program, General
Electric International Operation Company, Inc., USA
- Certificate, Senior Executive Program, SASIN
Graduate Institute of Business Administration,
Chulalongkorn University
- Certificate, Advanced Mini MBA,
Chulalongkorn University

Working Experiences

- 2014 Board of Directors Member,
Sustainable Energy Corporation
Limited and Khao Kor Wind Power
Company Limited
- 2010-2012 Executive Vice President, Ratchaburi
Electricity Generating Holding Public
Company Limited
- 2012-2014 Board of Directors Member and
Managing Director,
Solarta Company Limited
- 2010-2014 Board of Directors Member and
Managing Director, Ratchaburi
Energy Company Limited



Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- Positions in subsidiaries, associates and joint ventures
are shown on page 88-89

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

**Participation in Managing Business Relationship/Providing Professional
Service to the Company's Group in the Previous Year:** None

Issues that May Cause Conflict of interest in the Previous Year: None

Mrs. Sunee Rajatamutha

Executive Vice President-Financial

Starting Date: 1 Jun 2011

Age: 58 Years

The Company's Securities Holding Proportion: None

Education

- Master of Accounting, Thammasat University
- Master of Business Administration (Finance), Chulalongkorn University
- Bachelor of Accounting (2nd Class Honor), Chulalongkorn University

Important Trainings/Seminars

- Advanced Certificate Course in Public Economics Management for Executives (Class 13), King Prajadhipok's Institute
- Certificate, Director Certification Program (DCP179/2013), Thai Institute of Directors Association
- Certificate, Senior Executive Program, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, Chief Financial Officer, Federation of Accounting Professions
- Certificate, Modern Management Program, Chulalongkorn University

Working Experiences

- 2010-2011 Senior Vice President, Acting Executive Vice President-Finance, Ratchaburi Electricity Generating Holding Company Limited



Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- Positions in subsidiaries, associates and joint ventures are shown on page 88-89

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

Ms. Raywadee Srikongyos
**Senior Vice President - Head of Financial Planning
 and Management Division**

Starting Date: 1 Jan 2014
Age: 58 Years
The Company's Securities Holding Proportion: None

Education

- Master of Public and Private Management,
The National Institute of Development Administration
- Bachelor of Business Administration (Finance)
(1st Class Honor), Thai Chamber of Commerce University

Important Trainings/Seminars

- Certificate, Senior Executive Program, SASIN
Graduate Institute of Business Administration,
Chulalongkorn University
- Certificate, Fixed Income Primer Program,
Lehman Brothers

Working Experiences

- 2010-2013 Vice President- Head of Treasury
Division, Ratchaburi Electricity
Generating Holding Public
Company Limited
- 2013-2014 Vice President, seconded to be
Chief Finance Officer,
Ratchaburi Power Company Limited



Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- Positions in subsidiaries, associates and joint ventures
are shown on page 88-89

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

**Participation in Managing Business Relationship/Providing Professional
Service to the Company's Group in the Previous Year:** None

Issues that May Cause Conflict of interest in the Previous Year: None

Mrs. Supatra Thongkarn

Vice President - Head of Accounting Control and Analysis Division

Starting Date: 1 Sep 2015

Age : 56 years

The Company's Securities Holding Proportion (%):
0.0003 (Own 0.0003)

Education

- Bachelor of Accountancy, Chulalongkorn University

Important Trainings/Seminars

- Mini MBA, Thammasat University
- Certificate, Tax Controller Major in International Tax, School of Tax
- Certificate, Chief Financial Officer Federation of Accounting Professions

Working Experiences

- 2014-2015 Vice President-Head of Tax Management Division, Ratchaburi Electricity Generating Holding Public Company Limited and Acting Deputy Managing Director - Administration, Accounting and Finance, Solarta Company Limited
- 2014 Vice President-Head of Tax Management Division, Ratchaburi Electricity Generating Holding Public Company Limited
- 2013-2014 Vice President-Head of Treasury Division, Ratchaburi Electricity Generating Holding Public Company Limited
- 2012-2013 Vice President, Ratchaburi Electricity Generating Holding Public Company Limited seconded to be Chief Financial Officer, Xe-Pian Xe-Namnoy Power Company Limited
- 2011-2012 Senior Manager, Head of Tax Management Department, Ratchaburi Electricity Generating Holding Public Company Limited



Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- Positions in subsidiaries, associates and joint ventures are shown on page 88-89

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

Mrs. Nisaluck Mungpalchol**Vice President - Head of General Accounting Division****Starting Date:** 1 Mar 2014**Age :** 48 years**The Company's Securities Holding Proportion (%):**
0.0029 (Own 0; Spouse 0.0029)**Education**

- Master of Science (Information Technology Management), King Mongkut's Institute of Technology Ladkrabang
- Master of Accountancy (Managerial Accounting), Chulalongkorn University
- Bachelor of Science (Accounting) (1st Class Honor), Kasetsart University

Important Trainings/Seminars

- CFO Certification Program Class 13, Federation of Accounting Professions
- Mini MBA, Kasetsart University

Working Experiences

- 2014 Vice President and Acting Manager-Head of Affiliates Accounting Department, Ratchaburi Electricity Generating Holding Public Company Limited
- 2011 Senior Manager-Head of Affiliates Accounting Department, Ratchaburi Electricity Generating Holding Public Company Limited
- 2011 Senior Manager-Head of Corporate Finance Department, Ratchaburi Electricity Generating Holding Public Company Limited

**Positions in Other Listed Companies at Present:** None**Positions in Non-listed Organizations at Present:**

- Positions in subsidiaries, associates and joint ventures are shown on page 88-89

Prohibited Qualifications/Committed an Offence: None**Family Relationship with Directors and Executives:** None**Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year:** None**Issues that May Cause Conflict of interest in the Previous Year:** None

Ms. Chatupom Laohapiboonratana

Vice President - Head of Tax Management Division

Starting Date: 1 Mar 2016

Age : 45 Years

The Company's Securities Holding Proportion: None

Education

- Master of Business Administration, Kasetsart University
- Bachelor of Accountancy (2nd Class Honors), Chiang Mai University

Important Trainings/Seminars

- CFO Certification Program Class 13, Federation of Accounting Professions
- Mini MBA, Kasetsart University
- Certificate, Tax Planning for The Boss, Management and Psychology Institute

Working Experiences

- 2015-2016 Senior Manager acting Vice President-Head of Tax Management Division, Ratchaburi Electricity Generating Holding Public Company Limited
- 2014-2015 Senior Manager - Head of Financial Planning Department Ratchaburi Electricity Generating Holding Public Company Limited
- 2012-2014 Senior Manager acting Chief Financial Officer, Solarta Company, Limited
- 2011-2012 Manager - Head of Consolidated Accounting Department and acting Manager-Affiliate Accounting Department Ratchaburi Electricity Generating Holding Public Company Limited



Positions in Other Listed Companies at Present: None

Positions in Non-listed Organizations at Present:

- Positions in subsidiaries, associates and joint ventures are shown on page 88-89

Prohibited Qualifications/Committed an Offence: None

Family Relationship with Directors and Executives: None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year: None

Issues that May Cause Conflict of interest in the Previous Year: None

Investors can find the information about the Management and controllers of subsidiaries operating in core business in the Form 56-1 as published on the Company's and SEC's website.

Recruitment and Nomination Procedures of Top Executives

"Top Executive" means a person who holds the position of Chief Executive Officer, Chief Officer and Executive Vice President.

In appointing the top executives, the Company considers the nominee's educational background, knowledge, skills and work experiences, which should benefit their designated missions and the Company's overall operations to support the Company's Group efficiency, effectiveness and sustainable growth.

In nominating top executives, the Human Resources and Remuneration Committee is assigned to recruit, select and screen candidates from within the organizations and outsiders, considering their qualifications, educations, specialization, skills, experience, suitability and the necessary qualifications needed by the Company. The nominees will be proposed to the Board of Directors for appointment.

Directors representing the major shareholders, EGAT, who has the right to nominate directors according to EGAT's shareholding proportion, have been appointed after the same selection procedure. The nomination is submitted to the Human Resources and Remuneration Committee for consideration prior to the Board of Directors' consideration and/or the shareholders' consideration according to the proper selection procedure. The Human Resources and Remuneration Committee will consider and screen the nominees' education background, qualifications, knowledge, skills, expertise and work experience that support the supervision of the Company, do not currently exist in the Board of Directors, are in line with the Company's business activities, target and short and long-term strategies. The consideration is conducted without

gender discrimination. The nominees shall not have prohibited qualification by law, related regulations, rules and good corporate governance principle while being ready to contribute sufficient time to perform duty as a director. This also applies to the Chief Executive Officer, who is EGAT's top executive and seconded to work at the Company.

3. Policy on Appointing Directors and Executives to be Directors and Executives of Subsidiaries, Associates and Joint Ventures

To ensure that the Management and supervision of all subsidiaries and companies within the Company's Group (information are detailed in the General Information of the Company's Group) are in line with the Company's policy and to effectively monitor and assess operational performance of the subsidiaries, associates and joint ventures, the Company has a policy to appoint its directors and executives to be directors and/or executives in those companies. The appointment is approved by the Board of Directors and those directors have the responsibilities as stated in the Company's regulation on subsidiaries, affiliates and joint ventures supervision.

4. Remuneration for the Directors and Executives

4.1 Policy and Criteria on Directors and Executives' Remuneration

The Board of Directors has formulated the policy and criteria on remuneration of Directors and high-level executives in writing. This enables the Company to ensure that remuneration can motivate and maintain quality employees while attracting others with appropriate knowledge, capability, skills and experience that would best benefit the Company's business. The criteria, method and process are clear, appropriate, transparent, updated and most current. Remuneration is linked to goals and performances of the Company's group, dependent on level of designated responsibilities and has been comparable to the remuneration offered by organizations in similar industry and size since 2005.

Remuneration of the Board of Directors and All Committees

The Human Resources and Remuneration Committee which is appointed by the Board of Directors is responsible for considering and setting remuneration of the Board of Directors, Committees and Executives. The Committee has to seek approval from the Board of Directors and later from the shareholders' annual general meeting. The remuneration criteria is as follows:

1. Regular remuneration

1.1 Board of Directors: Monthly retainer for the Company's Board of Directors is paid on monthly basis. The first 75 percent is fixed and the remaining 25 percent is paid when the Director attends meetings. The Chairman of the Board receives 25 percent extra retainer compared to other directors.

1.2 Committees: The retainer for committee members is paid per meeting when a Director attends. Committee Chairman's retainer is 25 percent higher than that paid to other Committee members.

2. Bonus : depending on the length of directorship and on the attendance to the Board of Directors' meetings. When a Director holds directorship for more than one position in the Company and its subsidiaries, the Director shall receive bonus from the company that allocates the highest bonus at that point in time. Chairman of the Board will receive 25 percent extra bonus.

3. Other form of benefits both in cash and non-cash – **none**.

In 2016, the remuneration for the Board of Directors and Committees approved by 2016 shareholders' annual general meeting is as follows:

		Chairman	Members
1. Regular retainers			
1.1	Board of Directors	Baht 50,000 per month	Baht 40,000 per month
1.2	Committees: 5 committees (Audit Committee, Human Resources and Remuneration Committee, Risk Management Committee, Investment Committee and Corporate Governance and Social Responsibility Committee)	Baht 30,000 per meeting	Baht 24,000 per meeting
2. Bonus			
2.1	Board of Directors	Baht 1,375,000	Baht 1,100,000 per person
3. Other benefits			
3.1	Other benefits	None	None

Executive directors do not receive fixed retainer but receives bonus as a director.

Remuneration for top executives is in line with the criteria and policy set earlier by the Board of Directors and must be considered and screened by the Human Resources and Remuneration Committee. The remuneration is linked with the performance appraisal against the earlier agreed

target and must seek approval from the Board of Directors. During the meeting on top executive remuneration, none of executives with conflict of interest are allowed to attend. The Board of Directors considers remuneration based on the performance appraisal result and the Chairman of the Board will inform the Chief Executive Officer of such result which will be used as the guideline for future performance improvement.

4.2 Remuneration of Directors and Executives

4.2.1 Remuneration for the Company's Board of Directors and Committee Members

Remuneration for 2016

Unit: Baht

	Name	Board of Directors	Audit Committee	Human Resources and Remuneration Committee	Risk Management Committee	Investment Committee	Corporate Governance and Social Responsibility Committee	2015 Bonus for Directors*	Total
1	Mr. Sutat Patmasinwat ^{2/3}	600,00.00	-	30,000.00	-	150,000.00	-	1,108,287.00	1,888,287.00
2	Mr. Chavalit Pichalai ^{3/5}	480,00.00	210,000.00	-	-	-	-	1,100,000.00	1,790,000.00
3	Captian Siridech Julpema ^{3/5}	480,00.00	-	-	120,000.00	-	-	1,100,000.00	1,700,000.00
4	Mr. Chuan Sirinunporn ^{3/4}	480,00.00	-	96,000.00	-	-	30,000.00	1,100,000.00	1,706,000.00
5	Mr. Witoon Kulcharoenwirat ^{3/4}	470,00.00	-	204,000.00	-	120,000.00	-	1,100,000.00	1,894,000.00
6	Ms. Prapa Puranachote ^{4/5}	470,00.00	144,000.00	-	-	-	-	1,006,575.00	1,620,575.00
7	Ms. Piyathida Praditbatuga ^{4/5}	480,00.00	168,000.00	-	-	-	24,000.00	1,100,000.00	1,772,000.00
8	Mr. Ratanachai Namwong ⁴	480,00.00	-	144,000.00	-	120,000.00	-	247,686.00	991,686.00
9	Mr. Prapon Kitchantaropas ^{4/5}	480,00.00	-	-	-	-	24,000.00	798,630.00	1,302,630.00
10	Mr. Samack Chouvaparnante ^{4/5}	480,00.00	-	-	96,000.00	-	-	798,630.00	1,374,630.00
11	Mr. Suthon Boonprasong ⁴	470,00.00	-	-	96,000.00	120,000.00	-	1,100,000.00	1,786,000.00
12	Mr. Rum Herabat ⁶	-	-	-	-	-	-	1,100,000.00	1,100,000.00
13	Ms. Rattana Tripathikul ^{4/5}	127,00.00	-	48,000.00	-	-	-	1,100,000.00	1,275,000.00
14	Mr. Tharapong Vitdsant ^{4/5}	127,00.00	-	-	24,000.00	-	-	1,006,575.00	1,157,575.00
	Total	5,624,000.00	522,000.00	522,000.00	336,000.00	510,000.00	78,000.00	13,766,383.00	21,358,383.00

Remarks: ^{/1} Board of Directors' bonus for 2015 paid in April 2016 in accordance with the resolution of the Shareholders' Annual General Meeting Year 2559 (B.E.) held on 7 April 2016

^{/2} Chairman of the Board

^{/3} Chairman of Committee

^{/4} Member of Committee

^{/5} Independent Director

^{/6} Executive director

4.2.2 Executives' Remuneration

Remuneration	No. of persons	Total (Baht)
Salary	5	33,621,240.00
Bonus	5	16,826,664.00
Contribution to Provident Fund	5	2,446,938.00
Other Benefits	None	None
Total	5	52,894,842.00

Remarks: Executives' remuneration means remuneration for executives in the first four executives according to the definition stated in the Capital Market Supervisory Board's Announcement No. Tor Jor 44/2556.

Directors of subsidiary operating in core business (Ratchaburi Electricity Generating Company Limited) who are also the Company's executives did not receive fixed remuneration for director. Directors of subsidiaries who are also the Company's directors did not receive bonus from such subsidiary, according to the preset criteria. Details of subsidiaries' directors and executives are disclosed in the Form 56-1 which is also published on the websites of the Company and SEC.

Directors and management of the wholly-owned subsidiaries, including Ratchaburi Alliances Company Limited, Ratchaburi Energy Company Limited, RATCH-Lao Services Company Limited, RATCH O&M Company Limited and RH International Corporation Limited, who are the Company's Group's executives did not receive remuneration.

5. Employees

5.1 Number of Employees as of 31 December 2016

No.	Functions	Number (persons)
1	Business Development 1	44
2	Business Development 2	19
3	Asset Management	27
4	Finance	40
5	Corporate Administration	47
6	Others	24
Total		201

In the past 3 years, there is no significant change in the number of employees. Details of employees in subsidiaries are disclosed in the Form 56-1 published on the Company's and SEC's websites.

5.2 Employees' Remuneration

5.2.1 Employees remuneration policy and criteria

The Company has a clear policy to offer fair remuneration system and employee's benefit that is suitable to the position and responsibility with consideration on each job's importance as well as national economic situation and average remuneration in the labor market, especially those in similar businesses. The Company regularly surveyed average remuneration in the market on yearly basis in order to assure that its remuneration is competitive. The survey is also used for consideration on remuneration structure adjustment every three years to ensure that the Company's remuneration is competitive.

In addition to remuneration in cash form, the Company provides other benefits as required by law and beyond legal requirement to ensure that its employees have good security and confidence as well as willing to perform at their best in accordance with their assignment and responsibilities. Other benefits offered included assistance in case of disaster, life and accident insurance, medical service, annual health check-up, dental services, eyesight check, vaccination, loans, financial support in case of death, home loans, financial assistance on baby delivery and provident fund, for example.

5.2.2 Employees' remuneration

Remuneration	Number (persons)	Amount (Baht)
Salary	196	229,076,177.66
Bonus	196	110,129,770.00
Contribution to Provident Fund	196	18,885,959.32
Other Benefits	None	None
Total	196	358,091,906.98

Remarks: 1. Employees' remuneration does not include the top four executives according to the Capital Market Regulatory Commission's Announcement No. Tor Jor 44/2556.
2. Remuneration of employees of subsidiaries is disclosed in Form 56-1 as published on the Company's and SEC websites.

5.3 Human Resources Management

In 2016, the Company's important human resources management activities are as follows:

5.3.1 Career Path Planing

The Company prepared career path for employees of Vice President level downwards so as to allow employees to see their career path and opportunity to grow for each position and to plan their future. This allows employees to review their own capability and skills required for their current and future positions as well as to prepare themselves in terms of knowledge, skills and capabilities for current and future positions.

The Company has categorized and grouped works according to the work process considering similar nature of each job, functional competency, behavioral similarity, technical quality, degree of difficulty in work categorization, number of employees in each group. As a result of this analysis, the Company has categorized its works into 9 job families and 5 job groups. Role, duties, preliminary qualifications, skills, knowledge and competency or job family career profile have been identified. The framework and criteria for job promotion and transfer for each job family career profile has also been identified.

The Company has also developed information technology system to support accurate, fast and appropriate human resource management that best supports routine operations and self service. The IT system serves as the HR Information Center and supports management activities while addressing strategic human resource management.

5.3.2 Organizational restructure

To better support the strategic plan, the Board of Directors has reviewed and approved an organizational restructure, effective from 1 January 2017. The restructure means changes in Business Development function which comprises 2 groups depending on geographical locations of the business. Under the new structure, each group is process-based. This enables the Company to set appropriate strategies, allocate human resources with the right skills and expertise according to the nature of each job. This also enables the Company to develop analysis and investment decision standard in the two functions as follows:

1. Business Development Function

is responsible for seeking new investment opportunities, including risk assessment and initial investment potential analysis.

2. Project Development Function

is responsible for the investment potential of projects screened by the Business Development Function, construction management, negotiation and contract management.

5.3.3 Personnel capability development

The Company believes that human resource is the most important asset and a key success factor. It has continuously developed employees, strengthened corporate culture, promoted mental and physical health, enhanced good work environment and encouraged teamwork. In 2016, the Company has continued trainings and seminars for executives and employees as follows:

1. Foreign language course:

to prepare its employees for international posting, totaling 1 course.

2. Joint technical and management

training with EGAT to enhance technical skills related to electricity generating business for operators, totaling 26 courses.

3. Management course:

11 internal trainings were organized. The trainings are categorized based on the level of employees, including training course for top level executives, vice presidents and managers, courses for employees; and courses that are not categorized by the level of personnel, including security and safety course, anti-corruption training and human right workshop.

4. Top executives trainings: the Company assigned top executives to attend courses organized by the public and private sectors, including the Capital Market Academy, Thailand Energy Academy, Fiscal Policy Research Institute Foundation, the Institute of Industrial Energy, the Federation of Thai Industries, the Institute of Research and Development for Public Enterprises (IRDP), Ministry of Energy, Sasin Graduate Institute of Business Administration at Chulalongkorn University, King Prajadhipok Institute. The courses are designed to enhance executives' skills, knowledge and competency and to build a network for future knowledge and experience exchange.

In 2016, 90 percent of the Company's executives and employees attended internal and external trainings. Average training hours per person by level is as follows:

Level	Average hour/ person/year
Top level executives	53.38
Mid level executives	92.67
Manager level	33.67
Employees	27.79

5. Competency enhancement course The Company sent its employees to attend external trainings organized by different organizations, totaling 129 courses.



Information about Directorship of Directors¹, Executives and Controllers of the Company, Subsidiaries, Associates and Joint Ventures As of 31 December 2016

Directors/ Executives												
Companies												
1	2	3	4	5	6	7	8	9	10	11		
Subsidiaries	Ratchaburi Electricity Generating Holding Public Company Limited											VP
	IPPs and SPPs in Thailand	1	Ratchaburi Electricity Generating Company Limited									
		2	Ratchaburi Alliances Company Limited									
		3	Ratchaburi Energy Company Limited									
		4	RE Solar 1 Company Limited									
	Renewable Projects in Thailand	5	CN Biomass Company Limited									
		6	PB Biomass Company Limited									
		7	LP Biomass Company Limited									
	International Projects	8	RH International Corporation Limited									D, MD
		9	RH International (Mauritius) Corporation Limited									
		10	RH International (Singapore) Corporation Pte. Limited									
		11	RATCH-Australia Corporation Limited									D
	12	Mount Emerald Wind Farm Ply										
	13	RICI International Investment Pte. Limited									D	
	14	RATCH China Power Limited										
	Related Businesses	15	RATCH O&M Company Limited									
		16	RATCH-Loa Services Company Limited									D
17		Oversea Green Energy Company Limited									D	
Miss Chaturporn Laohapiboonratana												VP

Associates and Joint Ventures											
IPPs and SPPs in Thailand	18	Ratchaburi Power Company Limited									
	19	Ratchaburi World Cogeneration Company Limited			DD						
	20	Nava Nakorn Electricity Generating Company Limited							D		
	21	Berkprai Cogeneration Company Limited		D							
Renewable Projects in Thailand	22	Solarita Company Limited						D			
	23	First Korat Wind Company Limited									
	24	K. R. Two Company Limited									
	25	Solar Power (Korat 3) Company Limited									
	26	Solar Power (Korat 4) Company Limited									
	27	Solar Power (Korat 7) Company Limited									
	28	Songkhla Biomass Company Limited									
	29	SouthEast Asia Energy Limited		D				D			
International Projects	30	Nam Ngum 2 Power Company Limited		D				D			
	31	Hongsa Power Company Limited	DD	D	D	D					
	32	Nam Ngum 3 Power Company Limited									
	33	Xe-Pian Xe-Namnoy Power Company Limited		DD							
	34	KK Power Company Limited									
	35	Chubu Ratchaburi Electric Services Company Limited									
Related Businesses	36	Songkhla Biofuel Company Limited									
	37	EGAT Diamond Services Company Limited									
	38	Phu Fai Mining Company Limited	DD	D	D	D		D			

Remark: 1 No directors of Ratchaburi Electricity Generating Holding Public Company Limited holds positions in the Company's subsidiary, affiliates or joint ventures except Mr. Rum Herabat, Director and Chief Executive Officer.
DD = Chairman D = Director CEO = Chief Executive Officer CBD1=Chief Business Development Officer 1 CBD2 = Chief Business Development Officer 2 CAM = Chief Asset Management Officer CFO = Chief Financial Officer
EVP = Executive Vice President SVP = Senior Vice President VP = Vice President MD = Managing Director

Directors' and Executives' Securities Holdings in the Company as of 31 December 2016 ⁽¹⁾

Name		Position	Ratchaburi Electricity Generating Holding Public Company Limited			
			Ordinary Shares ¹			
			1 Jan 16 ²	31 Dec 16 ³	Change in Number of Shares Increase (Decrease) During 2016	Shareholding Proportion (%)
1	Mr. Sutat Patmasiwiwat Spouse and Minor Children	Chairman	-	-	-	-
2	Mr. Chavalit Pichalai Spouse and Minor Children	Independent Director	-	-	-	-
3	Captain Siridech Julpema Spouse and Minor Children	Independent Director	-	-	-	-
4	Mr. Chuan Sirinunporn Spouse and Minor Children	Director	-	-	-	-
5	Mr. Witoon Kulcharoenwirat Spouse and Minor Children	Director	-	-	-	-
6	Mr. Veerasak Punggrassamee ⁽¹⁾ Spouse and Minor Children	Independent Director	-	-	-	-
7	Miss Prapa Puranachote Spouse and Minor Children	Independent Director	-	-	-	-
8	Miss Piyathida Praditbatuga Spouse and Minor Children	Independent Director	-	-	-	-
9	Mr. Ratanachai Namwong Spouse and Minor Children	Director	7,500	7,500	-	0.0005
10	Mr. Prapon Kitcharantapras Spouse and Minor Children	Independent Director	-	-	-	-
11	Mr. Samack Chouvapamante Spouse and Minor Children	Independent Director	-	-	-	-
12	Mr. Suthon Boonprasong Spouse and Minor Children	Director	-	-	-	-
13	Mr. Rum Herabat Spouse and Minor Children	Director and Chief Executive Officer	7,446	7,446	-	0.0005
14	Mr. Peerawat Punthong Spouse and Minor Children	Chief Business Development Officer 1	7,095	7,095	-	0.0005
15	Mr. Paskorn Dangsamakr Spouse and Minor Children	Chief Business Development Officer 2	-	-	-	-

16	Mr. Somnuk Jindasup	Chief Asset Management Officer	-	-	-	-
	Spouse and Minor Children		7,300	7,300	-	0.0005
17	Mr. Wuttichai Tankuranand	Chief Financial Officer	-	-	-	-
	Spouse and Minor Children		-	-	-	-
18	Mrs. Sunee Rajatanutha	Executive Vice President - Finance	-	-	-	-
	Spouse and Minor Children		-	-	-	-
19	Miss Raywadee Srikongyos	Senior Vice President - Head of Financial Planning and Management Division	-	-	-	-
	Spouse and Minor Children		-	-	-	-
	Mrs. Supatra Thongkam	Vice President - Head of Accounting Control and Analysis Division	4,000	4,000	-	0.0003
20	Spouse and Minor Children		-	-	-	-
	Mrs. Nisaluck Mungpalchol	Vice President - Head of General Accounting Division	-	-	-	-
21	Spouse and Minor Children		40,786	41,786	1,000	0.0029
	Miss Chatuporn Laohapiboonratana ⁽²⁾	Vice President - Head of Tax Management Division	-	-	-	-
22	Spouse and Minor Children		-	-	-	-
Shareholdings by directors or executives who vacated their offices during 2016						
1	Miss Rattana Tripathkul ⁽³⁾	Independent Director	-	-	-	-
	Spouse and Minor Children		-	-	-	-
2	Mr. Tharapong Vitidsant ⁽⁴⁾	Independent Director	-	-	-	-
	Spouse and Minor Children		-	-	-	-

Remarks

- ⁽¹⁾ Disclosing securities holding in the Company of the directors, Chief Executive Officer and top four executives and those in position equal to the top four executives, including vice president level executives and equivalent or above in the accounting and financial function, and securities holdings by their respective spouse and minor children (according to SEC's announcement No. Sor Jor 12/2552).
- ⁽²⁾ For directors and executives who were appointed during the year, the number of securities disclosed in the table is the number of securities held on the day they took office.
- ⁽³⁾ For directors and executives who left office during the year, the number of securities disclosed in the table is the number of securities held on the day they left office.

Changes in the Positions of Directors and Executives

- ⁽¹⁾ Mr. Veerasak Punggrassamee was elected an independent director in the Shareholders' Annual General Meeting Year 2559 (B.E.) held on 7 April 2016.
- ⁽²⁾ Miss Chatuporn Laohapiboonratana was appointed Vice President - Head of Tax Management Division on 1 March 2016.
- ⁽³⁾ Miss Rattana Tripathkul left her position as an independent director in the Shareholders' Annual General Meeting Year 2559 (B.E.) held on 7 April 2016.
- ⁽⁴⁾ Mr. Tharapong Vitidsant left his position as an independent director in the Shareholders' Annual General Meeting Year 2559 (B.E.) held on 7 April 2016.

Investment Committee's Report



As of 31 December 2016, the Investment Committee comprises four members appointed by the Board of Directors. Mr.Sutat Patmasiriwat is the Investment Committee Chairman; and Mr.Witoon Kulcharoenwirat, Mr.Suthon Boonprasong and Mr.Ratanachai Namwong are Investment Committee Members. Mr.Peerawat Pumthong, Chief Business Development Officer 1 served as the secretary of the Committee. During the year 2016, the Committee convened five meetings and all four committee members attended every meeting.

The Investment Committee reports directly to the Board of Directors and has the responsibility and authority as assigned by the Board of Directors. Important tasks in 2016 included formulating investment strategies, goals, plans, budget and return on investment and other benefits from

investment in various projects to support the Company's production capacity expansion and growth. The Committee also considers and screens investment projects proposed by the Management to ensure that investment projects are connected with and support corporate policy and investment targets. Such consideration is based mainly on return on investment, risks factors and the Company's ability to manage risk within the acceptable levels.

The discussion, question and opinion provision in the Committee meetings were completely independent and based on the Company's benefits. The Committee has also monitored, followed up and appraised the performance of each project the Company has invested in to ensure that the return on investment is as planned. The Committee also plays a significant role in preventing and solving problems that might affect project development and operations. The Investment Committee considered that the Company's investment decision was thoroughly and properly based on both in-depth and breadth analysis by internal and external experts. The decisions were made carefully and cautiously under the good governance principles to ensure continuous and stable growth of the Company.

A stylized, handwritten signature in black ink, consisting of a large, fluid loop followed by a few smaller strokes.

(Mr.Sutat Patmasiriwat)

Chairman of the Investment Committee

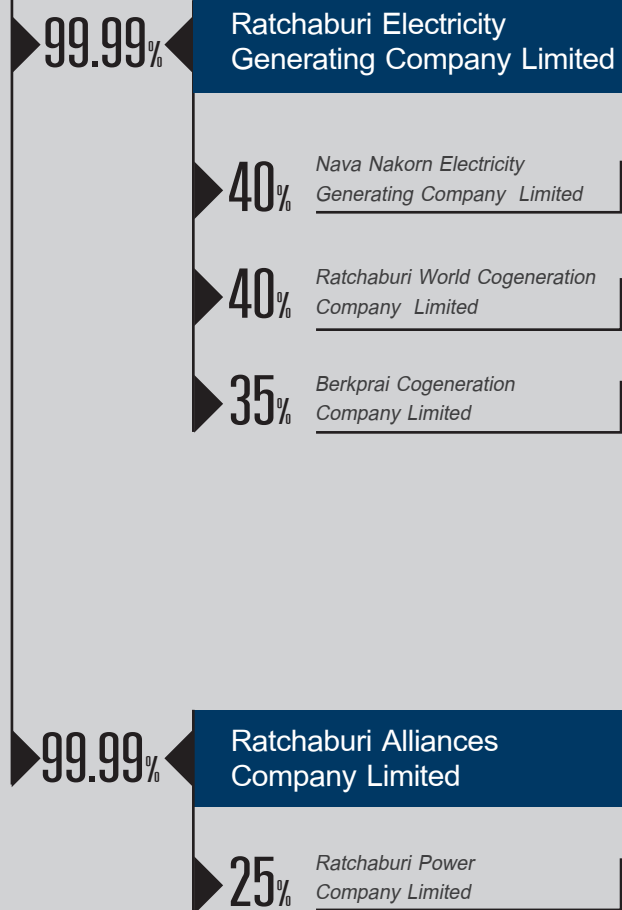
31 December 2016



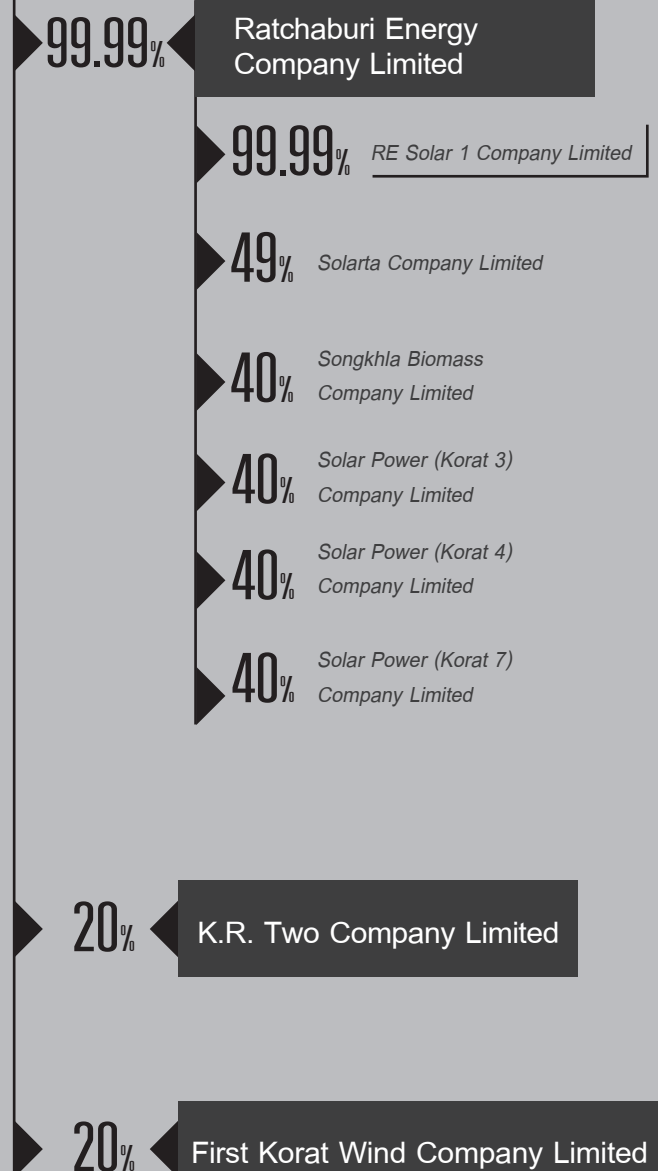
Investment Structure



IPPs and SPPs in Thailand



Renewable Projects in Thailand





International Projects

33.33%

SouthEast Asia
Energy Limited

75%

Nam Ngum 2 Power
Company Limited

25%

Nam Ngum 3 Power
Company Limited

50%

KK Power
Company Limited

99.99%

RH International
Corporation Limited

100%

RH International (Mauritius)
Corporation Limited

100%

RH International (Singapore)
Corporation Pte. Limited

80%

RATCH – Australia
Corporation Limited

60%

RICI International
Investment Pte.Ltd.

40%

Hongsa Power
Company Limited

100%

RATCH China
Power Limited

25%

Xe-Pian Xe-Namnoy Power
Company Limited



Related Business

60%

Oversea Green
Energy Company Limited

40%

Songkhla Biofuel
Company Limited

50%

Chubu Ratchaburi Electric
Services Company Limited

10%

EGAT Diamond Service
Company Limited

99.99%

RATCH O&M
Company Limited

99.99%

RATCH-LAO Services
Company Limited

5.65%

4.46%

EDL-Generation Public Company

37.50%

Phu Fai Mining Company Limited

Top 10 Major Shareholders

as of 9 September 2016 book closing date

No.	Shareholder	Number of Shares	%
1	Electricity Authority of Thailand	652,500,000	45.00
2	Thai NVDR Company Limited	238,369,060	16.44
3	LITTLEDOWN NOMINEES LIMITED	77,350,000	5.33
4	Social Security Office	55,776,700	3.85
5	AIA Company Limited- AIA D-PLUS	30,430,900	2.10
6	EGAT Saving and Credit Cooperative Limited	23,457,400	1.62
7	STATE STREET BANK EUROPE LIMITED	19,020,586	1.31
8	Mr. Min Tieworn	14,000,000	0.97
9	Krungsri Dividend Stock LTF	11,150,800	0.77
10	AIA Company Limited-APEX	9,000,000	0.62
Total		1,131,055,446	78.01
Other Shareholders		318,944,554	21.99
Grand Total		1,450,000,000	100.00

Remarks

- List of Shareholders was compiled by Thailand Securities Depository Company Limited, the Company's registrar
- Electricity Generating Authority of Thailand is a state enterprise operating in electricity business and related businesses, including investing with other in operating such businesses, and is a major shareholder of the Company with 6 representatives sitting in the Company's 13-member Board of Directors.
- Thai NVDR Company Limited is a company that is 99.99 percent owned by the SET, operating business by automatically issuing Non-Voting Depository Receipts (NVDRs), which are securities listed in the SET, to investors then using the income from the sale of NVDR to invest in the underlying Thai stock, which was a security listed in the SET. NVDR holders receive the same financial benefits as they would receive if they directly invested in listed shares, but they do not have voting rights in shareholders' meetings. (For more information, please visit the SET's website: www.set.or.th.)

As of 9 September 2016, investors who held NVDR which used the Company's shares as underlying stock are as follows:

No.	Investor	NDVR Issues	% of Underlying Stock
1	NORTRUST NOMINEES LTD-CL AC	170,948,486	11.79
2	NORTRUST NOMINEES LIMITED-THE NORTHERN TRUST COMPANY RE IEDU UCITS CLIENTS 10 PCT ACCOUNT	15,894,400	1.10
3	HSBC (SINGAPORE) NOMINEES PTE LTD	7,336,000	0.51
4	Other Investors	44,190,174	3.04

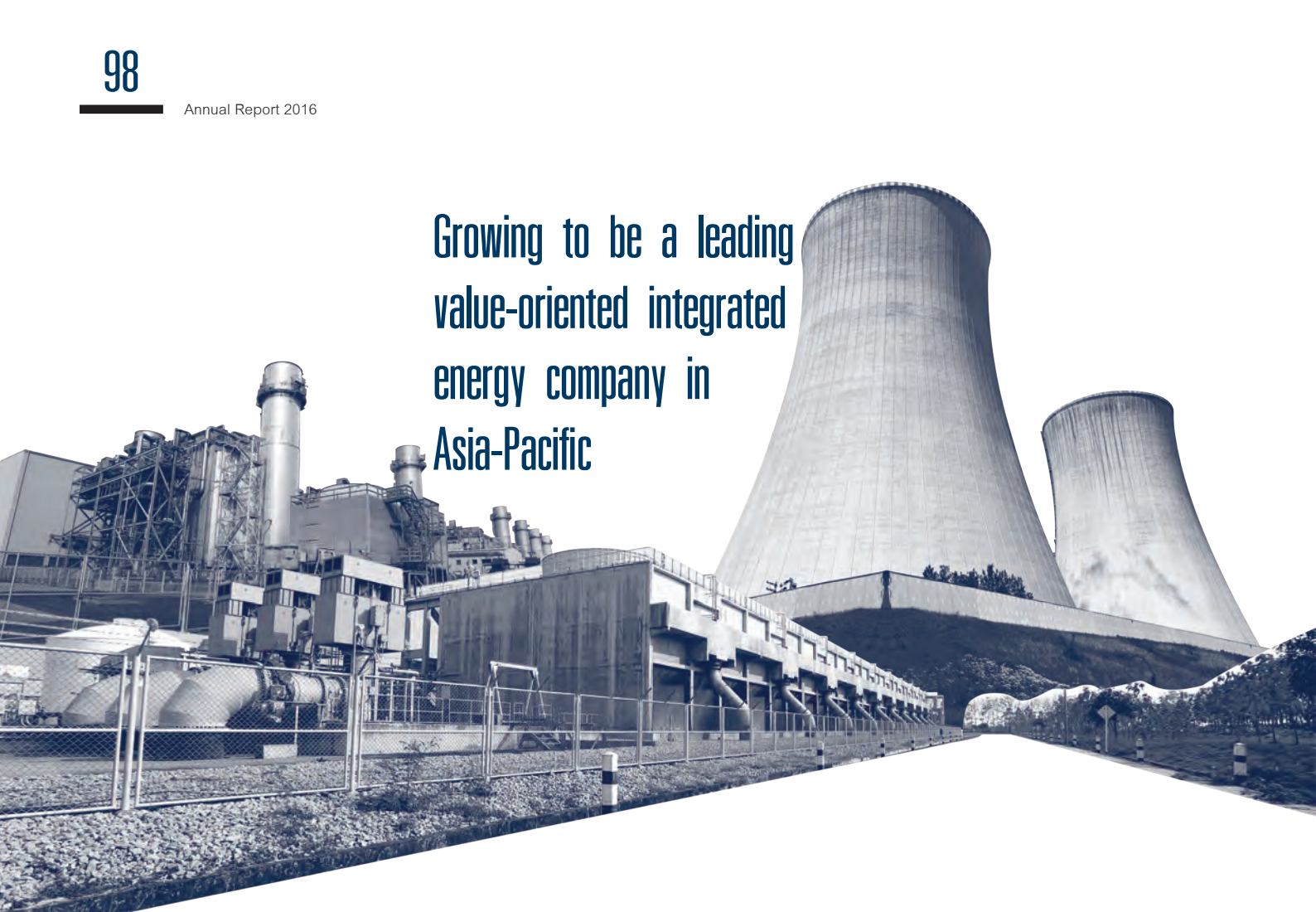
- As of 9 September 2016, there was 89 foreign shareholders out of the total 19,047 shareholders. The foreign shareholders held 186,362,902 shares or equivalent to 12.85 percent of the total shares, not exceeding the limit in the Company's Articles of Association which states, "Non-Thai shareholders shall not exceed 25 percent of the total shares sold."
- As of 7 March 2016, the Company has 17,585 shareholders that fit the Free Float criteria or equivalent to 35.42 per cent of the total shares.



Nature of Business

The Company operates
as a holding company

by investing in other companies. Since its establishment on 7 March 2000, the Company has been looking for opportunity to expand its business in Thailand and other countries, especially in energy and related business in the Asia Pacific. Starting from electricity generating and sales to the Electricity Generating Authority of Thailand (EGAT), the company has been operating large and small power plants, using various types of technologies, ranging from thermal, combined cycle, hydroelectricity, nuclear, co-generation and various types of renewable energy. The Company has expanded to other related businesses and sought new business opportunities in the area where the Company's personnel have expertise such as coal production to support electricity generation and mass transit electric train.



Growing to be a leading value-oriented integrated energy company in Asia-Pacific

To support the 12th National Economic and Social Development Plan (2017-2021) and strengthen national economic competitiveness and sustainability, the Company has been working with all parties concerned in accordance with the integrated energy plan which focuses on three main areas: energy security, economic growth support and reduction of environment impact. This will at the same time supports the Company's and the country's long-term growth and sustainability while reflecting the Company's strong performance and commitment to good governance practice.

As of 31 December 2016, the Company's attribution production capacity from commercially operating power plants and projects under construction and development was 6,980.03 MW. This included 6,442.42 MW from commercially operating power plants and 537.61 MW from projects under construction and development. The Company's investment is divided into four major groups as follows:

1. IPPs and SPPs in Thailand

Most of the IPPs and SPPs are located in the west of the country. They are important to the Company's business and contribute significantly to the security of the country's electricity system through EGAT's transmission network. Power plants in the western region transmit electricity to the south of Thailand where electricity supply shortage was experienced. The total installed capacity of the Company's IPPs and SPPs business is 4,879.25 MW, representing 69.90 per cent of the Company's consolidated production capacity. This includes 4,844.25 MW generated by commercially operating plants and 35.00 MW generated by projects under construction and development. This can be categorized by type of business as follows:

1.1 Independent Power Producers (IPPs) namely Ratchaburi Power Plant, Tri Energy Power Plant and Ratchaburi Power Power Plant

1.2 Small Power Producers (SPPs) namely Ratchaburi World SPP Power Plant, Navanakorn SPP Power Plant and Berkprai Cogeneration SPP Power Plant

2. Renewable Projects in Thailand

Thailand has demonstrated its commitment to the Paris Agreement under the United Nations Framework Convention on Climate Change made on 12 December 2015 aiming at reducing carbon dioxide emission starting from 2020. The country therefore sets the main energy strategy focusing on the use of renewable energy for electricity generation which is environmentally friendly and reduces fossil fuel dependence. With its commitment and responsibility to the environment, the Company has increased the use of renewable energy for power generation. At the same time, it has studied, developed and invested in a larger variety of renewable and alternative energy power plants, such as solar power, wind power, biomass and nuclear energy to support the government strategic energy plan.

At present, the Company's total renewable energy power installed capacity in Thailand is 69.34 MW, all is from commercially operating power plants, which can be categorized by type of renewable energy sources as follows:

2.1 Solar power namely Solarta Solar Power Plant, Solar Power Korat 3 Power Plant, Solar Power Korat 4 Power Plant and Solar Power Korat 7 Power Plant

2.2 Wind power namely Huay Bong 2 Wind-Turbine Power Plant and Huay Bong 3 Wind-Turbine Power Plants

2.3 Biomass power namely Songkhla Biomass Power Plant



3. International Projects

Based on its vision to become a value-oriented integrated energy company in Asia-Pacific and considering the sufficient domestic supply, the Company has been looking for opportunities to grow its business overseas. The Company has seen large foreign investment opportunities due to Thailand's strategic location and high potential growth of neighboring countries. However, the Company has to carefully make investment decisions by selecting projects in neighboring countries as well as other countries with low risks and high returns on investment.

The Company has jointly invested and developed international projects, using different sources of fuel, ranging from fossil fuel to renewable energy and nuclear energy. The total installed capacity of these projects is 1,917.08 MW, including 1,414.47 MW of commercially operating power plants and 502.61 MW from projects under development and construction which can be categorized by geographical location is as follows:

3.1 Lao PDR namely Nam Ngum 2 Hydroelectric Power Plant, Hongsa Thermal Power Plant and Xe-Pian Xe-Namnoy Hydroelectric Power Plant

3.2 Australia namely RATCH-Australia Power Plant

3.3 Japan namely RICI Solar Power Plant

3.4 Republic of China namely Fangchenggang II Nuclear Power Plant

4. Related Business

The Company has always sought opportunity to develop related business in Thailand and overseas through investment in its subsidiaries, associates and joint ventures, including power plant operation and maintenance, coal mine, gas turbine maintenance and others. The investment is categorized by types of business as follows:

4.1 Power plant operations and maintenance service namely RATCH O&M Company Limited, RATCH-Lao Services Company Limited and Chubu Ratchaburi Electric Services Company Limited.

4.2 Gas turbine maintenance service namely EGAT Diamond Service Company Limited

4.3 Coal mine namely Phu Fai Mining Company Limited

4.4 Fuel sourcing service namely Songkhla Biofuel Company Limited

4.5 Other business namely shareholding in EDL-Generation Public Company ("EDL-GEN"), a listed company on Lao Securities Exchange, through RATCH-Lao Services Company Limited, and RH International (Singapore) Corporation Pte. Limited. The Company's attribution capacity in EDL-Gen is 114.36 MW. In addition, the Company also considers new investment opportunity in electric train service and other business that will strengthen national economic stability.

Interested persons may find more information under "The Company's Group General Information" section and/or the Form 56-1 as published on the Company's website: www.ratch.co.th and the SEC's website: www.sec.or.th.



Revenue Structure and Dividend Payment Policy

Base revenue structure
under 25-Year Power
Purchase Agreement

The Company's main source of revenue is the sales of electricity generated by Ratchaburi Electricity Generating Company Limited, a subsidiary, to EGAT under the 25-year power purchase agreement (PPA).

Revenue Structure

Revenue structure of the Company, subsidiaries, associates and joint ventures

The Company's main source of revenue is the sales of electricity generated by Ratchaburi Electricity Generating Company Limited, a subsidiary, to EGAT under the 25-year power purchase agreement (PPA). Ratchaburi Power Plant's and Tri Energy Power Plant's revenue structure includes 3 main parts as follows:

1. Availability Payment (AP)

AP covers the entire investment cost, including loans, loan interests, shareholders' return, fixed operational costs, such as maintenance expenses and management expenses. Generally, AP depends on the power plant's readiness to produce and distribute electricity according to EGAT's requirement.

2. Energy Payment (EP)

EP is received after electricity is generated and transmitted to the EGAT's transmission system. EP comprises two major parts:

1) Fuel Payment

2) Variable Operating and Maintenance Payment

3. Finance Lease

Revenue from finance lease covers availability payment in the loan and shareholders' return part. It is recorded under effective interest rate method, which is according to the Thai Financial Reporting Interpretation Committee standard No.4 (TFRIC 4)

In addition to the main income from electricity sold by Ratchaburi Power Plant, the Company has consolidated electricity sales from RATCH-Australia Corporation Limited (RAC), a subsidiary located in Australia whose main income is from the long-term

PPA for its thermal power plants and wind power plants. The basic revenue structure according to the long-term PPA for the thermal power plants includes:

1. Capacity Charge covering the total investment including maintenance costs and actual capacity availability in electricity generation and distribution as stated in the PPA.

2. Energy Charge which is received when electricity is produced. This includes fuel payment and variable operating and maintenance payment.

RAC's wind power plants' revenue from electricity sales is calculated by electricity generated times price per unit.

In addition, the Company recognizes share of profit from joint ventures which invest in electricity generating business as follows:

1. Ratchaburi Power Company Limited whose 25 percent stake is held by Ratchaburi Alliances Company Limited, the Company's subsidiary, has electricity sales from the two units of combined cycled power plant. The sales income can be divided into 3 parts, which are Availability Payment, Energy Payment and Finance Lease, similar to the basic incomes of Ratchaburi Electricity Generating Company Limited.

2. Chubu Ratchaburi Electric Services Company Limited in which the Company holds 50 percent stake, receives income from providing operating and maintenance services under the 14-year contract with the Ratchaburi Power's Power Plants.

3. SouthEast Asia Energy Limited in which the Company holds 33.33 percent stake, received income from sales of electricity generated by the Nam Ngum 2 Hydroelectric Power Plant in Lao PDR with a 25-year PPA with EGAT starting from its initial operation date on 26 March 2011.

4. Solarta Company Limited whose 49 percent stake is held by Ratchaburi Energy Company Limited, the Company's subsidiary, operates eight solar power plants. It has non-firm PPA for very small power producer (VSPP) with Provincial Electricity Authority (PEA) and receives adder of Baht 8 per unit from the Electricity Development Fund, Office of Energy Regulatory Commission (OERC) for 10 years.

5. First Korat Wind Company Limited (Huay Bong 3 Wind-Turbine Power Plant) and K. R. Two Company Limited (Huay Bong 2 Wind-Turbine Power Plant), both of which the Company holds 20 percent stake, operate wind farms. They have non-firm PPAs for small power producer (SPP) with EGAT and received adder of Baht 3.5 per unit for 10 years from the Electricity Development Fund. The electricity sales income includes Energy Payment, Adder and wholesale Ft, similar to that of Solarta Company Limited.

6. Solar Power (Korat 3) Company Limited, Solar Power (Korat 4) Company Limited and Solar Power (Korat 7) Company Limited, in which Ratchaburi Energy Company Limited, the Company's subsidiary, holds 40 percent stake, produce electricity from solar power. They have non-firm PPAs for VSPP with PEA and received adder of Baht 8 per unit from the Electricity Development Fund for 10 years. Its electricity sales income covers Energy Payment, Adder and wholesale Ft, similar to that of Solarta Company Limited.

7. Ratchaburi World Cogeneration Company Limited, in which Ratchaburi Electricity Generating Company Limited, the Company's subsidiary, holds 40 percent stake, has a 25-year firm cogeneration PPA with EGAT. The Unit 1 and Unit 2 of Ratchaburi World Power Plant commenced commercial operations and transmitted electricity to EGAT on 1 November 2014 and 1 March 2015 respectively.

8. Hongsa Power Company Limited, in which the Company's subsidiary, RH International (Singapore) Corporation Pte. Limited, holds 40 percent stake, has a 25-year power purchase agreement with EGAT. Electricity sales income comprises Availability Payment and Energy Payment, similar to the basic incomes of Ratchaburi Electricity Generating Company Limited. The Unit 1, Unit 2 and Unit 3 of Hongsa Thermal Power Plant have begun commercial operations and transmitted electricity to EGAT since 2 June 2015 and 2 November 2015 and 2 March 2016 respectively.

9. Songkhla Biomass Company Limited, in which Ratchaburi Electricity Company Limited, the Company's subsidiary, holds 40 percent stake, operates biomass power plant producing electricity from bark and bara rubber roots. Located in Jana District in Songkhla, the it has a 5-year power purchase agreement with the PEA, which will be automatically renewed every 5 years. Songkhla Biomass Power Plant has commenced commercial operations since 9 November 2015.

10. Nava Nakorn Electricity Generating Company Limited, in which Ratchaburi Electricity Generating Company Limited, the Company's subsidiary, holds 40 percent stake, operates a small power plant with a 25-year firm PPA with EGAT. Nava Nakorn SPP Power Plant started commercial operation on 3 June 2016.

Revenue Structure 2014 - 2016

Types of Revenue	Generated By	%	Revenue						
			2016		2015		2014		
			Million Baht	%	Million Baht	%	Million Baht	%	
Revenue from sale and rendering of services									
- AP	Ratchaburi Electricity Generating Company Limited	99.99	3,296.27	6.43	4,283.88	7.22	3,691.12	6.29	
- AP	RATCH-Australia Corporation Limited	80.00	1,616.73	3.15	1,541.28	2.60	1,744.06	2.97	
- AP	Tri Energy Company Limited *	-	-	-	-	-	126.10	0.2	
- EP	Ratchaburi Electricity Generating Company Limited	99.99	37,222.24	72.59	45,328.61	76.41	39,813.13	67.82	
- EP	RATCH-Australia Corporation Limited	80.00	712.54	1.39	712.68	1.20	539.99	0.92	
- EP	Ratchaburi Energy Company Limited	99.99	-	-	66.12	0.11	63.32	0.11	
- EP	Tri Energy Company Limited *	-	-	-	-	-	3,209.31	5.47	
- O&M	RATCH-Lao Services Company Limited	99.99	239.26	0.46	238.87	0.40	214.98	0.37	
Revenue from finance lease contracts	Ratchaburi Electricity Generating Company Limited	99.99	4,491.34	8.75	5,005.33	8.44	5,318.06	9.06	
	Tri Energy Company Limited *	-	-	-	-	-	249.68	0.43	
Share of profit (loss) of jointly-controlled and associated entities	Hongsa Power Company Limited	40.00	1,196.18	2.32	(270.97)	(0.46)	(204.16)	(0.35)	
	Ratchaburi Power Company Limited	25.00	458.88	0.89	493.50	0.83	699.19	1.19	
	Ratchaburi World Cogeneration Company Limited	40.00	231.32	0.45	135.52	0.23	3.60	0.01	
	Solarta Company Limited	49.00	177.23	0.35	172.29	0.29	168.74	0.29	
	SouthEast Asia Energy Limited	33.33	173.23	0.34	142.84	0.24	261.47	0.45	
	First Korat Wind Company Limited	20.00	125.66	0.25	109.62	0.18	127.77	0.22	
	Phu Fai Mining Company Limited	37.50	107.05	0.21	25.44	0.04	(0.07)	-	
	K.R. TWO Company Limited	20.00	102.55	0.20	95.14	0.16	109.08	0.19	
	Pert Power Partnership (Kwinana)	30.00	80.27	0.16	80.37	0.14	67.15	0.11	
	Nava Nakorn Electricity Generating Company Limited	40.00	59.27	0.12	(14.74)	(0.02)	(10.96)	(0.02)	
	Songkhla Biomass Company Limited	40.00	47.94	0.09	(13.98)	(0.02)	(4.84)	(0.01)	
	Chubu Ratchaburi Electric Services Company Limited	50.00	41.76	0.08	9.13	0.02	19.88	0.03	
	Solar Power (Korat 7) Company Limited	40.00	27.51	0.05	24.90	0.04	23.97	0.04	
	Solar Power (Korat 3) Company Limited	40.00	27.36	0.05	24.03	0.04	23.88	0.04	
	Solar Power (Korat 4) Company Limited	40.00	25.55	0.05	23.32	0.04	23.11	0.04	
	Songkhla Biofuel Company Limited	40.00	-	-	-	-	(0.01)	-	
	<u>Under Construction Projects</u>								
		Xe-Plan Xe-Namnoy Power Company Limited	25.00	60.16	0.12	72.04	0.12	(17.02)	(0.03)
		Oversea Green Energy Company Limited	60.00	3.86	0.01	(1.21)	-	(0.01)	-
		Ayudhya Power Company Limited (Liquidated in 2015)	-	-	-	0.04	-	(4.01)	(0.01)
		Sukhothai Energy Company Limited	-	-	-	-	-	(1.69)	-
		Berkprai Cogeneration Company Limited	35.00	(1.61)	-	0.05	-	(0.25)	-
		RICI International Investment Pte. Ltd.	60.00	(37.43)	(0.07)	8.76	0.01	-	-
Management service income	Ratchaburi Electricity Generating Holding Public Company Limited		254.86	0.50	254.36	0.43	283.89	0.48	
	RATCH-Lao Services Company Limited	99.99	3.38	0.01	3.74	0.01	3.90	0.01	

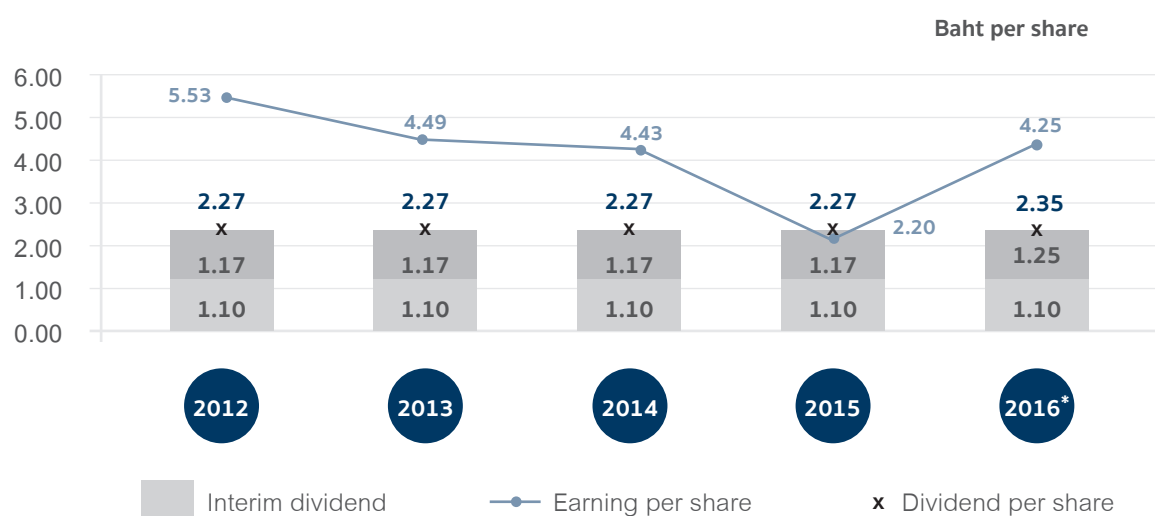
Types of Revenue	Generated By	%	Revenue					
			2016		2015		2014	
			Million Baht	%	Million Baht	%	Million Baht	%
Interest income	Ratchaburi Electricity Generating Holding Public Company Limited		115.92	0.23	181.18	0.31	79.83	0.14
	RATCH-Australia Corporation Limited	80.00	23.10	0.05	11.32	0.02	18.29	0.03
	Ratchaburi Electricity Generating Company Limited	99.99	15.44	0.03	59.95	0.10	79.83	0.14
	RH International (Singapore) Corporation Pte. Ltd.	100	7.35	0.01	42.89	0.07	49.89	0.08
	RH International Corporation Limited	99.99	2.65	0.01	3.63	0.01	6.15	0.01
	Ratchaburi Energy Company Limited	99.99	0.40	-	0.57	-	5.13	0.01
	Ratchaburi Alliances Company Limited	99.99	0.03	-	37.41	0.06	23.36	0.04
	RH International (Mauritius) Corporation Limited	100	0.02	-	0.11	-	-	-
	RATCH O&M Company Limited	99.99	0.01	-	0.01	-	0.01	-
	RATCH-Lao Services Company Limited	99.99	-	-	1.39	-	2.73	-
	Tri Energy Company Limited *	-	-	-	0.01	-	2.42	-
	Ratchaburi Gas Company Limited	-	-	-	-	-	0.18	-
Dividend income	RATCH-Lao Services Company Limited	99.99	114.20	0.22	121.12	0.20	135.16	0.23
	RH International (Singapore) Corporation Pte. Ltd.	100	90.52	0.18	90.95	0.15	100.79	0.17
Other incomes	Ratchaburi Electricity Generating Company Limited	99.99	110.46	0.22	95.82	0.16	92.02	0.16
	RATCH-Australia Corporation Limited	80.00	46.81	0.09	5.43	0.01	480.45	0.82
	Ratchaburi Energy Company Limited	99.99	6.83	0.01	117.48	0.20	0.33	-
	Ratchaburi Electricity Generating Holding Public Company Limited		2.32	-	4.47	0.01	17.34	0.03
	Ratchaburi Alliances Company Limited	99.99	-	-	0.99	-	0.59	-
	RATCH-Lao Services Company Limited	99.99	-	-	0.61	-	0.04	-
	Tri Energy Company Limited *	-	-	-	-	-	266.13	0.45
Gain on bargain purchase	Ratchaburi Electricity Generating Holding Public Company Limited		-	-	-	-	797.29	1.36
Total			51,279.88	100.00	59,326.30	100.00	58,700.32	100.00

Note : * Incomes of Tri Energy Company limited were recognized until July 31, 2014

Dividend Payment Policy

The Company has a policy to pay dividend at no less than 40 percent of its total net profit according to the consolidated financial statements after legal reserve and other reserves. However, such dividend payment also depends on the Company's cash flow.

The Company's 5-year dividend payment details are as follows:



5-year Dividend Payment

		2012	2013	2014	2015	2016*
Earning per share	Baht	5.33	4.49	4.33	2.20	4.25
Dividend per share	Baht	2.27	2.27	2.27	2.27	2.35
Interim dividend	Baht	1.10	1.10	1.10	1.10	1.10
Net dividend after interim dividend	Baht	1.17	1.17	1.17	1.17	1.25
Dividend payout ratio	%	42.60	50.53	52.42	103.25	55.27

Remark: * An agenda to be considered at the Shareholders' Annual General Meeting Year 2560 (B.E.) to be held on 5 April 2017

The Company paid interim dividend of Baht 1.10 per share for the six month operations of the fiscal year 2016 (January - June 2016).

Dividend payment was made on 22 September 2016.



A hand is pointing at a tablet screen. The screen displays a bar chart with several bars of varying heights. In the background, a world map is visible, showing the outlines of continents. The overall image has a blue and white color scheme.

121.47	822.50	525.00	2.50	0.40	121.47	121.47
1116.00	1,116.00	1,116.50	-1.00	-0.01	1,116.00	1,116.00
20.59	20.59	20.64	-0.07	-0.31	20.59	20.59
1,131.00	1,131.00	1,131.50	-2.00	-0.10	1,131.00	1,131.00
8.04	8.04	8.04	-0.04	-0.50	8.04	8.04
8.04	8.04	8.05	-0.03	-0.41	8.04	8.04
8.90	8.90	8.91	-0.06	-0.61	8.90	8.90
34.83	34.83	34.85	-0.08	-0.23	34.83	34.83
25.61	25.61	25.63	-0.11	-0.41	25.61	25.61
25.80	25.80	25.62	-0.09	-0.35	25.80	25.80
13.44	13.44	13.44	-0.05	-0.35	13.44	13.44
18.27	18.27	18.27	-0.04	-0.23	18.27	18.27
13.43	13.43	13.45	-0.03	-0.22	13.43	13.43
1,109.50	1,109.50	1,109.50	-3.00	-0.27	1,109.50	1,109.50

Risk Management Committee's Report



The Company has been operating the business with a commitment to growth and creating added value to all stakeholders. In addition to continuous electricity generation business development, the Company has a number of affiliates and joint ventures. In operating our business, all have to realize and understand that uncertainties and changes can happen anytime and may have impact on our business due to internal and external factors such as operational process, advanced technology, new project investment, intense competition, changes to related regulations, fuel costs, exchange rate, natural disasters or other incidents. All these factors may cause damages and opportunity loss. In other words, the Company has to quickly adjust and cope with such changes and risk factors. It is therefore important for all to understand the risks

on the Company's operations, work and its personnel so that they can cooperate in managing risk and mitigating damages for the Company's benefit. To increase confidence towards its operations and add value to the Company, we have set clear scope of work and responsibility for all and ensure everyone is responsible for management of risks related to his/her job responsibility. We have made efficient risk management a strong culture, which will enable us to achieve business goals.

To achieve organizational goal, risks are involved in the operations. Although the Company cannot eliminate all possible risks, establishing framework, knowledge and understanding on risk management to everyone in the organization will enable them to identify risks and make timely responses. It will also enable them with the ability to consider risks and related returns, link risk management to the Company's operations which means applying risk management principle in strategic planning and business plan preparation, decision making process and critical business process. The employees will be able to assess and understand the positive and negative impact that may arise from such risk factors, allowing them to effectively manage such events and increase added value while reducing damages and uncertainties on the Company's operating results.

In 2016, the Company has proven success in efficient operations as evidenced in the receiving of Sustainability Report Award 2016, for the fourth consecutive year. This is due to the Company's outstanding disclosure of strategies on sustainable development, risk management and corporate governance, and the Company's operating result on sustainability could be linked to the business process. The award is a clear proof that increases shareholders' trust on the Company's management. In the past year, the Risk Management Committee held a workshop to review its strategic plan and

mentioned the strategic risk management through a scenario planning that predicts trends and uncertainties at different degree from external factors that may affect the plan. The Committee also reviewed corporate vision, mission, goal and strategies to ensure they cover all aspects and open for new business opportunities in related business to drive growth and business diversification. Realizing the operation risks in new business that the Company has no experience, the Risk Management Committee has instructed the Management to carefully consider related issues and identify risk prevention measures as well as returns and opportunities.

The Risk Management Committee and Risk Management Working Team are committed to maintaining and increasing efficiency in risk management, which will drive the Company to achieve its business goal and sustainability.

Captain



(Siridech Julpema)

Chairman of the Risk Management Committee

31 December 2016



Power Industry and Competition

Global cooperation led to
changes in energy technology
for more efficiency

The success of the United Nations Climate Change Conference of the Paris (COP 21) held from 30 November - 11 December 2015 in Paris, France, has prompted the world to reach new cooperation in solving Climate Change problem. This has led to energy technology efficiency improvement, which may result in higher pressure on the price of fossil fuel, coals, oil and natural gas in the future.

In Thailand, more active response towards Green Energy has been clearly observed. The Thai government under the leadership of Prime Minister General Prayuth Chan-o-cha has implemented economic restructuring with an aim to make Thailand a value-based economy or innovation-driven economy that will bring about changes in three areas as follows:

1. A shift from consumer products to innovation products.
2. A shift from industry-based to technology, creativity and innovation-based economy.
3. A shift from production to service-focused economy. On 1 October 2016, Thailand introduced the 12th National Economic and Social Development Plan (2017-2021). This plan is a total difference from the past 11 plans in the area that it is closely integrated with the 20-Year National Strategy (2017-2036) which was formed for the first time. The integration in the area of energy is as follows:

1. 20-Year National Strategy

1.1 2nd Strategy : Competitiveness Enhancement, focusing on energy security by establishing appropriate pricing, fuel source distribution, promotion of renewable energy depending on the local capability and fuel sources connection across the ASEAN.

2. 12th National Economic and Social Development Plan (2017-20210)

2.1 3rd Strategy: Economic Strength and Sustainable Competitiveness Enhancement

- 1) Advance Track 1: To increase adoption of advanced and environmentally friendly technology such as electric automotive industry.
- 2) Future Track 2: To promote in-depth study to encourage the “build/buy” of advanced technology such as bio energy industry.

2.2 10th Strategy: International Cooperation on Development to prepare for connection and development along the economic corridor, such as high-speed train construction project

1) Industry Competition in Thailand

In 2015, Thailand Integrated Energy Blueprint (TIEB)¹ was introduced to reduce electricity generated from natural gas and use more coal and renewable energy. The Floating Storage and Regasification Unit (FSRU) was planned to be built to reduce risk and be used as future fuel reserve. The government, meanwhile, promoted investment in renewable energy, especially solar power, biomass and wind energy.

Thailand's maximum electricity demand was 29,618.80 MW on 11 May 2016 at 22.28 Hrs. This was the first time in more than 23 years when electricity demand peaked at night. The reasons were recovering economy, heat and electricity consumption behavior. Another factor is that the 1,000 MW solar power production capacity by VSPPs during day time lessen the electricity demand in EGAT's system; therefore, afternoon peak was lower than the actual demand. The country's maximum electricity demand in EGAT's system increased by 8.31 per cent from that in 2015 as a result of the government's economic stimulation measure and GDP growth of 3.21 per cent in 2016.

¹ This includes 5 major plans—Power Development Plan (PDP 2015), Energy Efficiency Plan (EEP 2015), Alternative Energy Development Plan (AEDP 2015), GAS Plan 2015 and OIL Plan 2015

Maximum electricity demand

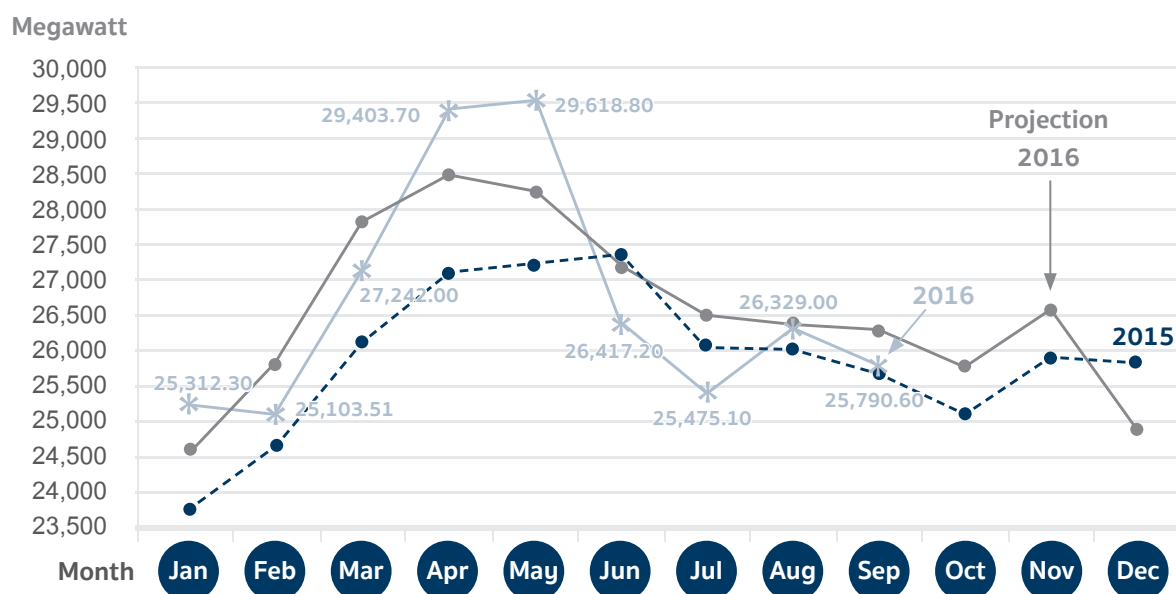


Chart 1: Thailand's maximum electricity demand as of September 2016
Source: EGAT

The installed capacity as of 30 September 2016 was 41,092.25 MW. Out of this, 16,381.13 MW (39.9 per cent) were generated by EGAT. The rest was purchased from IPPs totaling 14,948.50 MW (36.40 per cent), from SPPs totaling 5,885.02 MW (14.30 per cent) and from neighboring countries totaling 3,877.60 MW (9.40 per cent) respectively.

2) Power Industry Competition in the Asia-Pacific

At the 34th ASEAN Ministers on Energy Meeting (34th AMEM) held on 21-22 September 2016 in Naypyidaw, Myanmar, the energy ministers from the 10 member countries met on "Towards Greener Community with Cleaner Energy" with the shared goal to drive ASEAN towards a green energy and environmentally friendly community.

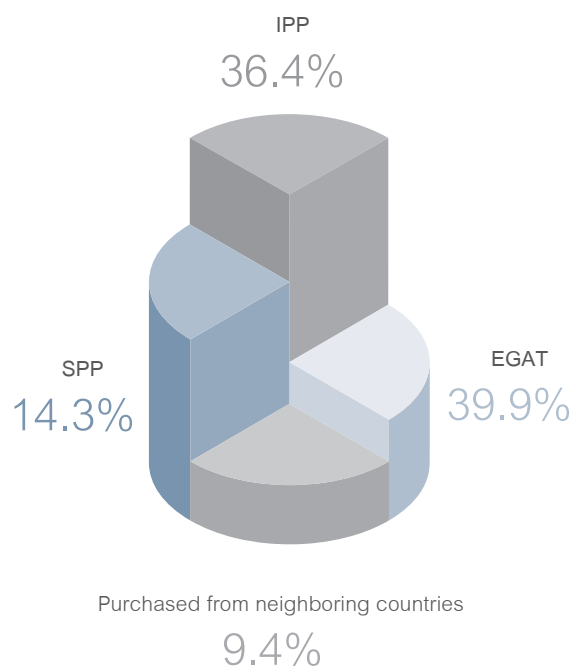


Chart 2: Installed capacity as of September 2016
Source: EGAT

The ministers also released a statement that the member countries shall promote renewable energy and reduce energy intensity in accordance with the ASEAN Plan of Action on Energy Cooperation 2016-2025 (APAEC). The plan focuses on energy security promotion, network integration, clean energy development, energy efficiency, clean coal technology usage and cooperation in the infrastructure and energy market, personnel and energy technique in order to share renewable resources and resources in the ASEAN region. In terms of energy efficiency and conservation, ASEAN's strategy is to reduce energy intensity by 20 per cent within 2020 and 30 per cent by 2030. For renewable energy, the region's strategy is to increase renewable energy consumption to 23 per cent of the total mixed energy consumption by 2025. Considering the infrastructure, six member countries are working together to connect 3,673-kilometre natural gas pipeline based on bilateral agreement and operate six LPG conversion stations with a total of 22.50 metric tons production capacity per year. At the same time, eight projects totaling 1,700 MW of production capacity were implemented to connect to the ASEAN Power Grid (APG).

2.1) Power Industry Competition in Negara Brunei Darussalam

Almost all electricity in Negara Brunei Darussalam is produced from natural gas. To increase renewable energy capacity, the government has been trying to expand fuel mix by promoting solar power and waste power plant. Negara Brunei Darussalam also plans to import electricity through the Federation of Malaysia's transmission system.

2.2) Power Industry competition in the Kingdom of Cambodia

ASEAN power companies and operators have expressed interest in investing in hydroelectric power plants, natural gas power plant and coal-fired power plants in the Kingdom of Cambodia. Hydroelectric power plants are considered highly efficient projects and received good supports,

especially provincial projects. Natural gas power plants still have potential for capacity increase. Renewable energy meanwhile has high growth potential while coal-fired power plant project is under feasibility study. The country also includes nuclear power plant in its long-term energy development plan.

2.3) Power Industry Competition in the Republic of Indonesia

Demand for electricity in the Republic of Indonesia has expanded quickly in correspondent to the country's rapid economic growth and network expansion to remote islands. Its government aims to expand national power supply capacity in the next 5-10 years to attract more foreign investment in the energy sector. Coal-fired and natural gas power plants will be the key sources of energy in the country. Renewable energy has also been promoted, especially the geothermal energy power plant. Although there is a plan to promote solar and wind power plants, the country's unclear regulations and lack of infrastructure remain major obstacles.

2.4) Power Industry Competition in the Lao's People Democratic Republic

The Lao's People Democratic Republic (Lao PDR) energy policy emphasizes on reliability and sustainable growth to promote energy and economy development while fighting against poverty. To achieve this, the government has increased access and development of hydroelectricity power plants. The Renewable Energy Development Strategy and National Energy Plan 2025 was prepared, covering three strategies including short-term strategy (2010-2015) aiming at education and competency increase, mid-term strategy (2016-2020) providing clear renewable energy framework and the long-term strategy (2021-2025) focusing on full development to promote competitiveness in the renewable energy market. In 2025, the Lao government targets to have 30 per cent of the country's electricity installed capacity generated from renewable energy.

The government of Lao PDR is committed to the national strategy to make the country a big electricity exporter or the Battery of Asia. Investment has constantly been made in dam construction for electricity generation. The Thai government has also approved a plan to increase electricity purchase from Lao PDR from 7,000 MW to 9,000 MW and allows Lao PDR to use Thai electricity transmission network to transmit electricity to the Federation of Malaysia and the Republic of Singapore. Lao PDR and the Republic of Singapore have earlier made an official agreement for 100 MW electricity purchase under the ASEAN Power Grid. Malaysian government, however, requests for some time to review the plan and its impact before the MOU between the Lao PDR, Thailand, the Federation of Malaysia and the Republic of Singapore is signed.

2.5) Power Industry Competition in the Federation of Malaysia

The Federation of Malaysia's electricity growth in 2016 was forecasted at 6.10 per cent, an increase from 5.30 per cent in the previous year. Thermal power plant will be the key driver of continuous growth.

2.6) Power Industry Competition in the Republic of the Union of Myanmar

In the past 10 years, electricity industry in the Republic of the Union of Myanmar has expanded significantly, making it the fastest growing market in the region. The government has set specific fuel mix for electricity generated by the government sector in order to promote investment opportunity. Although natural gas is the main fuel source for electricity generation, the Republic of the Union of Myanmar has to rely more on hydroelectric power due to its lower cost which makes electricity affordable by the majority of the population.





2.7) Power Industry Competition in the Republic of the Philippines

The electricity sector growth in 10 years (2015-2025) in the Republic of the Philippines is projected to be 4.80 per cent on average. After having recovered the economy from the typhoon, the government has been promoting renewable energy. However, President Rodrigo Duterte continues to promote coal-fired power plant. In the short run, this renewable energy policy may reduce stability and cause uncertainty in the electricity market despite the fact that renewable energy, especially solar and wind power, is highly attractive to foreign investors. In the medium-term, electricity transmission network connection remains insufficient to support coal-fired power plants.

2.8) Power Industry Competition in the Republic of Singapore

Most of the energy used in the Republic of Singapore's power plant is oil and natural gas. The country has planned to increase installed capacity by using liquefied natural gas (LNG) production. While being one of the region's leaders in renewable energy, the country still has limitation in production capacity and cannot meet high demand in the industrial sector. As a result, it has to depend mainly on thermal power plants and import natural gas for reserve. The Singaporean government has already negotiated to purchase 100 MW from Lao PDR through Thailand and the Federation of Malaysia's transmission system. The plan is also being reviewed for possible impact from the system integration.

2.9) Power Industry Competition in the Socialist Republic of Vietnam

Due to growing electricity demand, driven by the country's rapid economic expansion and regulations relaxation, it is a good opportunity independent power producers (IPPs) to consider investing in Vietnam's thermal power plants, especially coal-fired power plants. The development of nuclear power plant, however, moves slowly.

2.10) Power Industry Competition in the Commonwealth of Australia

Most power plants in the Commonwealth of Australia are fueled by coal and natural gas. For the solar power generation, there is a tendency that the government would not support large producers but would encourage households to install solar rooftop instead. In terms of hydroelectric and wind power, it is expected that power production from these two sources would be expanded in 2016 but at a slower rate than their capability as investors does not find the market attractive. This is due to the reduction of the government's support and uncertainty in policy related to carbon emission reduction and renewable energy target.

2.11) Power Industry Competition in the People's Republic of China

The People's Republic of China's economy continued to slow down. The government also try to reduce coal consumption while increasing renewable energy consumption. As a result, coal-fired electricity generation growth is expected to drop from 70 per cent of the total power generated in the country in 2016 to 55 per cent in 2025. Meanwhile, the installed capacity of renewable energy will be increased by 7.70 per cent in 2016. By 2025, the installed capacity of electricity generated from renewable energy will be 400 gigawatts, making the People's Republic of China the world's largest renewable energy market.

2.12) Power Industry Competition in Japan

In the next 10 years, fuel mix in Japan's electricity generating sector will gradually change. Diesel power plant will be retired to reduce the demand for liquefied natural gas (LNG). Coal-fired power plants, however, will continue to play significant role as it accounts for more than 25 per cent of total fuel mix because of the government's support. Twenty nuclear power plants will resume their operations in 2025, representing 10 per cent of the total capacity. In renewable energy sector, solar power plants are likely to experience slow growth due to lower government subsidy and problems with the transmission network connection. Solar power, however, will remain a preferred choice for foreign investors when compared to other renewable energy.

Looking ahead, the Company has to carefully consider all factors before making investment decisions, especially when the Company takes interest in non-electricity generating business. Related policy, strategic plan and other domestic project development—such as transport infrastructure strategic plan, energy promotion plan to support electric vehicle development, floating storage & regasification unit (FSRU) project—must be considered in parallel. This will create more opportunity for the Company to expand its business from upstream to downstream. Close monitoring of the current situation, related policy and competition in target markets will enable the Company to plan and set clear investment direction that is flexible enough to support rapid change in the market.



Risk Factors

Committed to and
awaring of the importance
of risk management in all
aspects.

The Company and the Board of Directors are aware of the importance of and strongly committed to risk management in all aspects to ensure that the business operation is smooth and efficient and it is able to achieve its vision of being a value-oriented integrated energy company in Asia Pacific. The Company operates its business with respect to related laws, rules and regulations under supervision of the Risk Management Committee.

The Risk Management Committee convenes regularly every quarter and may call an urgent meeting in case of unexpected emergency that will seriously affect its operations. In 2016, the Committee convened four times on quarterly basis to screen and review policy and formulate strategies and risk management direction in correspondence with the risk management policy. The Committee assesses, monitors and ensures that risks are maintained at a manageable level and within the framework and policy approved by the Board of Directors. The Committee regularly reports the operation summary and risk status as well as changes and areas of improvements to the Board of Directors and the Audit Committee who will review and ensure that the practice guideline corresponds well with the policy and strategies.

The Risk Management Committee established the Risk Management Working Team, comprising high level executives from all functions and with the Chief Asset Management Officer as the chairman. The Team is responsible for monitoring and identifying situation awareness, monitor, analyze and closely and proactively assess risks in depth, find the effective, efficient and timely risk management practice and making decision on the prevention, preparation, reduction, avoidance and sharing risks as well as transferring risks, opportunity and impact on the business operations, income, expenses, image and others of the company, shareholders and all stakeholders. The Team has to ensure that risks are within the acceptable and appropriate level according to the risk management policy. A regular quarterly report is presented to the Risk Management Committee.

The six major risk factors as analyzed and assessed by the Company, who already prepares preventive measures and management to reduce risk opportunity and possible impact on the business, are as follows:



1) Domestic and Foreign Competition Risks

The first event identification to be assessed for possible risks is external factors. For the energy and infrastructure sector which requires huge investment, the top priority to be considered are economic, social and political conditions, rules and regulations, industrial movement, competition, the environment and investment climate that supports investment.

The Company conducted an analysis of external factors that may affect the Company's growth and production capacity. These strategic risks may affect the Company's ability to increase corporate value according to its vision, mission, goal and strategies. The risks are identified as follows:

- **Power Development Plan 2015-2036 (PDP 2015)** adjusts fuel ratio to increase energy balance and security. This becomes a limitation preventing the Company from growing its investment as an independent power producer (IPP) within 10 years due to the reduction on the ratio of natural gas power plants from formally 64 percent to 50 percent of the total power generated. Meanwhile, power reserve in the system remains high at more than 30 percent. Considering these, the opportunity available is to develop renewable energy projects which are mainly small power producers (SPP) and very small power producers (VSPP) which will be promoted.

- **Shortage of natural gas in the western region**, which gradually decreases and will be emptied out from the source in Myanmar in less than 10 years. The delay of new bid for natural gas field exploration in Thai Gulf will worsen the energy crisis in Thailand.
- **Global economy** is facing uncertainties and risks on business growth, such as currency fluctuation, oil price sensitivity, capital flow and less trade volume.
- **Political uncertainty** results in policy changes and unclear business law and regulations.
- **Higher competition**, especially by Chinese investors who enters into other markets across Asia with high advantages in terms of technical issues and capital, as well as more investors from other sectors who interest in making investment in energy sector.
- **The United Nations Climate Change Conference of the Parties (COP 21)**, whose goal was to reduce emission to the atmosphere. Thailand as a member is committed to reducing carbon dioxide emission.
- **Technological innovation**, which affects the energy business model and process, such as electrical vehicle and energy storage system.

These external risks have driven the Company to hold a workshop on 2 and 3 June 2016 to review strategic and business plans to ensure they correspond to the changes. The ultimate goal to become a leading value-oriented integrated energy company in the Asia Pacific remains unchanged. At the same time, the Company adjusted its strategic plan to be clearer and to open for new opportunity for growth and sustainability, both in terms of energy and infrastructure related to energy businesses. Production capacity and asset management efficiency are enhanced in parallel. Meanwhile, the Company always seeks opportunity to expand its investment both domestically and internationally, including cooperating with business partners that leads to the establishment of joint ventures. This enables the Company to increase investment opportunities in both energy and infrastructure



projects related to energy businesses, such as joint venture in the Pink and Yellow Lines electric train, as well as in expanding learning opportunity to allow the Company to move fast to the rapid social and economic changes as well as emergence of disruptive technology, including battery storage and electricity vehicle technologies.

The Risk Management Committee, the Risk Management Working Team and related business units are fully aware of the above mentioned risk factors. As a result, risk monitoring and assessment proactive and in-dept measures have been outlined through cooperation with both public and private sectors in order to obtain accurate and complete information to support careful risk analysis, assessment and management. This will also reduce and maintain the level of risks and possible impact on developing projects and investment plans at an acceptable level. Scenario planning which simulates possible scenarios through and analysis of trends and uncertainties at different levels are explored, enabling the Company to assess possible impact and effective manage the risk appetite.

2) Financial Risks

The Company has analyzed and assessed financial risks, including interest rates, exchange rates and liquidity management while efficiently planning sufficient financial sources and fund raising tools. Cost and debt to equity ratio are maintained at an appropriate level that enables the Company to maintain liquidity while expanding its business. Careful financial policy was implemented within the budget framework in order to generate high return and strong confidence of the effective risk management and internal control, appropriate risk appetite and effective monitoring of economic, social, political and other domestic and international business environment, such as Brexit and the result of the US Presidential election, which may financially affect the Company's performance. Such close monitoring will enable the Company to implement appropriate, sufficient and timely measures to prevent and reduce damages at the appropriate risk level. At the same time, this will enable the Company to have financial security and be able to achieve or exceed the performance target. Debt, interest rate and foreign exchanges are managed effectively. Natural hedge is used to manage foreign exchange while other derivatives, including SWAP, are used to prevent financial risks from interest rates and foreign exchange.

3) Operational Risks

The Company has managed risks in accordance with the Company's policy and its investment partners' policy, starting from project feasibility study, development and construction and throughout the process until the project is completed. The Risk Management Committee analyzes, assesses and monitors the projects to ensure sufficient proactive measures on reduction, avoidance, sharing and transfer of risks and their possible impact on income and expenses of the projects. This allows the Company to limit risks and possible impact on shareholders and stakeholders at an acceptable level.

Operational risks cover a large variety of issues such as technology, management, coordination, operations and communication. The Company and partners have regularly and properly analyzed, assessed and handled risks when choosing technology, designing balanced and connected long-term, medium-term and short-term plans, which enable the Company to have the desired projects and results. Strict control over every step of operations has been carefully implemented in accordance with the agreement to ensure availability and efficiency of all machinery and equipment. Machine efficiency is always improved to prevent interruption due to maintenance service while generating constant income and keeping expenses controlled within the budget available.

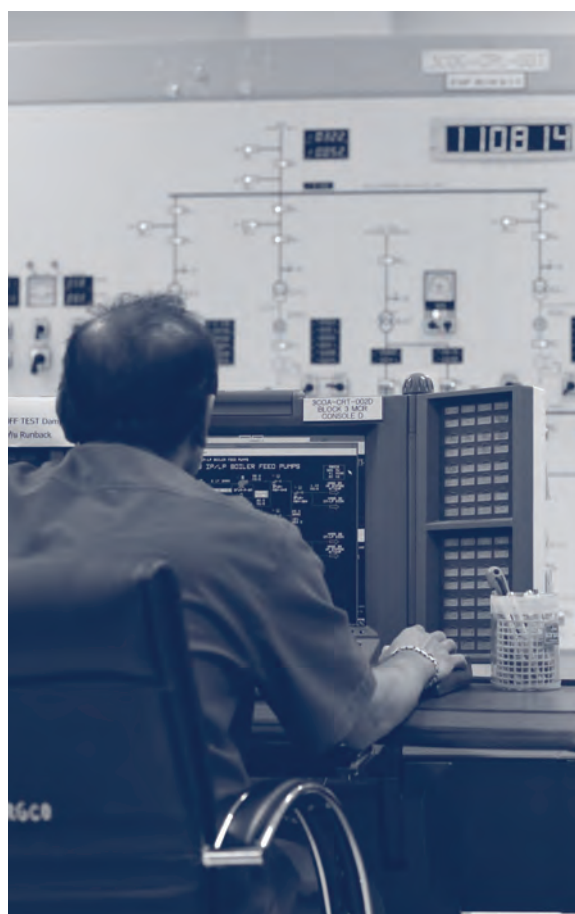
The Company appointed high-level executives who have good understanding, knowledge and experience in both business and local culture to be posted in foreign countries. The executives are responsible for managing, carefully analyzing and closely monitoring the environment so as to gain insights about the market and enable the Company to plan timely and appropriate management direction. Regular and efficient coordination and communication have been ensured to create good mutual understanding among stakeholders, including investment partners, construction contractors, machine maintenance and operations service providers, community and the general public. This allows the projects to operate smoothly with appropriate and efficient plant operations while equipment and labor needed in plant maintenance can be secured quickly. Machines can then be operated faster which is beneficial to the project's income and expenses. Positive communication and plans to educate the public of the projects, no adverse impact on the society and environment or people's way of life have enabled the Company to avoid conflict with local community and smoothly operate all projects.

The Risk Management Committee and Risk Management Working Team have closely monitored hazard risks, including natural disasters (drought and flood) and other disruptive event. Proactive management has been adopted and implemented to reduce risk and impact on projects of the Company and its affiliates.

4) Personnel Risks

Personnel risks are considered a major factor affecting international investment expansion. Delay in recruiting the right person with the required capability and qualification to be posted in a foreign country may affect and damage the investment plan and project management. Being aware of the importance of personnel management, the Company has hired advisors with experience and expertise in human resource management, covering recruitment, selection, succession, career path, talent maintenance, motivation and remuneration and benefits so as for the Company to remain competitive in its business.

The Company values teamwork and cross function, enabling its employees to optimize their capability and knowledge to enhance personal and corporate performance. To achieve this, good communication throughout the entire organization is crucial to create good understanding and implementation. As a result, the Company and its projects can overcome all challenges and achieve business goals. By enhancing employees' capability and knowledge through on the job training, job rotation and language skill enhancement, the Company has a great pool of highly capable personnel with greater knowledge and qualifications to better address the changing corporate needs. Such human resources development process is in place to support the Company's future growth and expansion both domestically and internationally as well as supporting its future investment and project development.



5) Corporate Image Risks

The Company has closely monitored corporate image risks, considering that corporate image is crucial to ensure business sustainability. The Company has in place proactive and in-depth plan and measures to prevent and reduce such risks as public opposition, impact on community, society and the environment, and corporate governance related issues in the pre-construction, during construction and commercial operation phases and until the end of the contract. Post-project development measures might be required to prevent risks and secure confidence that there will be no undesirable impact on corporate image.

The Company has joined the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) since 21 November 2014. Self assessment on anti-corruption policy has been conducted and the report was submitted to the CAC. The CAC Council rectified and approved the Company as a CAC member on 22 April 2016.

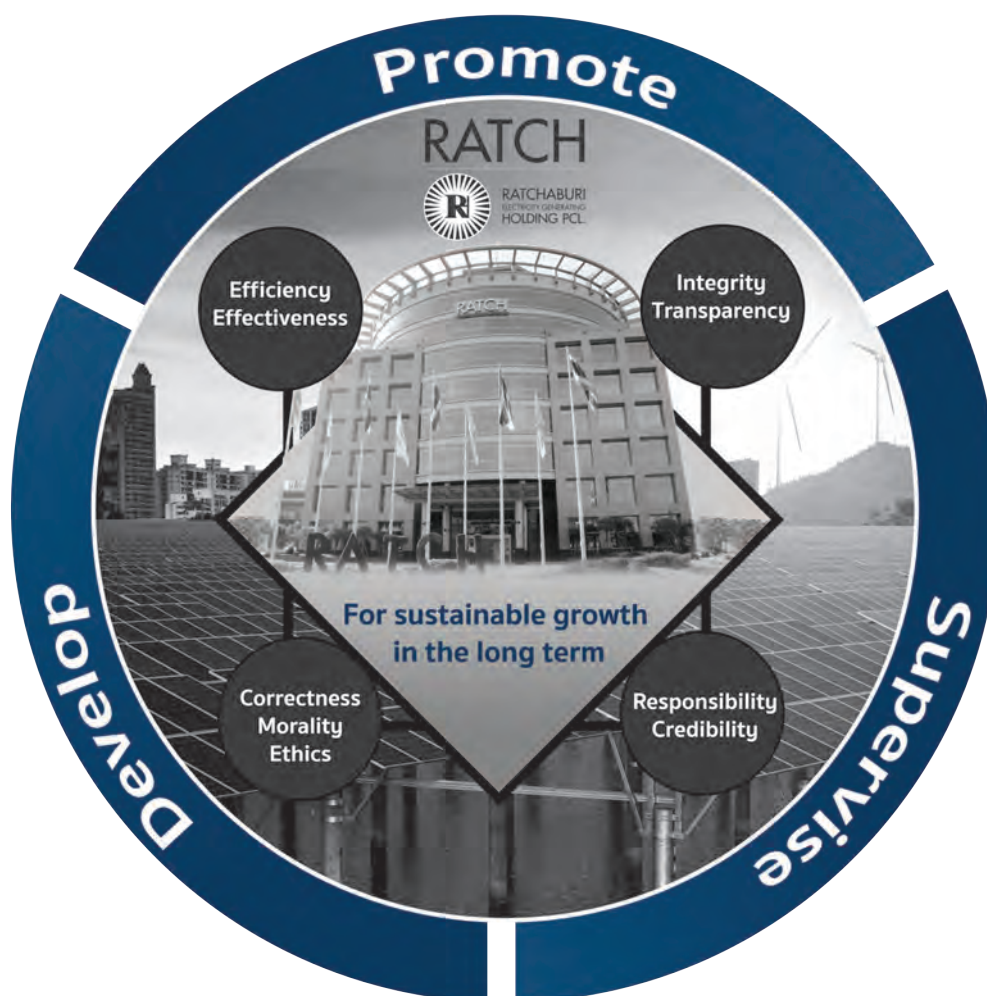
The Company operates its business with sincerity, integrity, fairness and social and environmental responsibility within the good governance framework. It also adheres to legal requirements, rules and regulations including environmental impact reduction measures as stated in the Environmental Impact Assessment (EIA). The Company has been communicating and appropriately and timely disclosing true and factual information without bias. The Company also reviews crisis communication plan by assessing risks related to corporate strategy and disseminating the plan to its subsidiaries to enable them to effectively and efficiently manage risks.

At the local level, the Company has been committed to nurturing good relationship with locals. It visits and listens to comments and recommendations from locals, participating in local traditional and culture activities, which strengthened the Company's relations with local communities. Good relations and friendship have been nurtured through the enhancing environment, trust and mutual goal of creating value for the society in the long run.

6) Compliance Risks

The Risk Management Committee has regularly monitored compliance risks, including risks related to law, rules, regulations and the CAC regulations that the Company has become a member. It ensures that all units and stakeholders fully respect and comply with the laws and regulations. It uses the highest level care in specifying condition or rules that may breach the laws or regulations. When receiving reports on an action or activity that may breach the laws and regulations, the Company implements corrective measure with duly care and integrity and without ignorance.

The Company has closely monitored and coordinated with government and private organizations, communities and stakeholders in other areas to obtain information and understand laws, regulations and rules, especially when there is amendment. Having its local partners also enables the Company to have better capacity to accurately review rules and regulations. Each project also hires legal advisors with vast experience and understanding of the laws and requirement of the country in which the Company is investing to ensure that the Company has fully complied with local laws and regulations which prevent law suits while enhancing business operations and sustainability.



Corporate Governance and Social Responsibility Committee's Report



In the past year, the Board of Directors and the executives have continued their commitment to sustainable development, as they have done since the establishment of the Company. Our business has been developed around three key pillars—economy, society and environment, while creating and sharing values with local community as well as being corporate citizenship. The Company has initiated and continued many corporate social responsibility activities and projects to promote sustainable development that best address business and social needs. All activities and projects are implemented and managed within good corporate governance practice framework. Reduction of carbon dioxide emission to alleviate impact from the Global Warming, quality of life enhancement, promotion of human rights and philanthropy remain the key areas of interest for the Company's environment and social development projects and activities.

"Love Forest and Community Project" remains the major project for the ninth consecutive years. It promotes conservation of forest resource, ecosystem and biodiversity as well as quality of life in community through *"community forest"*, a widely accepted mechanism for its efficiency in increasing green area and concretely supporting the government's policy. In the past year, this project adopted the government-private sector partnership concept in its implementation. Education and experience sharing sessions were organized to equip community forest leaders, women and young people, who are the main force driving the success of community resource management. Community resource management efficiency has therefore been enhanced through good management system, participation from all parties concerned and resource optimization. Forests are utilized with respect and for sustainability. As a result, community becomes stronger and has strong awareness and respect for natural resources. Forest resource and environment conservation has widely been adopted, returning fertility and biodiversity back to the ecology system. Forests have become source of water and food for people in the community, allowing them to lower expenses while increasing revenue. The overall environment in midstream and downstream communities has been positively impacted.

In the 9th year of operations, the project has expanded its scope to cover areas in CLMVT neighboring countries namely Cambodia, Lao PDR, Myanmar, Vietnam and Thailand. Forest management officials' workshops were organized to promote closer cooperation and understanding as well as participation in forest conservation and expansion to reduce Global Warming. The workshop also served as a place to exchange knowledge and share experience and success in sustainable forest management. This strengthened the cooperation network among CLMVT countries in ASEAN forest conservation while promoting human resource capability in forest conservation and reduction of impact from the Climate Change.

"@CareLine: Happy Community Network Project" was initiated to make sound contribution to Nonthaburi province where the Company's headquarters is located. The project, based on "good neighbor" policy, uses *brain-based learning* concept in improving school environment to enhance physical and brain development of children in primary schools.

For the general public, the Company introduced the *"Pumaree-Women's Power Protecting the Environment Project"* that promotes women's role in the conservation of natural resource and environment in community, local and national levels. This also promotes women's development, which is one of the United Nations' goals for sustainable development. *"Community Energy Project"*, which reached its final year in 2016, has built and expanded a network of energy learning and successfully established an energy learning center, which was open for the public to visit and learn about community energy management. The *"Happy Elderly, Healthy Thailand Project"* was introduced to prepare the country for the arrival of ageing society.

Voluntary activity is another mechanism used to create and grow the spirit of sharing and respect for public benefit. Activities held in the past year ranged from natural resource and environment conservation to education to children, youth and the underprivileged development and respect and appreciation for different religions, culture and tradition. In addition to activities held by the Company, employee clubs also initiate various volunteer activities. This idea was later adopted by the Company's suppliers and contractors, including building and property management team, security guards, cleaners and gardeners.

The Company considers that building a strong network is an effective way to drive sustainable development. In addition to the Department of Forestry and communities participating in the Love

Forest and Community Project, the Company cooperates with the Provincial Energy Office, teachers and management of schools in the nearby areas, Thai Environment Institute, Thailand Business Council for Sustainable Development, Electricity Generating Authority of Thailand and its subsidiaries. Through this wide network, CSR activities have been continued strong in 2016 and very successful as planned.

Given corporate governance is a very important foundation for an organization's operation, the Corporate Governance and Social Responsibility Committee proposed a review and improvement of the Code of Conduct which has been implemented and adopted well since the Company was established and was approved by the Board of Directors for used as a guideline for the directors, executives and employees to drive stability and sustainable growth. The revised Code of Conduct covers key essences, including business operations guideline, treatment of stakeholders, operational excellence, protection of information, property and finance, human rights, information disclosure and environmental care.

The Corporate Governance and Social Responsibility Committee strongly believes that operating the business with responsibility under the good governance principle will be the foundation for the Company to move forward together with community and the society as intended.



(Mr. Chuan Sirinunporn)
Chairman of the Corporate Governance
and Social Responsible Committee

31 December 2016



Good Corporate Governance

Improving standard to achieve organization excellence, success and sustainable growth.

The Company has been operating its business by adhering to the good corporate governance principle in order to constantly improve its corporate governance excellence. It, meanwhile, adheres to the business ethics and anti-corruption in all forms. The Company believes such practices will create and strengthen trust among its shareholders and stakeholders that will drive the organization towards success and its ultimate goal which is sustainable growth of the Company, local community, society and the nation.

The Board of Directors has adopted the good corporate governance principle for listed companies issued by the Stock Exchange of Thailand (SET) as the guideline for practice, governance, monitoring of its administration. The Company has also promoted anti-corruption measures in the entire process in parallel with operating business with responsibility towards the society, community and environment, which are foundation for sustainable growth. The “Company’s Group Corporate Governance Policy”, Code of Conduct, policies on specific stakeholder group, such as “Shareholders’ Policy”, “Employees’ Policy” and “Social and Environment Policy” have been prepared in writing. The Company reviews such policies and guidelines as well as improves the efficiency in implementing them on yearly basis to better address the changing environment.

The Company Group’s Corporate Governance Policy

- Operating and managing the company by adhering to the good corporate governance principles.
- Providing for efficient control over financial operations, administration, governance, internal audit and risk management.
- Promoting accurate, timely and transparent disclosure of significant information.
- Promoting and supporting equal treatment of shareholders.
- Ensuring that all stakeholders are well protected and treated to protect their right.

Shareholders’ Policy

- Shareholders shall receive basic rights and be treated fairly and equally.
- Shareholders shall receive accurate, sufficient and timely information about the Company.
- Shareholders are encouraged to participate in shareholders’ meeting.
- A measure to prevent the use of insider’s information for personal benefits is in place.
- Action that may infringe or deprive shareholders’ right is prohibited.



Employees’ Policy

- Promoting good quality of life at work.
- Continuously enhancing capability and knowledge.
- Supporting career growth based on knowledge and capability.
- Ensuring fair remuneration and employees’ benefits.
- Encouraging participation in organizational development.

Social and Environment Policy

- Encouraging community participation and giving priority to communication.
- Supporting community development and strengths.
- Promoting the conservation of local tradition.
- Promoting the preservation and improvement of the environment.

In addition to such policies, the Company has also announced policies and practice guidelines that address other stakeholders, including Anti-Fraud Corruption Policy, Risk Management Policy, Tax Policy, Network and Computer Usage Policy, Safety, Occupational Health and Working Environment Policy, 5S Policy, Energy Conservation Policy, Office Building's Environmental Management Policy, etc. All policies are published on the Company's website.

1. Rights of Shareholders

The Company realizes the importance of and has intention to seriously protecting shareholders' rights which reflects its respect for and commitment to protect shareholders' basic right and ensure that they receive the rights. **Board of Directors and the Management have closely monitored and ensured** that the "Shareholders Policy" which has been **implemented** since 2007 has always been respected and executed. **Throughout 2016, the Company has not found any event or action that suggests the infringement of shareholders' rights.**

1.1 Right to Share Ownership Registration or Transfer

The Company appointed Thailand Securities Depositories Company Limited (TSD) as its registrar responsible for the Company's share deposit, collecting and updating shareholders' information and provides services to shareholders, such as issuing, depositing, withdrawing and transferring of share certificates, as well as remitting benefits to the shareholders. Shareholders can contact TSD directly at the TSD Call Center at +66 2009 9999. At present, TSD offers online service through Investor Portal. Shareholders can apply for the service at <http://www.set.or.th/tsd/en/investorportal/investorportal.html>.

1.2 Right to Receive Dividend

The Company has consistently paid dividend to its shareholders every year since the Company's inception. A continuous monitoring found a certain amount of accrued dividend payment that shareholders have not yet received. The Company has contacted the shareholders based on existing contact details by sending a letter to inform the shareholders of the procedure and how to receive the dividend as well as facilitating shareholders on cheque reissuing in case of loss or expiration. The Company also assisted the heirs of the shareholders on share transfer in case the shareholders passed away. Shareholders are also encouraged to use e-Dividend service for convenient, fast and safe dividend receiving.

At the Shareholders' Annual General Meeting Year 2559 (B.E.), the Company used the "Record Date" of 4 March 2016 for shareholders to receive the right to participate in the shareholders' meeting and receive dividend. This follows Article 255 of the Securities and Exchange of Thailand Act. Under the Record Date method, book closing took place on 7 March 2016. Shareholders whose names appeared on the book had the right to attend the Shareholders' Annual General Meeting Year 2559 (B.E.) on 7 April 2016 and received dividend on 27 April 2016. The preparation of the list of shareholders who have the right to receive dividend has been done in accordance with the SET's recommendation.

1.3 Right to Appoint, Terminate and Set Remuneration for Directors

The Board of Directors has nominated directors to the shareholders' annual general meeting to elect new directors replacing the vacant positions due to rotation of office and proposed directors' remuneration for the meeting to approve. Details are stated in Management Structure.



1.4 Right to Appoint Auditor and Set Remuneration

The Company's regulation requires the Board of Directors to propose to shareholders at the shareholders' meeting for the appointment of auditors and the amount of auditors' remuneration.

1.5 Right to Attend Meetings

The Board of Directors and the Management have the responsibility to ensure that the shareholders meeting is compliant to the laws, transparent, fair and equally benefits all shareholders and stakeholders in accordance with AGM Checklist prepared by Thai Investors Association, the Listed Companies Association and the SEC and the SET. This is to allow shareholders who are the owner of the business to participate in the shareholders' meeting every year in order to be involved in significant decision making, get updated of the Company's performance and review the performance of the Board of Directors and Management.

In 2016, the Company held one shareholders' meeting-the "Shareholders' Annual General Meeting Year 2559 (B.E.)" In organizing the meeting, the Company strictly followed the preset rules, maintained quality and efficiency of the meeting and encouraged shareholders to exercise their rights to attend the

meeting. There were 1,394 shareholders attending the meeting in person and by proxy, representing 69.66 percent of the total shareholders, and the Company has managed and facilitated the shareholders during the meeting as follows:

- **Meeting date and time:** The Company held the meeting on Thursday 7 April 2016, starting from 2 p.m. and ending at 4.20 p.m., totaling 2.20 hours. The registration was opened at 12.00 p.m., two hours before the meeting time. To allow shareholders to make decision whether to attend the entire meeting or only specific sessions, the Company allowed shareholders to register after the meeting began until the meeting adjourned. The Company did not limit the shareholders' right to attend the meeting and vote on the agenda under consideration and that resolution was not yet made.

- **Venue:** The meeting was held at the World Ballroom, 23rd Fl, Centara Grand and Bangkok Convention Center, Central World, 999/9 Rama 1 Road, Pathumwan, Bangkok. The meeting venue is easily accessed through public transport system, which provides great convenience for shareholders to travel to the venue. The place is big enough to accommodate a large number of participants.



- **Facilities:** The Company fully provided meeting facilities, including audio-visual equipment to support presentation on meeting agenda, computer and barcode system that enables fast shareholder registration and accurate and transparent ballot.

- **Identification:** Identification documents that shareholders have to present to attend the meeting are checked by the persons appointed by the Chairman of the Board of Directors. Identification document checking is done in simple process and in the procedure as informed earlier in the meeting notice.

- **Meeting attendance:** In the Shareholders' Annual General Meeting Year 2559 (B.E.), 1,394 shareholders and proxies attended, accounting for 69.66 percent of the total saleable shares, which constituted a quorum according to the Company's Articles of Association. The Chairman of the Board of Directors acted as the meeting's chairman according to the Company's Articles of Association. **All directors and all Committees attended the meeting (100 percent).** The Management, auditors and legal advisors also attended the meeting to provide addition information and answer questions.

- **Meeting invitation:** The Company sufficiently and completely informed the shareholders of the date, time, venue and agenda together with details and the Board of Directors' opinions on each

agenda via the SET's system before the morning trading session on 19 February 2016, which is the day after the Board of Directors resolved to hold the shareholders meeting. The Company advertised the notice of Shareholders' Annual General Meeting Year 2559 (B.E.) in Thai and English-language newspaper on 25-27 March 2016, which are three consecutive days and no less than three days prior to the meeting date as required by the Company's Articles of Association.

- **Meeting notice:** The Company published on the Company's website on 26 February 2016, **41 days prior to the meeting date**, the Shareholders' Annual General Meeting Year 2559 (B.E.) **meeting notice with supporting documents, in Thai and English** (the same as that delivered to the shareholders in Thai only.) TSD, the Company's registrar, **distributed the meeting notice to shareholders** on 16 March 2016, **22 days before the meeting date** according to the legal requirement and good corporate governance principle that demand listed companies to send meeting notice to shareholders at least 7 days and 21 days respectively prior to the meeting. The meeting notice provided date, time, meeting venue, together with a map, meeting agenda which is arranged according to their priority, background, reasons and key issue of each agenda item for consideration or acknowledgement.

The Company informed the shareholders in the meeting notice and on its website that **they were encouraged to ask questions or ask for more information** about the topics stated in the meeting agenda, and/or provided advices and opinions that are useful for the Company's operation prior to the meeting date through post or fax to the Company Secretary or email to CS@ratch.co.th. The Company would then clarify or provide additional information at the meeting. In the Shareholders' Annual General Meeting Year 2559 (B.E.), **no shareholder sent in question or suggestion to the Company prior to the meeting.**

- **The meeting:** Before the meeting began, the Chairman of the Board of Directors as the chairman of the meeting announced the quorum, assigned the Company Secretary to record and prepare the meeting minutes, and introduced the directors, executives, auditors and legal advisors attending the meeting. The Chairman also declared all the meeting procedures including voting rules for each agenda and vote counting to meet with the shareholders meeting regulations of listed companies designed by the SET and to ensure that all shareholders clearly understand all the details as earlier informed in the meeting notice. The Chairman also announced the resolution of each agenda right after discussion.

- **Voting:** The Company prepared separate ballots for each agenda for each shareholder who already received such documents at registration. Voting process was made simple. The chairman asked the meeting to raise hands if disagree or do not wish to vote so that the Company's staff members would collect their ballots. Computerized and barcode systems were used in vote counting.

- **Checking for transparency, accuracy and completeness:** The Company invited a representative from its legal advisor to act as an independent inspector to check on different areas, including the shareholders' or their proxies' identification document, the quorum, stakeholders who do not exercise their voting rights and vote counting to ensure that the vote counting process comply with the Company's rules and the rules announced by the chairman. The inspector also ensured that all ballots were collected from all shareholders attending the meeting, especially for director appointment session, and that meeting resolutions and vote counting were correct.

- **Running the meeting according to agenda:** The Company has never abruptly informed the meeting of additional significant information, added new agenda for approval, or changed

significant information without prior notice. The matters proposed to the Shareholder's Annual General Meeting Year 2559 (B.E.) all complied with the legal requirements. The Chairman of the Board of Directors who acted as the chairman of the meeting controlled the meeting process in the same order as informed in the meeting notice **without switching agenda** necessity for the shareholders to study the information before making decision and **strictly adheres to a principle of not taking any action that will infringe or derogate the right of the shareholders.**

- **Running the meeting on each agenda:** After providing sufficient and complete background, details, full information for each agenda and recommendation as stated in the meeting notice, the meeting chairman **allocated appropriate time for discussions** that would encourage the meeting attendants to ask questions for **the Board of Directors and the Management to clarify** for full understanding on related matters. The meeting chairman then asked the meeting to vote.

- **Director election and remuneration approval** are treated as two different agendas and are voted separately. Individual vote was arranged for each new director election.

- **In each agenda voting,** the Company provided ballots for each shareholder. A computerized system was used to provide convenience for vote counting.

- **Meeting resolution announcement:** After the vote counts, the meeting chairman reported **voting results** by dividing into "agree", "disagree" and "abstention" votes.

- **Consideration of other agenda** (if any): The Board of Directors allowed for other agendas (if any) in order to provide opportunities for the shareholders to propose additional issue other than

those set in the meeting agenda. According to the Company's Articles of Association, to propose a new agenda for the shareholders' meeting to consider, the shareholders who propose the new agenda must represent no less than one third of the saleable shares.

In the Shareholders' Annual General Meeting Year 2559 (B.E.), **no other agenda was proposed** for voting. Only some recommendation and questions about the Company's operations were raised as recorded in the meeting minutes.

- **Meeting resolution publishing:** The Company submitted the resolution of the Shareholders' Annual General Meeting Year 2559 (B.E.), including voting results of each agenda which specified in detail the **agree, disagree and abstention votes, and their percentage**, to the SET by post and through SET's system before the **morning trading session on 8 April 2016**.

- **Meeting minutes:** the Company Secretary, as assigned by the Chairman of the Board of Directors, recorded and prepared meeting minutes in writing by clearly and adequately recording essence of each agenda, questions by the shareholders and clarifications by the Board of Directors and Management, the recommendation from the meeting, and the meeting resolutions, including detailed voting results and percentage in all categories. The Company **submitted the complete minutes** signed by the chairman of the meeting to **SET, SEC and the Registrar** (the Department of Business Development) for auditing and reference. The minutes was published on the Company's website on **20 April 2016 (before the 14-day deadline required by law)**, to offer opportunities for shareholders to express their opinions without waiting for the next meeting. **Shareholders did not ask the Company to amend, add or adjust the minutes.**

- **Meeting quality improvement:** The Company arranged a meeting evaluation form to collect opinions and recommendations from the

meeting attendees on the meeting notice and annual report, facilitation to the shareholders, meeting arrangement and meeting minutes. The information collected is used for further improving the arrangement of shareholders meeting in order to ensure transparency, efficiency and benefits to both the Company and shareholders.

The Company received scoring of full 100 points for the 8th consecutive years in the Thai Investors Association's shareholders' annual general meeting assessment. As a result, the Company received "Investors' Choice Award 2016" from the Thai Investors' Association.

1.6 Right to Receive Information and Significant News in Accurate, Sufficient and Timely Manner:

In 2016, the Company **completely followed** the regulations, criteria, conditions and procedure related to timely and accurate disclosure of information and activities of listed companies. There was no punishment due to failure or delay to submit report as required by law.

2. Equal Treatment of Shareholders

The Company treated all its shareholders equally without discrimination of their status as major shareholders, minority shareholders, institutional shareholders, or Thai and other nationalities. Major activities are as follows:

2.1 Access to the Company's Information

To ensure shareholders' equal access to the Company's information, the Company uses SET's channels as the main communication channel. The Chairman of the Board of Directors, Directors, Chief Executive Officer and Chief Officers are the authorized persons responsible for the Company's information disclosure. The Company's website is provided as an additional channel for communication. Shareholders can also seek Information from related units namely the Company Secretary Office, Internal Audit Division, Corporate Relations Division and Investor Relations Department.

2.2 Preparation of Bilingual Documents

For equal treatment of both Thai and foreign investors, the Company prepares all published information in Thai and English, including all the information provided through the SET's system, meeting notice, meeting document and report, press conference and the Company's website.

2.3 Encouraging Minority Shareholders to Propose Additional Agenda and Nominate Directors

Since 2008, the Company has adopted SET's guideline encouraging listed companies to offer opportunity for minor shareholders to propose meeting agenda and/or nominate persons for director election in advance. In 2016, the Company published an invitation to the shareholders' meeting on the Company's website on 25 August 2015, providing clear details about criteria, method, process and channel of agenda proposing. The announcement was published approximately for 4 months from 1 September-31 December 2015, totaling 4 months. **However, the shareholders did not make any proposal.**

2.4 Proxy Appointment

For convenience, shareholders who cannot participate in the shareholders' meeting can appoint other persons to attend the meeting and vote on their behalf. The Company prepared and delivered proxy document to the shareholders together with the meeting notice. Proxy is available in three forms as designed by the Department of Business Development.

Form A	is the general proxy appointment form.
Form B	is a proxy appointment that lists specific items for proxy appointment.

Form C	is the proxy appointment that is used only when the shareholder is a foreign investor with a custodian in Thailand.
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Shareholders can also download the proxy document from the Company's website or use other form of proxy or prepare it themselves.

At the Shareholders' Annual General Meeting Year 2559 (B.E.), the Company nominated 3 independent directors and the Chief Executive Officer for shareholders to appoint as their proxy to attend the meeting and vote on their behalf. Personal information of each nominated person and each person's conflict of interest were provided on each concerned agenda. In the meeting, 245 shareholders assigned the Company's independent directors as their proxy while 151 shareholders assigned the Chief Executive Officer as their proxy.

2.5 Ballots

In voting at the shareholders' meeting, the Company prepared and provided ballots for every participant. Computerized system was deployed for tallying. In voting for directors, individual vote and ballot was kept as reference.

2.6 The Company Proposed No Additional Agenda

At the Shareholders' Annual General Meeting Year 2559 (B.E.), there was **no additional agenda proposed**. The Board of Directors has the policy not to propose new agenda other than those informed in the meeting notice as it realizes the importance and necessity for the shareholders to study information before making decision. Shareholders can propose additional agenda for consideration if necessary, by following the rules set in Company's Articles of Association.

2.7 Report on Securities Holding in the Company

The **Board of Directors and the Management** have the duty to report their securities holding in the Company to the SEC. The Board of Directors required its directors, executives, spouses and minor children to report their securities holdings in the Company and the report is included as an agenda in the monthly meeting of the Board of Directors. In addition, the Management and employees have the duty to report the change to their, their spouse and their minor children securities holding to the CEO within 3 working days after the change is made.

In 2016, there is **no complaint** related to unequal treatment of shareholders or charge on directors or executives **for not reporting their shareholdings as required, or on the use of insider information** for abusive self-dealing or others' benefits.

2.8 Prevention of the Abuse of Inside Information

The Board of Directors has **formulated policy and written guidelines on internal information keeping and prevention of internal information usage** for abusive self-dealing in the Code of Conduct, regulation, order and related announcements. Such policy and guidelines are communicated through appropriate channels and well practiced by the directors, executives, employees and stakeholders. The prevention of internal information usage measures are:

- The Management and employees have duty and responsibility to protect confidential information and are not allowed to use such information for personal benefit or suggest others to do, especially on the Company's securities trading.
- No disclosure or self-dealing or transferring of significant or confidential information to outsider or those who are not related to the company, including family members, cousins, friends, which may decrease the Company's benefit.

- Sharing or giving confidential information to other person within the Company can be done as necessary and only for the benefit of the other person's ability to perform their duties.

In 2016, **there is no complaint** related to unequal treatment of shareholders **or charge** on directors or executives **for the use of insider information** for abusive self-dealing or others' benefits.

3. Role of Stakeholders

3.1 Stakeholders Policy

The Company adheres to the principle of "promoting and ensuring that the right of stakeholders, such as shareholders, customers, employees, business partners, competitors, the government and communities in which the Company locates is well protected and treated". The Board of Directors has also formulated and announced the Corporate Governance Policy and policy on specific group of stakeholders as earlier stated in the Good Corporate Governance section.

In addition to policy on specific groups of stakeholders, the Board of Director understands the importance of **other stakeholders** who may be affected by the Company's business activities. The **practice framework and direction for the Company executives and employees on specific group of stakeholders** has been stated in the Code of Conduct. The Company also **monitors and ensures** the implementation that corresponds to the policy, Code of Conduct and practice guideline on treatment of different stakeholder group as follows:

Shareholders treatment:

- Operating the business to generate growth, profitability and good returns for shareholders.
- Operating the business with carefulness, integrity, sincerity, fairness and equality for all shareholders.
- Respecting the right to receive information and disclosing quality, complete, sufficient, and equitable information.



- Monitoring the implementation of policy and ethics related to the shareholders, ensuring that they receive the basic rights and are treated fairly and equitably, receive quality information, are encouraged to attend the shareholders' meeting so as to have participation in making significant decision and acknowledge the progress, express opinion and monitor the Board of Directors and Management performance, and to allow for efficient measures to prevent the directors and executives from using insider information to their own benefits and refrain from taking any action that infringe or lessen shareholders' rights.

Employees treatment:

- Promoting quality of life by providing good work environment, occupational health and safety that meets with the international standard.
- Focusing on the management and knowledge and capability enhancement for its personnel and encourage employee's participation in organization development.
- Managing and ensuring fair and attractive remuneration and benefits that are equal to that offers by other leading companies.
- Transferring, appointing, awarding and punishing on the equitable and fair treatment

based on sincere and fairness. Such activities are done based on the capability and appropriateness. Any unfair action that may affect personnel's work security and mental health is prohibited.

- Employees can lodge complaint when treated unfairly or without the appropriate process.
- Monitoring and ensuring full compliance related to employees, respect for humanity and individual.

Community, society and environment treatment

- Encouraging community participation and promoting communication.
- Supporting the development and strength of communities.
- Promoting and conserving local tradition and enhancing social quality.
- Supporting environment conservation and restoration.
- Operating with responsibilities to community, society and environment.
- Supporting projects and activities that are of benefits to communities and the society by mapping the corporate strategy with stakeholders' expectation.
- Instilling and promoting good spirit and responsibility towards the society and the environment to executives and employees.
- Optimizing natural resources by considering the option that would have at least possible impact on the society and the environment.
- Efficient use and conservation of energy.
- Cooperating with related organization in implementing international standard and agreement.
- Assessing the risks and impact on the environment, society, health and safety before making investment or entering into a joint venture.

Customers treatment:

- Producing and delivering high quality goods and services with responsibility to the customers.
- Providing warranty for service and goods under an appropriate time condition.
- Disclosing correct and complete information about product and service.

- Providing for a customer complaint system or process and handling complaints well.
- All executives and employees must keep customers' confidential information.
- Not asking for, accepting or paying any illegal benefits to customers while strictly complying with trade conditions. In case of failure to respect the conditions, the issues must be raised among responsible persons to find solution.

Creditors treatment:

- Strictly respect the obligation with the creditor.
- Not asking for, accepting or paying any illegal benefits to and from the creditors.
- Cooperating well with creditors to solve problems related to illegal benefits request and acceptance or payment.
- Providing accurate, complete, timely and regular financial reports.
- Informing creditors in advance in case the Company cannot meet the conditions in order to solve the issue.

Partners/suppliers treatment:

- Considering the Company's best benefits and not personal benefits.
- Offering equitable and equal opportunities to partners and suppliers.
- Adopting international-standard assessment process, partner selection and contract.
- Having in place a good system to monitor that contract and conditions are well and completely respected.
- Not asking for, accepting or paying illegal benefits to the partners.
- Inform partners/suppliers in advance in case the Company cannot respect the contract condition so as to find a solution to the issue.

Trade competitors treatment

- Respect and adopt the internationally accepted competition guidelines and principle.

- Not seeking competitor's confidential information by using dishonest or inappropriate method.

- Not groundlessly accusing competitors.
- Not asking for, receiving or pay any illegal benefit to competitors.
- Strictly respect trade condition.

Business partners treatment

- Strictly respecting the contract and commitment.
- Providing assistance that will bring mutual benefits by considering the Company's benefit as priority and being based on fair return for both parties.
- Providing accurate information and report while any negotiations seeking solution to a problem shall be based on business relations.

Government treatment

- Supporting the government and complying with policy and criteria set by related regulators.
- Promoting and collaborating in government sector's activities.

3.2 Network and Computer Use

The Company has announced and implemented the "Network and Computer Usage Policy" which draws guidelines for employees and network managers' operation to ensure smooth, efficient and most effective use of the computer network, as well as strict compliance with the Computer Crime Act. The Company also improved the efficiency, security and prevention to network harm. This guideline is included in the Company's Code of Conduct.

- Encouraging employees to use the Internet for work and not to publish information that is against moral norm, tradition and laws.
- Using email, internet and computer device allowed by the Company and fully following the instruction on safe use of such devices for the best benefits of the Company.
- Using only copyrighted programs.
- Keeping password confidential.

- The Company will check, search, monitor, investigate and control the use of information technology system as appropriate to ensure safety.

3.3 Human Rights

The Company has strictly followed the human rights principle as identified by law and international standards. Since 2013, the Company has integrated human rights issues related to the treatment of employees, communities and trade partners into its business process based on the labour law principles that are in line with the International Labour Organization's regulations. Such guidelines are also applied to employees' care and protection and employment, including employment of local people. In terms of communities, the Company fully respects their right to receive information and safety. Various types of communications have been established between the Company and communities. In terms of business partners, the Company focuses on fair treatment of its business partners. Respect for human right is the basic guideline for the Company's **human rights practice in the Code of Conduct**, covering the **treatment of each employees under the right, freedom and equality as well as personal rights protection and information keeping**. Knowledge and understanding on human rights are disseminated among employees to practice and realize that it is important to sustainable growth because risk related to human rights issue may affect the confidence of external stakeholders and the corporate image.

In 2016, the Company arranged "Business: a human rights defender?" course for the executives and employees to enhance their understanding on business standard and human rights. The course covered stakeholders, roles of right related agency, business benefits and reduction of risk related to human rights.

3.4 Use and Protection of Intellectual Property

- Encouraging employees to write and publish works in different channels, create and present computer programs to support education. The benefits and copyright over such works belong to the employees. In case the work was initiated and assigned to an employee and requires the Company's resources to create, the benefits and copyright will belong to the Company.
- Every employee has the duty to protect the Company's intellectual property and use it for the benefit of the Company.
- The access to information and use of the Company's intellectual property ends when an employee retires or resigns.
- Employees shall respect intellectual property, **avoid and do not infringe on others' intellectual property**.

3.5 Risk Management

Recognizing the importance of risk management which needs to be carefully considered and handled and the appropriate prevention and solution to mitigate possible impact on various stakeholders, the Company has announced and implemented the "Risk Management Policy" and through internal communication channel and website as follows:

Risk Management Policy

- Promoting risk management culture.
- Providing for quality, appropriate and sufficient risk management process, guideline and measures.
- Having in place both qualitative and quantitative risk assessment.
- Setting risk appetite and warning sign.
- Having operation guideline in writing.

Risk Management Guideline

The Board of Director appointed the "*Risk Management Committee*" to be responsible for

- Identifying risk factors, setting measures to manage risks in the acceptable level to prevent impact on the business operations and stakeholders,

- Reporting to the Board of Directors on quarterly basis,
- Giving high priority to warning signs and irregular items, enabling it to quickly adjust strategies, plans and management method.

(Details are as in the Risk Management Committee's Report, Management Structure and Risk Factors.)

3.6 Anti-corruption

The Company is strongly committed to operating its business by adhering to the good corporate governance principle, transparency and fairness and fight against all forms of corruption. One of its actions underlining this commitment is the participation in Thailand's Private Sector Collective Action Coalition against Corruption (CAC). The Company signed an agreement with the CAC Council to show its intent to fight against corruption on 21 November 2014 and 2 December 2014 respectively. To emphasize its commitment to fight against corruption, the Board of Directors resolved in its meeting No. 2/2016 dated 18 February 2016 to set and announced the Company Group's anti-corruption policy for implementation across the entire group. The policy has been published on its website and is in line with international standard. The commitment to fight against corruption in all forms which is seen in its participation in the CAC resulted in the fact that **the CAC Council approved and certified**

the Company as a CAC member on 22 April 2016. The certification last for 3 years from the appraisal date.

Anti-corruption policy and guideline

- Promoting the anti-corruption culture by raising awareness and instill responsibility among employees by encouraging employees to refrain from involvement directly and indirectly in any fraudulent act and through any channels, including giving and receiving gifts, providing funding, donating for public charity activity, assisting and supporting political activity, reception and other expenses related to business.

- Formulating criteria, process and practice guideline for clear business operations to prevent risk related to corruption. To ensure that everyone has the right understanding on anti-corruption practice, communications and trainings were arranged for all employees, outsiders and related businesses on the policy and concerned principles.

- Having the appropriate internal control system that also takes into account the risk of corruption and fraudulent act, improving and setting internal audit criteria and closely monitoring operations to cover anti-corruption practice in order to assure full compliance with the Company's policy and international standards.

- Having regulations in writing for the management and employees to follow, including Company's regulation on anti corruption, Company's orders on giving and receiving gifts, donations for charity, funding, entertainment and risk management related to corruption as well as reviewing and improving of the Company's new Code of Conduct to cover the practice and operations in accordance with corporate governance and anti-corruption act.



Anti-corruption and bribery guidelines:

- The Company shall not be involved with giving and receiving bribes or any form of corruption in all business activities with the government and private sectors.

- The Management and employees or anyone acting on behalf of the Company shall not offer, convince, promise, give or receive bribery, inappropriate payment and payment aimed at obtaining some convenience.

- The Management and employees shall respect the laws and regulations, are prohibited to give and receive bribe or not allowed to be involved in corruption. The guideline is also implemented on partners, contractors, suppliers and joint ventures.

The Company has also introduced a guideline on business practice for sustainability, covering anti-corruption, transaction with the government sector, prevention of conflict of interest, legal compliance, prevention of money laundering, fair competition, the use of insider's information and political neutrality, all of which also covers its foreign operations. The guideline is made in writing and included in all Code of Conduct which are published on various channels for all stakeholders acknowledgement and to follow when doing business with the Company. All employees have signed the document to acknowledge the guideline.

Risk assessment process and guideline for governance and control related to corruption

The Company set 5 anti-corruption measures as follows:

- **Corruption risk assessment**

the Company is required to identify risks, analyze impact, opportunity and degree, and consider the internal control and measures appropriate to reduce risk related to corruption to the acceptable level.

- **Preparation and improvement of policy, regulations, order and Code of Conduct** to communicate with and ensure employees understanding of the policy and measures to fight against corruption and

fraudulent act. The policy and order will be regularly reviewed and improved.

- **Communication and training** aiming at raising awareness on the importance and encouraging participation in the management of risk related to corruption, communicating with business partners to show the Company's commitment to transparency and anti-corruption intention. Annual communication plan, including channels, frequency, content and execution methods, is prepared to maximize effectiveness in and outside the organization.

- **Review of profile of person and stakeholders before hiring**, such as distributors and contractors. The action shall be taken under consent from the person and in compliance with related laws.

- **Internal control:** All the Company's units shall have in place clear procedure and appropriate internal control with regular review and improvement.

Prevention, monitoring and assessment of anti-corruption policy implementation

- Identifying responsible person to prevent and monitor the implementation of the anti-corruption policy as follows:

- Internal Audit Division is responsible for reviewing policy, risk management procedure and assessing sufficiency of the internal control to prevent corruption.

- Human Resources Division is responsible for communication and training, including reviewing the background and credibility of a person before hiring. Risk management and ethics are included as a performance indicator for both management and employees.

- Office Management Division, by the Office Administration Department, is responsible for reviewing the background and communicating anti-corruption policy to business partners. Employees have the duty to study and communicate the company's information related to anti-corruption practice and report the clue when encounter suspected event or action through the provided channel.

- Assigning the corporate governance working team to collect corruption risk assessment information and monitoring the implementation of risk management plan before presenting them to the Management and the Board of Directors on regular basis.

The Company intends and dedicates fully to complying with the procedure and process correspondent with the Company Group's policy and international standard on anti-corruption to emphasize its commitment to fighting against corruption.

In 2016 the Company continued to raise the employees' and stakeholders' awareness and understanding of the policy as follows:

- Organizing the RATCH-Fraud Awareness & Fraud Policy training for all employees to understand the anti-corruption policy and guideline within the organization.
- Reviewing employees' awareness and understanding on anti-corruption practice by having all employees to do a test and they have to make pass the maximum scoring of 80 percent. Anyone failing the test will have to do addition training and more exams until they pass the criteria.

- Announcing and publishing the anti-corruption policy on the Company's website to allow outsiders and stakeholders to acknowledge the policy.

- Promoting the no gift policy on New Year 2017 season through various media, such as billboards and website.

- Sending emails to business organization and partners to inform them of the no gift policy during New Year 2017 season. Aside from New Year season, the Company also attached documents regarding the Company anti-corruption policy to relevant parties for acknowledgement and practice.

- Setting whistle-blowing channel by arranging for channels for stakeholders who are affected or have the risk of being affected by the Company's business to lodge complaint, express opinion and recommendation as in the Section 3.7 on Complaint and Report on Irregularities Clue.

3.7 Complaint and Report on Irregularities Clue

The Company has provided for a channel for stakeholders affected by or having risk of being affected by the Company's business activities or the Company's executives or employees to lodge complaint and report irregularities clue on an action that breaches the laws or Code of Conduct and behaviors that may link to corruption. Stakeholders can report clues or lodge complaint to the following person or channel as follows

Complaint receiver	Reporting channels	
	Email	Post
Chief Executive Officer	ceo@ratch.co.th	Addressing one of the complaint receivers: Ratchaburi Electricity Generating Holding PCL. 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000
Vice-President – Head of Internal Audit Division	internalaudit@ratch.co.th	
Board of Directors	directors@ratch.co.th	

Process after a complaint is received

1. The person receiving the complaint collecting fact related to the breach of Code of Conduct by himself or assigning other appropriate person to take action.

2. Presenting the fact to the Chief Executive Officer who will form an investigation committee.

3. The investigation committee collecting related fact and information through interviews and/or document study.

4. The investigation committee analyze the fact and judge before considering the appropriate process for handling this matter.

5. The investigation committee set a measure to solve or alleviate damages felt by the affected person and report to the CEO who will report to the Board of Directors.

6. The investigation committee reports the result of the investigation to the complainant if the person is known.

Specific internal channels are provided for employees to report and complain on unfair treatment. The Company has also provided for protection of the complainants against employment termination or punishment when they provide information, truth, fact or any evidence related to the complaints or are responsible for the sincere consideration of the complaints that eventually create adverse impact on the Company. The process and measures are clearly stated in the Company's regulations on Personnel Management under Complaint section.

In addition, the Company has provided for **other communication channels** to receive complaints, opinion and recommendation from all stakeholders for future improvement. The channels include the Company's website, the Company Secretary, Corporate Relations Division, Internal Control Division and Investor Relations Department. Complainants may use other channel as deemed appropriate.

Complaint receiver	Channels for reporting complaints	
	Email	Post
Company Secretary	CS@ratch.co.th	Addressing one of the complaint receivers: Ratchaburi Electricity Generating Holding PCL. 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000
Corporate Relations Division	PR@ratch.co.th	
Internal Audit Division	internalaudit@ratch.co.th	
Investor Relations Department	IR@ratch.co.th	

3.8 Report on Conflict of Interest of Directors and Executives

The Board of Directors has created the "Conflict of Interest of Director and Executive Report Form" and required all Directors and Executives to prepare conflict of interest report for themselves and their related persons. The report must be submitted to the Company Secretary for reference and further submitted to the Chairman of the Board of Directors and the Chairman of the Audit Committee on annual basis. Further changes shall be immediately reported in order to keep the information updated. The report is used for the Board of Directors' consideration and decision on stakeholders who have or may have conflict of interest and do not have voting rights on the Company's transactions, which enables the Company to make the right decision for mutual benefit.

3.9 Community Participation

The Board of Directors has set and announced the policy on social and environment as a guideline for the Company's Group practice. This focuses on encouraging community participation,

communication, support for community development and strength enhancement, promotion of local tradition and culture conservation as well as conservation and rehabilitation of the environmental quality. This is clearly in all process and during project development. During project development period, the Company studied technical information in parallel to a study on economic, social, culture and way of life of the nearby communities in order to prepare community participation plan and key communication message as well as activities to promote understanding between the project and community. Public hearing was also held to provide opportunity for the communities to share their view on the areas required by government agencies and related authorities. During the construction period, the Company communicated regularly with the communities to ensure understanding of the project development and the Company's policy. When the project is operating, effective communications with the communities continue. The Company always listens to the communities' recommendation for on-going development and improvement of activities that better address community needs.



In addition, Ratchaburi Electricity Generating Company Limited initiated the “Ratchaburi Power Plant Environmental Inspector Committee”, comprising representatives from communities, community leaders, local administration and provincial administration. The committee is responsible for monitoring and ensuring that the power plant operations are in accordance with the Ratchaburi Power Plant’s prevention and reduction of environmental impact measures stated in the environmental impact assessment and environmental quality monitoring operation plan. The committee also acts as the center for cooperating with power plants, providing information and news update or problems and possible issues that may cause problems, and recommendation shared by communities. The meeting serves as another important channel that promotes community participation in monitoring the Company’s operations.

3.10 Transaction that Has or May Have Conflict of Interest

The Board of Directors provides a guideline for the transparent management of conflict of interest and strictly complies to the Company’s regulation on the Board of Directors which specified that **directors who have conflict of interest on any particular area shall not have the right to vote at the Board of Directors’ meeting during a consideration in that area.** The Board of Directors and the Audit Committee play an important role in formulating measures to prevent conflict of interest and ensuring that the

operations are smooth and reasonable. Complete information disclosure is required in accordance with related regulations for the benefit of the Company.

The Board of Directors, through the approval by the Audit Committee, has ensured that connected transaction between the Company and its subsidiaries are in the best benefits to the Company and its subsidiaries. Transactions between the Company and its subsidiaries are considered based on the same pricing and conditions as in transaction with other business partners. Accurate and complete disclosure of such transactions is required according to related regulations. For flexibility and convenience, the Board of Directors authorized the Chief Executive Officer to approval normal connected transaction or regular business transaction, with general conditions and trade agreement, within Baht 30 million limit. The transaction shall be reported at the quarterly Board of Directors’ meeting, according to the Article 89/12 under the Securities and Exchange Act.

3.11 International Environment and Occupational Health Standard

The Company has continuously and seriously encouraged its subsidiaries and their power plants to adopt and maintain international standards, such as the ISO 14001, OHSAS 18001 and other standards issued by the Department of Industrial Works.

In 2016, Ratchaburi Electricity Generating Company Limited joined the agreement on “Carbon Footprint Preparation in the Industrial Sector Phase 5” initiated by the Greenhouse Gas Management Organization (Public Organization) and the Industrial Environment Institute, the Federations of Thai Industries. This allows the company to receive information on carbon footprint assessment criteria and method, enabling the company to measure emission from the operations of its major power plant, including Ratchaburi Power Plant and Tri Energy Power Plant. The results will be used for database for emission

reduction planning in the future. The information will also enable the company to design Greenhouse Gas management according to the Country's plan under the United Nations Framework Convention on Climate Change (UNFCCC) in 2020.

3.12 Safety, Occupational Health and Work Environment

The Company realizes the importance of the implementation of Safety, Occupational Health and Working Environment Policy. It has ensured that its employees, partners and stakeholders working within the Company's premises are aware of and have good understanding of their role and responsibility in operating business with the highest safety level. The Working Committee on Safety, Occupational Health and Working Environment was appointed to monitor, assess and study ways to prevent accident. All actions shall be effectively and efficiently made based on resource optimization. They should also best address the policy and Code of Conduct that the Board of Directors formulated and published through the internal communication channel and on the Company's website as follows:

Safety, Occupational Health and Working Environment Policy

- Promote and develop safety, occupational health and working environment to meet with international standard and to comply with laws and regulations.
- Control and prevent wastes in various forms as well as maintain the safe working environment. It is the responsibility of the management and employees to report accident and issues according to the pre-set procedure.
- Publicize and communicate the practice and policy to ensure good understanding and practice by all stakeholders.
- In case an unsafe practice or any action that does not comply with regulations, standards or may have impact on safety, occupational health and working environment practice, the work can

be temporarily halted. Related persons and senior executives should be informed for immediate solution.

- Monitor and assess the performance result for strict and effective implementation.

In 2016, important activities on safety are

- Inspecting working environment to improve and enhance the practice standard.
- Holding basic fire fighting training and fire drill with disaster prevention and mitigation authority and related authorities at the Company's head office.
- Providing safety related trainings to all employees namely basic fire fighting training and living safely in public course.
- Considering and setting 2017 operation plan to cover important areas such as compliance to law and the Company's Safety, Occupational Health and Working Environment Policy; proactive measure on the employee's health care; and operating with the goal to achieve zero accident in order to participate in the Zero Accident Campaign.

Due to its commitment to operating under pre-set regulations, in 2016, the Company received the **"Bronze plaque"** for the Zero Accident Campaign 2016 from the Department of Labour Protection and Welfare, Ministry of Labour. This reflects that the Company is an enterprise that operates **without work related accident that causes absence** for the accumulation of 1,638,442 hours. In addition, Ratchaburi Electricity Generating Company Limited and Ratchaburi Power Company Limited, also achieved **zero work-related accident**. As a result, both companies received Outstanding Corporate in Occupational, Safety, Health and Workplace Environment 2016, **"the 1-4 consecutive year National Level-Gold"** and the **"Silver plaque"** for the Zero Accident Campaign 2016 from Department of Labour Protection and Welfare, Ministry of Labour.

4. Disclosure of Information and Transparency

4.1 Type of Disclosed Information

The information being disclosed comprises financial and non-financial information and periodic

and non-periodic report. The objective of the report is to provide sufficient and complete information that support the readers' investment decision.

In 2016, the Company's information disclosure activities are

(1)	Disclosure of Periodic Reports	36 times
(2)	Disclosure of Non-Periodic Reports	27 times
(3)	Analyst meeting	4 times
(4)	Company Visit	80 times
(5)	Domestic Roadshow	1 time
(6)	International Roadshow	4 times
(7)	Press conference on operating performance and significant activities	5 times
(8)	Media site visits	1 time
(9)	Participation of the media in CSR activities	5 times
(10)	Distribution of news and photo releases	26 times
(11)	Shareholders' and investors' site visits in Thailand and overseas	1 time
(12)	Exhibitions	2 times
(13)	Executive interviews	10 times
(14)	Website hits/page views (average per month)	14,290 times
	(from 1 January 2016 - 31 December 2016 totaling 171,488 times)	

4.2 Quality of Information

Quality of information includes accuracy, completeness, clarity, sufficiency, timeliness and transparency. Significant information disclosed by the Company includes both financial and non-financial information, is not one-sided but is presented in both positive and negative aspects. The disclosure of information complies with the related criteria and regulations, such as immediate disclosure of significant information, comprehensive distribution to the general public, clarification in case of rumors and information about abnormal stock trading. The Company has never disclosed propaganda information without solid reasons or insider trading, for example. Disclosure of information shall not cause excessive cost to the Company and not affect the Company's competitiveness.

Quality of disclosed information includes accuracy, completeness, clarity, sufficiency and timeliness as mentioned in the Rights of Shareholders. The Board of Directors has prepared the Board of Directors' Report on Its Responsibility to Financial Report and published it together with the Auditor's Report in the annual report and the Audit Committee provided its opinion on the quality of the financial statements as published in the Audit Committee's Report.

Quality information disclosure to outsiders not only reflects the Company's transparency but also enhances investors and related persons' confidence and trust. As a result, the Board of Directors closely supervised and monitored to ensure that responsible persons sufficiently provide at least the information as required by law and that investors have equal opportunity to receive such information.

4.3 Information Disclosure Channels

SET's electronic communications channel is used as the main channel for information disclosure. The Company also prepares website, press conference to announce its performance, analyst meeting, press release distribution, local and international roadshows and other activities as reported under Type of Disclosed Information.

The Company considers disclosure of significant information a very important responsibility. The Board of Directors and the Management have closely monitored and ensured that the information disclosure process complies with the criteria and regulations and strictly supervised the implementation of such activity. Authorized and responsible persons are designated while information distribution channels are developed to ensure information disclosure quality as follows :

- **Authorized person to disclose information**

as assigned by the Company are the Chairman of the Board of Directors, Chief Executive Officer and Chief Officers. Other units responsible for information preparation are

- ***Company Secretary Office***

is responsible for preparing document related to information and significant disclosure through SET's electronic channel and annual report (Form 56-2), and being the contact person for SET and SEC.

- ***Accounting Control and Analysis Division*** is responsible for preparing financial information, explanation and the management discussion and analysis of the Company's operations and financial status.

- ***Corporate Relations Division*** is responsible for the preparation of information disclosure document, media release and press conference.

- ***Investor Relations Department*** is responsible for preparing the Form 56-1 and analysts meeting.

- **Communication channels**

Based on the commitment to providing complete and equitable access to the Company's significant information to all shareholders, the Company communicates via various channels and covers both one-way and two-way communication. The distributed information is prepared in Thai and English and distributed at the same time.

- SET's electronic media is used as the main channel for information disclosure.

- The Company's website: www.ratch.co.th is used to increase opportunity and convenience to distribute information and create understanding among shareholders, investors, interested persons and general public.

- Analyst meeting
- Domestic and international roadshows
- Press conference on quarterly and annual performance
- Distribution of news release and photo release of the Company's activities
- Executive interviews
- Exhibitions
- Site visits for shareholders, institutional investors and analysts
- Media relations activities

4.4 Investor Relations

The Company assigned the "*Investor Relations Department*" to be the center for communicating, providing information and news, as well as fairly and equally arranging activities to create and strengthen relationship between the Company and its shareholders, institutional investors, individual investors, analysts and concerned government agencies. The department is also responsible for preparing annual investors' relations plan. The Company's Chief Executive Officer and top executives always act as the Company's spokespersons who report, provide additional information, clarify and answer questions at the analyst meeting, local and international road shows.

Interested persons may contact the Investor Relations Department by sending letter by post to the Company, or call +66 2794 9841 or fax +66 2794 9888 ext. 9841 or through the Company's website www.ratch.co.th or sending emails to IR@ratch.co.th.

4.5 Disclosure of Directors and Executives Remuneration Policy and Payment

The Board of Directors has disclosed the director and executive remuneration payment and remuneration of individual director and executive remuneration by categories. This annual report also included overall employees' remuneration. (Details are explained in Management Structure.)

5. Board of Directors' Responsibility

5.1 Board of Directors Structure

- *Composition and qualification* (Details appeared in Management Structure)

- *Independence of Chairman of the Board of Directors:* The Chairman **is not an executive director**. Despite the fact that the Chairman is the representative of EGAT, the major shareholder holding 45 percent of the Company's total stake, **the Board of Directors also comprises 7 independent directors**, representing **53.85 percent or more than one third of the total number** of 13 directors sitting in the Board. As a result, the directors can independently perform their duties as the shareholders' representative and there is a **proper balance**. The Chairman independently performs his duty and does not influence or convince other directors during discussions, encourages all directors to discuss and express opinion openly by giving sufficient time to find mutual resolution on all matters considered at the Board of Directors' meeting.

- *Segregation of the Chairman of the Board of Directors and Chief Executive Officer*

The Chairman is not the same person as the CEO and has no relations with the Management.

The segregation of the Chairman and the CEO positions has ensured proper balance and prevented either one of them to have excessive power. **The Chairman is the leader and has significant role in deciding the Company's policy resulted from the joint meeting between the Board of Directors and the Management on business goals.** The Chairman **leads and conducts the meetings** in efficient and effective manner, and encourages all directors to participate in the meeting and openly express their opinion. The Chairman also supports and provides recommendation for the Management operation through the CEO and **does not intervene in routine work by the Management**. Meanwhile, the **CEO is the only executive director** and is the top executive whose responsibilities are explained in Management Structure.

- *Directorship in other companies*

None of the Company's directors holds positions in more than three other listed companies, which complies with the **Company's regulation on the Board of Directors** and the SET's recommendation on efficiency and time contribution. More information about individual director is revealed in the directors' profiles under the Management Structure section.

Mr. Rum Herabat, Chief Executive Officer **does not hold directorship in other company aside from the Company's subsidiaries and joint ventures**. For other directors and executives, the Board of Directors has approved their directorship and executive position in subsidiaries and joint ventures depending on their knowledge, skills and responsibility.

The Board of Directors has formulated the Company's regulation on subsidiaries, affiliates and joint ventures supervision, covering clear criteria for the appointment and responsibilities of the Company's representatives assigned to hold directorship or hold stakes in the companies in which the Company invests. This is so that the

representatives could convey the Board's policies and report performances of those businesses back to the Board. (Details on the Company's representatives assigned to be director and shareholders in subsidiaries, affiliates and joint ventures appear in the Directorship of Directors and Executives.)

- **Recruitment and nomination of directors**

(Details appeared in Management Structure)

- **Secretary to the Board of Directors and Company Secretary** (Details appeared in Management Structure)

5.2 Committees

The Board of Directors has appointed 5 committees as appropriate and necessary to assist it in studying information, screening work and making recommendation, which enables the Board to perform its duty more efficiently. The five committees are the Audit Committee, Human Resources and Remuneration Committee, Risk Management Committee, Investment Committee and Corporate Governance and Social Responsibility Committee. (Details are reported in Management Structure.)

5.3 Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors is committed to independent decision making for the best benefits of the Company and its shareholders. Each of the Company's directors realizes the responsibility towards the shareholders who are the business owners and have the right to appoint the directors. Fiduciary Duty covers four major responsibilities namely Duty of Care, Duty of Loyalty, Duty of Obedience and Duty of Disclosure. The directors' roles, duty and responsibility are as follows:

- **Formulating strategy, strategic plan, policy, budget and business direction**

- Consider, review and approve strategy, direction, goal and policy of the Company on yearly basis and/or in specific situation.
- Consider and approve business plan, budget and annual target.

In 2016, the Board of Directors reviewed the strategic plan and business strategies and approved vision, mission, goals and business strategies that best address the changes in the current situation. This also supports the Company's new direction towards business diversity which will serve as a strong foundation for long-term growth.

- **Human resources management**

- Consider and approve human resources management strategy, executive development plan, corporate structure, remuneration structure and remuneration plan.
- Consider the criteria, process, selection process and terminating directors and senior executives.
- Supervise the appraisal process of senior executives to ensure effectiveness by comparing the performance with the goals early agreed between the two parties.
- Communicate vision, goals and Company's performance to directors, management and employees throughout the entire organization.

- **Monitor the progress, efficiency and success of the strategic plan**

- Follow up with the implementation of the strategic plan and compare the result with the short and long-term goals.

- Compare the efficiency and effectiveness of the performance with competitors.
- Disclose the performance result and corporate governance in the annual report.
- Require the management to present regular report to the Board of Directors on

- **Monthly report:** progress of investment projects, operational performance analysis, short and long-term investment report, cash flow report, and the highest electricity generating capacity report, electricity capacity within EGAT and national systems, **the portfolio and/or changes in security holding of directors, executives and spouses and minor children, and energy stock prices.**

- **Quarterly reports:** quarterly financial report.

- **Annual reports:** annual financial reports, evaluation of the annual operational performance against the target and the reports by the committees appointed by the Board of Directors.

In case that **the operational performance did not meet the target** due to controllable factors, the cause of the problem will be analyzed and then corrected. In case that such problem arises from uncontrollable factors, the plan has to be **reviewed and new and/or alternative target shall be set.**

In 2016, the Board of Director visited and followed up the progress of the Company's performance as follows:

No.		Time	Period	Venue	Location
1	Board of Directors	2	16-18 Dec 2016	• Xe-Pian Xe-Namnoy Hydroelectric Power Plant Project in Lao PDR to accelerate the construction and development to meet with the schedule.	Lao PDR
			19-23 Feb 2016	• RATCH-Australia Power Plant to follow up the progress of projects under construction and development	Commonwealth of Australia
2	Risk Management Committee	2	11 Oct 2016	• 3 Solarta solar power plants to study prevention of risk of flood. The 3 projects are - Sai Sena Project - Sai Sapan 1 project - Sai Ta Khong project	Ayutthaya Supanburi Supanburi

Remarks : The visits by committees which are not done on behalf of the Board of Directors



The Company also arranged informal meetings among directors, including the Company's activities, including corporate social responsibility activities and events in different occasion. The activities are aimed at promoting good understanding among directors, the Management and employees.

- **Ensuring completeness of significant events**
 - Ensuring that the right mix of independent directors to create the power of balance with the Management and/or major shareholders.
 - Reviewing and approving vision, strategy, mission and ethics and communicate with employees at all level.
 - Auditing and approving annual financial report to strengthen shareholders' confidence.
 - Supervising internal audit procedure, internal control and risk management system, prevention of conflict of interest, connected transaction, protection of corporate reputation, resource optimization and ensuring full compliance with related laws, regulations and ethics as well as corporate governance.

- **Establishing and approving role and responsibility of committee** as appropriate and necessary.

- **Setting criteria and appraising the performance of the Board of Directors and Committees**, both for the entire board and individual performance appraisal, on yearly basis and reveal the result in the annual report.

- **Board of Directors' meeting schedule and voting**

- Holding the Board of Directors' meeting at least once a month and at least one **meeting for non-executive director** per year to offer the directors a chance to review the performance of the Board of Directors, the Management and the Company, and to discuss significant management issues without presence from the Management. The CEO will be informed of the meeting resolution

which will be used for improving efficiency of the Management.

- Requiring one director to have one vote. **Director with conflict of interest in specific agenda shall not have the right to vote.** In case that the votes are equal in both parties, the chairman of the meeting will have to vote and make the final decision.

5.4 Management and Elimination of Conflict of Interest (detailed as in Role of Stakeholders topic)

5.5 Risk Management (detailed as in Role of Stakeholders topic)

5.6 The Board of Directors' Meeting

- *The Board of Directors' meeting practice:*

For maximum benefits of the Company and its shareholders, the Company maintains the Board of Directors' independence in decision making. All members of the Board perform their duty with integrity and for the best benefit of the Company. As representatives of shareholders, the Board of Directors closely leads, monitors the operations, guides, assists and supports the management's operation.

- **Meeting schedule, meeting agenda and document preparation:** The Board of Directors approved the Board's and committees' meeting schedules for the entire year and informed every director of the schedule. In 2016, the Board of Directors' meetings were scheduled at 3.00 p.m. of every third Monday of the month.

The Chairman and the CEO jointly considered the matters to be included in each agenda to ensure that all significant matters are submitted to the meeting. They informed the directors in advance and distributed the meeting notice at the appropriate time according to the Company's regulation. Directors, however, are free to propose other matters to be included in the agenda by making such proposal 10 days before the meeting date.

In case of urgent matters which may directly or indirectly affect the Company, directors can propose such matters for consideration or acknowledgement when the Board of Directors considers other agenda at the meeting. (Method for deciding matters to be included in the agenda and the method for directors to propose other matters are stated in the Company's regulation on the Board of Directors and published on the Company's website www.ratch.co.th.)

Meeting agenda is grouped for easy consideration and the meeting is run in the preset sequence-matters to be informed by the Chairman, acknowledgement of the last meeting minutes, follow-up matters from the last meeting, matters for consideration, matters for acknowledgement, and others (if any). Regular matters to be proposed to the Board of Directors at the specific period, such as monthly, quarterly and annual agenda are set in advance. Schedule of monthly performance analysis report and progress of projects that the Company invests in are also reported to the Board of Directors meeting every month.

The Company sends meeting notice, agenda and related document to each director approximately one week prior to the meeting date, providing them with sufficient time to study the information. Directors may ask for more information from the CEO and the Company Secretary Office. Members of committees can ask for more information related to their tasks from the CEO and through the secretary of each committee.

• ***Roles of the Chairman, directors, Management and meeting atmosphere***

- ***The Chairman*** leads the meeting, sufficiently and adequately allocates time for directors to equally discuss and express opinions, encourages directors to participate in the discussion and freely express opinions, and summarizes the meeting's resolutions.

- ***Directors*** share opinions based on the study of the information provided by the Management and additional information by considering the benefits and impact as well as risks for the Company and all stakeholders in order to obtain the meeting resolution. Directors shall contribute time, knowledge and experience to their role as a director of a listed company.

- ***The Management*** is responsible for providing accurate, sufficient, complete and timely information that is relevant and necessary to support the Board of Directors' meeting decision, as well as present the information in advance in order to allow the directors' sufficient time to study the information. The directors shall propose options to the Board of Directors, and provide information and clarify additional information when asked in the meeting. The Board of Directors requires top executives from all functions to attend the meeting and invite other concerned executives for clarification on specific matters.

- ***Meeting atmosphere and expression of opinions:*** The Company provides appropriate and sufficient meeting equipment and facilities. The meeting atmosphere is open and encourages all directors to participate in the discussion and openly and positively express opinions based on mutual benefit and impact on all stakeholders. Each meeting lasted 1.5 hours to 2 hours on average.

- ***The meeting*** generally considers and discusses each agenda. The Management presents the background, rationale, importance, clarifications and related information to support decision making process and to support the Management's proposal. The Chairman allows sufficient time for all directors to discuss all issues and encourages directors to express opinions and ask questions on important matters for the Management to clarify. Afterward, all will make decision together, leading to the meeting resolution.

- ***Directors who have conflict of interest*** do not have the right to vote on the matter (conflict of interest is considered based on the information

provided in the conflict of interest report that directors and executives submitted to the Company Secretary) and this has been strictly implemented in all meetings.

- *In considering connected transaction or items that may involve conflict of interest*, the meeting will mainly consider the benefits of the Company and shareholders. The meeting will consider the necessity and reasons for each matter the same way it does for other transactions. Correct and complete process and disclosure of information are highly weighted.

- *The Company Secretary* provides initial recommendation to the Management and the Board of Directors to ensure that all the practice is in compliance with the related regulations, such as asset acquisition information disclosure, connected transaction and corporate governance.

- *Meeting minutes preparation and keeping*

- *Company Secretary Office* is assigned by the Board of Directors to record, prepare and keep the minutes of the Board of Directors' meeting and shareholders meetings.

- *Meeting minutes* are prepared in writing and cover all important details, including date and time the meeting begins and ends, venue, list of attending directors and executives, list absent directors, summary of the matters presented in the meeting, summary of the discussed matters, opinions and observation of the directors, the resolution of the Board of Directors, and the name of the minutes taker and the meeting chairman. Meeting minutes are completed within three days after the meeting and delivered to all directors for improvement. If there no addition or amendment is made within seven days, the minutes is considered approved and submitted to the meeting's Chairman to sign. A copy of the signed meeting minutes is then delivered to each director for reference. In addition, the certified report will be added as an acknowledgement agenda in the next meeting.

- *Dissemination of the meeting's resolutions*: The CEO communicates the written resolution to related units for acknowledgement and/or implementation. The CEO then monitor of the implementation and reported to the Board of Directors.

- *The Board of Directors and Committee's meetings* in 2016 (Detailed as in Management Structure)

5.7 Performance Appraisal

- *Self-assessment of directors and committees*

The Board of Directors has to conduct self-assessment. The appraisal result, observation and recommendations are considered for the Board of Director's further improvement. The factors considered include the performance of Board of Directors and the committees as a whole as well as each director's individual assessment. The assessment covers many important areas according to the good corporate governance principle for listed companies, including directors' readiness, strategy formulation and business planning, risk management and internal control, conflict of interest prevention, financial and performance report monitoring, the Board of Directors' meeting, nomination and remuneration of the Board of Directors and the Management.

The self-assessment of the committee covers the overall performance of each committee in terms of the committee's readiness, completeness of duty as assigned by the Board of Directors, and the committee's meetings both before (provision of meeting document prior to the meeting date to provide sufficient time for the committee members to study the information), during (information and significant agenda presentation, discussion, answering questions and meeting resolution) and after (preparation, submission and storing the meeting minutes).

The assessment levels for the Board of Directors and committees comprise 4 levels-Excellent,

Very Good, Good and Fair. Assessment results in 2016 are as follows:

Appraisee	Assessment result			
	as a whole		individually	
	Full score: 100	Level	Full score: 100	Level
1. The Board of Directors	95.02	Excellent	95.46	Excellent
2. Committees (5 committees)				
	Score/Full score	Level	Score/Full score	Level
2.1 Audit Committee	28.00/30.00	Excellent	28.00/30.00	Excellent
2.2 Human Resources and Remuneration Committee	93.83/100.00	Excellent	93.83/100.00	Excellent
2.3 Risk Management Committee	28.50/30.00	Excellent	28.50/30.00	Excellent
2.4 Investment Committee	28.75/30.00	Excellent	28.50/30.00	Excellent
2.5 Corporate Governance and Social Responsibility Committee	28.00/30.00	Excellent	28.00/30.00	Excellent

The Company will use the performance appraisal result of the Board of Directors and committees for further improvement of operational efficiency for both Board of Directors and committees and to improve performance of individual director in accordance with the management policy under the good corporate governance principle.

• Top Executives Assessment

With assistance from the Human Resources and Remuneration Committee in assessing annual operational performance of top executives, the Board of Directors adopts the performance appraisal criteria that were agreed at early of the year. In 2016, the criteria comprised four areas - business planning and development, supervision of companies within the Company's Group, financial management and organizational management. Each area has different weight. The Company also assesses top executives in terms of capability and management skills, including leadership, strategy formulation and implementation, financial planning and performance, networking, business knowledge and understanding and specific

qualifications for the CEO and top executives position. The Company uses the assessment result to consider the top executive's remuneration and to arrange knowledge and skill development plan.

• Directors and Top Executives' Remuneration

(Detailed as in Management Structure)

5.8 New Director Orientation and the Development of Directors and Executives

• The Board of Directors helps newly appointed director by arranging an orientation with a briefing by the CEO and providing orientation kit. Information included in the orientation kit are nature of business, details of committees, investment structure, organizational structure, financial performance and progress of investment projects, Memorandum of Association, objectives, Affidavit, Articles of Association, rules and regulations, policy, Code of Conduct, remuneration and benefits for directors, annual report and sustainability report, as well as the manual for directors of a listed company and compliance database. The orientation is held according to the Board of Director's policy to prepare directors to be ready to perform their duty.

Directors will have the chance for continuous development to enhance understanding of roles, duty and responsibility as well as necessary skills for the directors to do their best job as the directors of a listed company. The Company has a policy to encourage the directors to participate in seminars arranged by related organizations, such as Thai

Institute of Directors Association (IOD), Stock Exchange of Thailand and Thailand Energy Academy. The Company is responsible for the expenses related to such course attendance in accordance with the Board of Directors' policy to enhance directors' skills and capability.

The Board of Directors' attendance in trainings and development courses organized by the Thai Institute of Directors Association

Directors		Course/Class/Year									
		2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
1	Mr. Sutat Patmasirawat		CDC 9/2015				FSD 14/2011	RCP 24/2010			DCP 83/2007
2	Mr. Chuan Sirinunporn			DAP 112/2014							
3	Mr. Witoon Kulcharoenwirat	FSD 31/2016									
4	Mr. Rattanachai Namwong			DCP 186/2014							
5	Mr. Suthon Boonprasong					DCP 164/2012					
6	Mr. Rum Herabat	RCL 5/2016 RCP 39/2016		DCP 191/2014							
7	Mr. Chavalit Pichalai	FSD 31/2016 RCP 39/2016		DCP 192/2014							
8	Captain Siridech Julpema	Thriving a changing world The Power of Culture	CDC 9/2015 ELP 2/2015 RCL 2/2015 RCP 36/2015	DCPU 2/2014 ACEP 13/2014		ACP 40/2012 DCP 156/2012 MIR 13/2012 MIA 13/2012 MFM 8/2012 MFR 16/2012					
9	Mr. Veerasak Punggrassamee										
10	Mr. Praon Kitichantaropas		DAP 120/2015								
11	Mr. Samack Chouvapamante		HRP 8/2015 RCL 1/2005							ACP 21/2008 DCP 99/2008	DAP 67/2007
12	Miss Prapa Puranachote	CGI 14/2016					DCP 148/2011				
13	Miss Piyathida Praditbatuga				DCP 173/2013						

Remarks: : 1. The course detail

- ACEP : Anti-Corruption for Executive Program
- ACP: Audit Committee Program
- CDC : Chartered Director Class
- CGI : Corporate Governance for Capital Market Intermediaries
- DAP : Director Accreditation Program
- DCP : Director Certificate Program
- DCPU : Director Certificate Program Update
- ELP : Ethical Leadership Program
- Thriving in a changing world, London, England

: 2. Other training and seminar attendance are reported in each director's profile.

- FSD : Financial Statements for Directors
- HRP : How to Develop a Risk Management Plan
- RCL : Risk Management Program for Corporate Leaders
- RCP : Role of Chairman Program
- MFM : Monitoring Fraud Risk Management
- MFR : Monitoring the Quality of Financial Reporting
- MIA : Monitoring the Internal Audit Function
- MIR: Monitoring the System of Internal Control & Risk Management
- The Power of Culture: From Performance Culture to Winning Culture

The Management prepared a summary report of the rules, regulations and memorandums both newly issued and amended by SEC and SET then presented to the Board of Directors' meeting to use as guideline so that their practice strictly complies with the law and regulations of the regulators.

The Company sent executives and related employees to attend the corporate secretary, corporate governance, internal audit, anti-corruption, risk management and other related courses organized by various institutes and organizations. This enables directors and employees to better understand their responsibilities, which supports the operations of the Board of Directors and committees.

5.9 Succession Plan for Top Executives

The succession plan for the Chief Executive Officer follows the policy of the Company's major shareholder-EGAT. EGAT will nominate to the Board of Directors through the Human Resources and Remuneration Committee its executive who has appropriate qualifications, knowledge and capability to perform the task and brings greater benefits to the Company. The Board of Directors assigned the **Human Resources and Remuneration Committee to prepare succession plan for top executives.**

The succession plan for other executive positions has been developed by analyzing competency and expected qualifications of different positions. The guideline will support human resources development and nomination of qualified persons to be promoted, demoted, retired, transferred and to prepare the Company's personnel for current and future expansion. Every position has clear career path. The Competency Model has been adopted and with joint implementation by advisors who have specific expertise in such areas.

5.10 Directors and Officers Liability Insurance

The Company is expanding its business and has engaged more with new business transactions that require directors and executives' approval, opinion provision, authorization and signing on important documents. Some of such activities may have high risks of claims from outsiders, shareholders and stakeholders on directors and executives responsibility arising from performing their duty. The Board of Directors required the Management to propose the Directors and Officers Liability Insurance (D&O) together with its conditions, limitation and premium for the Board's consideration every year. The insurance will provide protection over liabilities or claims against directors and officers who perform their duty in accordance with their position in good faith. In case of fraud, the Company is not liable for the loss and can requests the corrupted person to pay for the fees arising from the suitcase against the corrupted directors or officials.

6. Code of Conduct

The Company has been operating its business by adhering to the good corporate governance principles, ethics, moral, sincerity and transparency. Such practice is believed to enable to drive success of the organization and can support corporate vision, mission, policy and growth target as well as to maintain business sustainability amidst the rapidly changing environment. The Company is strongly committed to fighting against corruption in all forms. As a result, it has participated and become certified member in the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) since 22 April 2016. This is a concrete factor to promote and support anti-corruption practice and reduce fraudulent act and corruption or any negative impact on the organization, the country and all its stakeholders.

In 2016, the Company considered, reviewed and improved regulations, rules and Code of Conduct to keep them updated and cover the entire work process according to the CAC's anti-corruption framework. Such action will raise the corporate governance standard of the Company's Group to the international standard. A new Code of Conduct was written and has been used as **a policy and the desired behaviors as well as a corporate governance guideline** for the directors, executives and employees of the Company's Group and for treatment of all stakeholders, including shareholders, customers, creditors, trade partners, competitors, business partners, the government, community and the environment. The new Code of Conduct is implemented to replace the old one which had been used since the establishment of the Company in 2000. The new Code of Conduct was implemented and published on various channels to allow concerned persons and parties to understand. All employees have read and signed their acknowledgement and adopted it in their operations. Interested persons can find more information on the Company's website.

7. Communications and Monitoring of Performance to Ensure Full Compliance with the Corporate Governance Policy and Code of Conduct

Every new Director and employee will receive Code of Conduct and policies as part of their orientation kit which will be used as guideline and reference when performing their duties. All employees and directors have to sign on the document to increase awareness, acknowledge their responsibility and reinforce their commitment to respect the Company's policies and ethics. The Corporate Governance Policy has been communicated by the Board of Directors and the Management to all employees. The Company also provides for communication channel to listen to and collect employees' problems, concerns and recommendations for consideration, further action planning and execution as well as ensures the corporate governance practice implementation is in line with the good corporate governance principle. Various channels, including the Intranet, email system that employees have easy access and internal meetings, are provided to effectively communicate and disseminate the Company's policy and corporate governance news to employees and to increase awareness and commitment to embracing implementation of Code of Conduct.

Aside from regularly discussing with other divisions, the Internal Audit Division has also been assigned to be responsible for monitoring and following up with the implementation of annual audit plan and a quarterly report the audit results as well as making recommendation on solution and prevention of possible damages to the Audit Committee.

The "Compliance Database" was prepared, and distributed to the Board of Directors and published on the Company's internal database, which is easily accessible for use by all employees. The database comprises guidelines for important areas of practice and operations of the Company as a listed company, such as the disclosure of information, connected transaction, the acquisition or disposition of assets. The information is regularly updated.

The Board of Directors prepared the "Report of Directors' and Executives' Interests" and instructed the Directors and executives to report their and related persons' interests to the Company Secretary for reference and record. The Company Secretary shall make a copy and submit the report to the Chairman of the Board of Directors and the Chairman of the Audit Committee, according to the Securities and Exchange Act. The report will be used when considering who shall not have voting rights in the Board of Directors' and shareholders' meetings.

Throughout the year 2016, there is no event or action that is against the Company's Code of Conduct and the Corporate Governance Policy, including the following:

- **No** complaint on infringement of basic rights of **shareholders**.
- **No** wrong doing by Directors or executives related to the **use of insider's information**.
- **No** dispute related to the breach of Code of Conduct on **employees**.
- **No** dispute from the impact from Company's business activity on **community, society and the environment**.
- **No** dispute or complaint on the failure to respect the Company's Code of Conduct towards **customers**.
- **No** dispute or complaint on the failure to respect the Company's Code of Conduct towards **creditors**.
- **No** dispute or complaint on the failure to respect the Company's Code of Conduct towards **trade partners or suppliers**.
- **No** dispute or complaint on the failure to respect the Company's Code of Conduct towards **competitors**.
- **No** dispute or complaint on the failure to respect the Company's Code of Conduct towards **business partners**.
- **No** dispute or complaint on the failure to respect the Company's Code of Conduct towards **the government sector**.



Corporate Social and

Environmental Responsibility

With as much as 6,980.03 MW capacity, the Company plays an important role in enhancing quality of life of the people

Realizing that as a leading private power producer in Thailand, Ratchaburi Electricity Generating Holding Public Company Limited has the responsibility to produce electricity to support national power security and economic and social development. With as much as 6,980.03 MW capacity, the Company plays an important role in enhancing quality of life of the people while driving overall national development in a sustainable manner.

In addition to business growth, the Company, since its inception, has been committed to responsibility towards the society and the environment and to sustainable development. The Corporate Governance and Social Responsibility Committee was established to oversee and ensure that all projects and social activities have supported its business operations and brought about benefits to the society and the environment. In the end, this will enable the Company to achieve sustainable development goal. The Company has put top priority to the development and the balance of the 3 key dimensions namely economic, society and environment across all production process and supporting projects.

To respond to the Company's corporate social responsibility (CSR) mission in order to obtain trust and confidence from the community and the society at large, the Corporate Governance and Social Responsibility Committee endorsed the CSR strategies to cover two main areas which are environment and society. Activities are therefore designed to support the strategies. In terms of environment, the goal is to reduce carbon dioxide (CO₂) emission to relieve the impact from Global Warming. This is achieved by reducing CO₂ emission from the source of origin through energy saving method promotion and reducing energy usage in all possible areas, and by creating new carbon sinks through forest resource preservation as forests are known as a major carbon sink. As for social respect, the CSR goal is set to enhance quality of life of the people. The Company has conducted projects and activities with the themes such as increase of education opportunity, promoting human rights, creating shared value with community and the society and humanity help and support.

The intention to create value to the society has brought about many initiatives. The great inspiration that guides and leads all projects to success is His Majesty King Bhumibol Adulyadej, the developer king who unconditionally loves and cares for his people.



He inspired us all to make sound contribution to the society and the country. His works and practice have been the aspiration for us all to follow suit and implement many significant CSR activities as follows:

Love Forests and Community Project

This project indicates the Company's intention to promote and support the national forest preservation and green areas increase as well as the access to, the use, the development and protection of community resources on sustainable basis through community participation process in form of "Community forest" across the country. The concept of the project is derived from H.M. King Bhumibol Adulyadej's "burst from inside" concept, meaning we have to educate and raise awareness of locals on the importance of forests and then the local communities will start to love and care for the forests as if they were their own treasure. In the end, this concept will be transferred to other communities, creating national resources security. The project was initiated by the Company and implemented nationwide through collaboration from the Department of Forestry. Since 2008, the project has been continued uninterruptedly. The 3 major activities under this project are:

1) Community Forest Contest: The winner of each year contest receives a trophy from HRH Princess Maha Chakri Sirindhorn. The activity praises and appreciates the communities that have effective forest management and promote forest fertility based on the “**nature for nature**” method. These communities will become role models and inspire other communities to have, to protect and to develop community forests. Throughout the 9 years since the project initiation, there are 1,253 community forests received the awards from the project.

2) Kla Yim Youth Camp: Aimed at educating and instilling the sense of ownership of forest resources among young people through play and learn activities. The project allows young participants to be close to and familiarize themselves with local resources and care for the immediate environment. As a result, the young generation will love and want to protect the forests. This also follows the late King Bhumibol Adulyadej’s idea of “**growing forests in people’s mind**”, which is prove to be the most effective forest conservation method. So far, the project has already held 19 training camps for 1,553 participants.

3) Community Forest Network Seminar: The seminar aims to promote exchange of knowledge, experience and opinions on community forest management. At the seminar which is based on **participatory** concept, participants have a great chance to meet with other community forest leaders, exchange opinions and experience that will be beneficial to other community forests and enable other communities to adopt and adjust to improve their forest management. The seminar comprises lectures on community forests and environment management in daily life. Since 2008, the Company has organized 16 seminars for 1,306 participants.

Happy Elderly, Healthy Thailand Project

Thailand is seeing a rapid increase of ageing citizen in terms of number and the proportion of the elderly to the total population. The country’s



Community Forest Contest



Kla Yim Youth Camp



Community Forest Network Seminar

population is becoming ageing, which will have impact on both macro and micro-economy, including impact on national economic growth because the number of children and labor is constantly reducing, which will affect labor supply in the future. In addition, the expense for the elderly care and quality of life

improvement is on the rise, which will affect the government budget, public benefit and healthcare.

Considering this change a significant matter, the Company realizes a great impact this development will have on the society. The Corporate Governance and Social Responsibility Committee introduced a policy to prepare for the changes and enable the country become a high quality ageing society. This is how the “Happy Elderly, Healthy Thailand” project was initiated. Introduced in 2015 and has been continued throughout 2016, the project focuses on promoting and increasing access to innovations for the elderly in order to maintain good quality of life for senior citizens. The 3 major areas being addressed under this project are health, security and society. Trainings were held to for the elderly and caretaker volunteers in Nonthaburi province, where the Company’s headquarters is located. The participating senior citizens and volunteer caretakers are trained on nutrition, exercise and appropriate elderly care. The elderly also attended skill enhancement that enables them to generate more income, which corresponds to King Bhumibol Adulyadej’s “self-sufficiency principle”. This will enable the elderly to take good care of themselves and not to become a burden in the society.

@CareLine Happy Community Network Project

Based on the Creating Shared Value (CSV) principle that the Company as adopted since its office was relocated to Khae Rai Intersection on Ngamwongwan Road, Muang District, Nonthaburi, and the Company has been relentlessly promoting the development of Nonthaburi society. The @CareLine Happy Community Network Project was aimed at sharing knowledge and creating value to community and the society, which will underline the Company’s good corporate citizenship intention.



Happy Elderly, Healthy Thailand Project

In 2016, the Company organized activity to promote knowledge on effective learning and teaching for primary children, targeting primary schools in the Primary Education Area 1 in Nonthaburi province. The “Brain-based Learning” (BBL) concept was introduced and applied in order to improve school environment that enhances effective learning that corresponds to the physical changes , brain development and to address other environmental factors. The concept comprises 5 keys to learning success, namely, children playground, classrooms, learning process, text books and activity assignment, as well as innovative learning tools.

In 2016, the Company painted the multipurpose ground and playground for five schools, including Wat Song Phlu School, Wat Bang Krai Nai School, Wat Samorn Kote School, Wat Bang Khu Lat School and

Bang Kruai Kindergarten School. This is a volunteer project in which employees were encouraged to participate. To materialize this project, the Company adopts the “integration” concept suggested by King Bhumibol Adulyadej. It held a brain-based learning (BBL) workshop on creating BBL teaching model, a visit to pilot BBL school and a training on BBL teaching materials for kindergarten and primary school teachers in Education Area 1 in Nonthaburi province. The training has equipped participating teachers with good understanding on the theory and guideline for effective implementation in order to create the best benefits to young people in the future.



Pumaree - Women's Power Protecting the Environment Project



@CareLine Happy Community Network Project

Pumaree - Women's Power Protecting the Environment Project

To encourage women group who play a major role behind the success of the natural resource preservation, the project aims to promote woman to take a leading role and key force in potentially driving the natural resource protection. This will lead to sustainable development by encouraging the society at large to realize the importance and support women to join force to make change in natural resource and community environment protection in the local community and at nationwide level. “Pumaree–Women's Power Protecting the Environment Project” was initiated and introduced in Chiang Klang District and Thoong Chang District, Nan province. The field survey showed that the local communities are ready in terms of resources, personnel and interest to join the community development based on their own capability and environment. This corresponds with the **social geography** principle that King Bhumibol Adulyadej adopted as the guideline for his development projects which were designed in consideration of local environment, culture and tradition as well as the way of life of the people in particular communities. Development plans are adjusted to directly address these social geography factors.

The project has been continued since 2014 in target areas. In implementing activities under this project, the Company has been promoting women's roles in 3 key areas according to the specific needs in local communities, including eco tourism promotion, community waste management and forest management.

Community Energy Project

The Company emphasizes on sustainable energy consumption and management and therefore raises awareness among local communities on the value of energy. Communities are guided and encouraged to optimize the available resource, to adopt appropriate energy technology and to source locally available energy so as to ensure self-sustainability in each community. The project was introduced in 3 target areas, including Ratchaburi, Kanchanburi and Petchaburi. In implementing the project, the Company bases its development activities on existing environment in each community. Knowledge is applied to better suit specific need in each community. This follows King Bhumibol Adulyadej's principle of "do not stick to the textbook", which will bring the best benefits to communities. The project has nurtured community energy volunteers who serve as the medium to communicate the correct energy knowledge to people in the three target areas. This has enabled local community to apply the knowledge and optimize available resources in their local community, thus enabling them to cut household energy expense by 5 percent. Trainings were also arranged for local technicians to help them earn more income.

Continuous implementation in 2014 and 2015 has equipped communities in the three target areas with great knowledge and capability to establish their own local energy learning centers in 2016. In each area, 5 centers were set up, totaling 15 centers, which effectively promotes energy management ideas based on **sufficiency economy**, leading to energy sustainability in the future.



Community Energy Project





Employee Volunteers

Based on the “burst from inside” concept, the Company continues its focus on instilling the sharing and **social contribution** spirit among its employees. It has encouraged employees to participate in such activities as natural resource preservation, religion, education, youth development, assistance for the underprivileged and activities to honor the King and Queen on various occasions. All activities are aimed at instilling the spirit of “**Sangkatan**” which is sharing and giving without specifying recipients or expecting for returns. In addition to success, what the Company has achieved is the unity of people within its organization. In 2016, the Company held 22 voluntary activities with 145 employees out of 199 employees participated in those activities or 807 person-day per year.

The Company strongly believes that being socially and environmentally responsible organization has to start from its people who have volunteer spirit and are ready to care and share with people around themselves and those in the general public. The Company believes that all activities and projects would drive social development and make our society a more pleasant place to live. This is because all activities are initiated and implemented based on the “**happily working**” principle. The Company intends to continue this concept and follow the path of His Majesty King Bhumibol Adulyadej in extending the happiness to other people and nearby communities as well as the public at large.



Internal Control and Risk Management

Internal control is a crucial factor behind the success of any organization.

Internal control is a crucial factor behind the success of any organization. It has to be built in as an integral part of business activity to enable the organization to sustainably achieve its goal. The main objective of internal control is to ensure confidence among internal stakeholders of effective and efficient operations that bring the best benefits to the Company. It is a process that an organization has to create and embrace with support from the Board of Directors, executives and employees at all levels.

Internal Control

The Company believes that operating a business in compliance with moral, integrity and sincerity as well as good management, corporate governance and effective and efficient internal control are key factor to drive sustainable success and remain business leader. Considering internal control very important, the Board of Directors assigned the Audit Committee to review, monitor and assess the sufficiency of the internal control system that is set up by the Management. This is to ensure operational efficiency and effectiveness, compliance to related laws and regulations as well as to check and balance and utilize assets for the best benefit of the Company.

In 2016, the Audit Committee convened 7 meetings to discuss matters with the Management, auditors and the Internal Audit Division. The Audit Committee has fully respected related laws and scope of responsibility laid out by the Board of Directors in the Company's regulation on Audit Committee. So far, the Audit Committee has never received report or complaint from the Auditors on significant problem in the internal control system.



At the Board of Directors' meeting No. 13/2016 held on 19 December 2016, the Board of Directors provided the same opinion towards the internal control system as the Audit Committee's assessment. Key essences are as follows:

Organization and Control Environment

- Realizing the importance of internal control system, the Company has provided for the environment supporting internal control efficiency. The Board of Directors has set clear and measurable vision, mission and goal for used as guidelines for the Management and employees' operation. Regular review has been in place to support continuous and sustainable growth for the Company.

- The Company has clearly set organizational structure, line of control, approval authority and responsibility for different levels, as well as well-rounded Key Performance Indicators (KPI) that serves as the Company's operational performance monitoring and assessment tools.

- The Company has clearly set Code of Conduct and good corporate governance practice for employees to follow. Anti-corruption and fraudulent practice policies as well as assessment of fraudulent risk are in place.

- The Company sets regulations/orders as the operational guideline, authority dissemination, responsibilities and details of operations, such as accounting, finance, budgeting procurement, human resources and investment management. The regulations have been used as guideline to all employees and covered punishment in case of regulation infringement.

Risk Assessment and Management

- The Company's risk management structure comprises the Board of Directors, Risk Management Committee, Risk Management Working Team and Corporate Planning Division. They are responsible for setting the objective of risk management, identifying and categorizing risk factors, considering opportunity and impact and setting measures in managing and controlling the risks at the acceptable level. The responsible bodies coordinate and

hold meetings with different functions on quarterly basis to appraise risk and possible impact after implementation of risk management measures and present the report to the Risk Management Committee and the Board of Directors on quarterly basis.

- Details on risk assessment and management are unveiled in the annual report under Risk Factors section and/or the Form 56-1 as published on www.sec.or.th and the Company's website, www.ratch.co.th.

- The Company established a Corporate Governance Working Team, comprising senior executive of all units with Vice President - Head of Internal Control Division, Vice President - Head of Financial Planning and Management Division, and Vice President - Head of Company Secretary Office as members. They are responsible for managing risks related to fraudulent act and monitoring the implementation of the risk management plan which is presented to the Board of Directors, the Corporate Governance and Social Responsibility and the Audit Committee.

Control Activities

To ensure that the policy and direction set by the Board of Directors and the Management are well executed and responded, the Company has provided for a control system for accounting and finance, operation and supervision as follows:

- Identifying scope of responsibility, authority and financial approval limit and cheque issuing authority of different level of executives in writing as stated in the Company's regulations/orders.
- Transactions that are considered as connected transaction must be approved by authorized person who has no conflict of interest and must be screened by the Audit Committee based on the Company's benefit.

- Regularly monitoring the Company's Group's performance by the business functions under the Chief Asset Management Officer. Business direction is set according to the Company's regulation on the supervision of subsidiaries, affiliates and joint ventures requiring the Board of Directors to formulate policy through the Company's representatives who are seconded to be shareholders, directors or management of those businesses. The Company's representatives are required to produce a report and submit to the Board of Directors on quarterly basis.

Information and Communication System

The Company views that the information and communication system is important tools for the Company's operations. The Management has provided for efficient communications channels as follows:

- The Company sends meeting notice and related document to each committee prior to the meeting date, providing them with sufficient time to study the information. Questions and concerns raised at the meeting, answers, clarifications, opinions, notice and recommendations of each director on each agenda are recorded. The discussion and the meeting resolution are summarized in the meeting minutes for reference.
- The Company arranges separate meetings between the Chief Executive Officer and head of each function and meetings with executives from vice president and above, on monthly basis to monitor the progress of work, solve problems, provide significant information that is sufficient for operations and communicate with executives at all levels.
- Financial and accounting executives in cooperation with the auditors present information to the Audit Committee for accounting review according to the generally accepted accounting standard including the changing international accounting standards.

- The Company also has in place effective storage of information, document, accounting records, financial reports and significant documents in good order and group. As a result, the Company has never been informed by the auditors of significant problems related to document.
- The Company provides for efficient internal communications through the Intranet and Lotus Note, enabling all employees to have easy access to significant information related to policy, regulations, order and announcement.
- The Company discloses significant information through SET's channel and the Company's website to allow outsiders, shareholders, investors and interested persons to have access to and receive such information at all time.

Monitoring and Evaluation System

- The Company sets goals for the strategic and business plans by setting goals and indicators for all functions. Operational performance is appraised against the target. Differences between the result and goal (if any) are thoroughly analyzed for preparation or solution for impact from such differences before presented to the Board of Directors' acknowledgement on quarterly basis.
- The Internal Audit Division regularly reviews sufficiency and appropriateness of the internal control system according to the annual audit plan approved by the Audit Committee. Results are regularly updated and presented to the Audit Committee.

Detailed information about sufficiency of the internal control system assessment is available on the Company's website.



Connected Transactions

For year 2016 ending 31 December 2016

1. Ratchaburi Electricity Generating Holding Public Company Limited

Connected Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
1.1 Management service agreements			
1.1.1 Providing management service through secondment of 2 executives in its subsidiary as Managing Director and Deputy Managing Director and providing services in internal audit, legal, secretariat to the Board of Directors, information technology and financial management. - In 2016, service income is Baht 62.93 million. - As of 31 Dec 16, other account receivables-accrued service fee is Baht 5.66 million.	Ratchaburi Electricity Generating Co., Ltd. (Agreement signed on 2 Dec 11, and amended on 8 Sept 14)	62.93	Ratchaburi Electricity Generating Co., Ltd. does not have employee with these skills while the Company does. Service fee is charged on monthly basis according to the contract plus other actual expenses.
1.1.2 Providing services related to the acquisition of Tri Energy Co., Ltd., and transfer of Nava Nakorn Electricity Generating Co., Ltd. and Ratchaburi World Cogeneration Co., Ltd. In 2016, service income is Baht 1.30 million (Other expenses are paid on actual cost.)	Ratchaburi Electricity Generating Co., Ltd. (Agreement signed on 8 Sep 14)	1.30	Ratchaburi Electricity Generating Co., Ltd. does not have employee with these skills while the Company does. Success fee is charged at 2% of total assets being transferred plus other actual expenses.
1.1.3 Providing development service of the Shared Service Center system for Fraud Risk Management and credit rating as well as improving and developing human resource management system and IT system. In 2016, the service income is Baht 63.89 million.	Ratchaburi Electricity Generating Co., Ltd. (Agreement signed on 28 Dec 16)	63.89	Ratchaburi Energy Co., Ltd. does not have employee with these skills while the Company does. Service fee is charged according to the contract.
1.1.4 Providing legal, secretariat to the Board of Directors, accounting and budgeting, financial management and tax services. - In 2016, service income is Baht 0.16 million. - As of 31 Dec 16, other account receivables-accrued income is Baht 0.05 million.	Ratchaburi Energy Co., Ltd. (Agreement signed on 12 Jan 2015)	0.16	Ratchaburi Energy Co., Ltd. does not have employee with these skills while the Company does. Service fee is charged on quarterly basis according to the contract plus other actual expenses.
1.1.5 Providing internal audit, legal, tax, secretariat to the Board of Directors, IT work, financial management and human resource management. In 2016, service income is Baht 4.02 million.	RATCH-Lao Services Co., Ltd. (Agreement signed on 1 Dec 09)	4.02	RATCH-Lao Services Co., Ltd. wishes requires the Company to provide the service and the Company has the required skill sets and experienced personnel. The service fee is paid monthly at the rate as stated in the service and management contract plus other actual expenses.

Connected Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
1.1.6 Providing legal, secretariat to the Board of Directors, accounting and budgeting, financial management and tax services. • In 2016, service income is Baht 0.12 million. • As of 31 Dec 16, other account receivables – accrued income is Baht 0.13 million.	Ratchaburi Alliances Co.,Ltd. (Agreement signed on 28 Jan 13)	0.12	Ratchaburi Alliances Co., Ltd. requested for the Company to provide the service as the Company has experts in this area. Service is charged on annual basis at market rate plus other actual cost.
1.1.7 Providing legal, secretariat to the Board of Directors, accounting and budgeting, financial management and tax service. • In 2016, service income is Baht 0.60 million. • As of 31 Dec 16, other account receivables-accrued income is Baht 0.64 million.	RH International Corporation Ltd. (Agreement signed on 26 Jan 12)	0.60	RH International Corporation Ltd. requested for the Company to provide the service as the Company has experts in this area. Service is charged on annual basis according to the contract plus other actual expenses.
1.1.8 Securing loan and loan guarantee service. • In 2016, service income is Baht 3.58 million. • As of 31 Dec 16, connected transactions are as follows: - Account receivables-accrued service income is Baht 3.28 million. - Deferred income is Baht 3.55 million.	RH International (Singapore) Corporation Pte. Ltd. (Agreement signed on 4 Dec 13)	3.58	RH International (Singapore) Corporation Pte. Ltd. requested for the Company to provide the service the Company has experts in this area and ability to secure loan and loan guarantee.
1.1.9 Providing legal, HR, accounting, financial and tax services. • In 2016, service income is Baht 25.02 million. • As of 31 Dec 16, Account receivables-accrued service income is Baht 24.90 million.	RH International (Singapore) Corporation Pte. Ltd. (Agreement signed on 15 Jul 16)	25.02	RH International (Singapore) Corporation Pte. Ltd. requested for the Company to provide the service that the Company has experts in this area. Service is charged on annual basis according to the contract plus other actual expenses.
1.1.10 Providing service by secondment of an executive to take position as Finance Director at Ratchaburi Power Co., Ltd. • In 2016, service income is Baht 4.80 million.	Ratchaburi Power Co., Ltd. (Agreement signed on 24 Jun 09)	4.80	Ratchaburi Power Co., Ltd., requested the Company to provide the service as the Company has experts in this area. Service is charged on monthly basis according to the contract plus actual expenses.

Connected Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
1.1.11 Management Agreement with Ratchaburi Power Co., Ltd. • In 2016, service income is Baht 87.40 million. • As of 31 Dec 16, unearned revenue is Baht 14.50 million.	Ratchaburi Power Co., Ltd. (Agreement signed on 27 Feb 04)	87.40	The Company provides public relations and technical consult on power plant construction, operations and maintenance. The Company receives service fee from the date the Power Plant Unit 1 commenced commercial operations (1 Mar 2008). Agreement term is 25 years and 3 months. Service fee is charged on quarterly basis.
1.1.12 Providing secondment service by assigning 2 executives to take position as the Managing Director and Administration and Finance Manager at Chubu Ratchaburi Electric Services Co., Ltd. • In 2016, service income is Baht 10.24 million. • As at 31 Dec 16, other account receivables – accrued service is Baht 0.91 million.	Chubu Ratchaburi Electric Services Co., Ltd. (Agreement signed on 1 Jan 06)	10.24	Chubu Ratchaburi Electric Services Co., Ltd. requested for the service and the Company has experts in this area. Service is charged on monthly basis according to the contract plus other actual expenses.
1.1.13 Providing service by secondment of 2 executives to take Finance Manager position at SouthEast Asia Energy Ltd. • In 2016, service income is Baht 2.83 million. • As at 31 Dec 16 other account receivables-accrued service is Baht 0.25 million.	SouthEast Asia Energy Ltd. (Agreement signed on 10 Apr 06)	2.83	SouthEast Asia Energy Ltd. requested for the Company to provide the service as the Company has experts in this area. Service is charged on monthly basis according to the contract.
1.1.14 Service Agreement with Nam Ngum2 Power Co., Ltd. • In 2016, service income is Baht 25.00 million.	Nam Ngum 2 Power Co., Ltd. (Agreement signed on 26 May 06)	25.00	Nam Ngum 2 Power Co., Ltd. has a service agreement with the Company. Service is charged on quarterly basis according to the contract.
1.1.15 Providing technical, financial, accounting and legal services. • In 2016, service income is Baht 19.89 million. • As at 31 Dec 16, other account receivables – accrued service is Baht 4.67 million.	Hongsa Power Co., Ltd. (Agreement signed on 20 Jan 11)	19.89	Hongsa Power Co., Ltd. requested the Company to provide the service as the Company has experts in this area. Service is charged on quarterly basis according to the contract plus other actual expenses.
1.1.16 Providing service by secondment 3 executives to take position as Managing Director, Deputy to Managing Director and Manager at Nava Nakorn Electricity Generating Co., Ltd. • In 2016, service income is Baht 11.04 million. • As at 31 Dec 16 other account receivables – accrued service is Baht 0.98 million.	Nava Nakorn Electricity Generating Co., Ltd. (Agreement signed on 1 Jul 12)	11.04	Nava Nakorn Electricity Generating Co., Ltd. requested the Company to provide the service as the Company has experts in this area. Service is charged at the market rate.
1.1.17 Providing office space rental and other services in the premise. • Service income in 2016 is Baht 1.07 million. • As of 31 Dec 16, accrued income-accrued service is Baht 0.08 million.	Nava Nakorn Electricity Generating Co., Ltd. (Agreement signed on 1 Nov 12 and 1 Jan 15)	1.07	The Company leased out office space covering 125 square metres and other services including computer and network and telephone system (from 1 Jan 13 - 31 Jul 16.)

Connected Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
1.1.18 Providing secondment service by assigning representatives to be the Managing Director and Deputy Managing Director at Solarta Co., Ltd. - In 2016, service income is Baht 8.50 million. - As of 31 Dec 16, other account receivables-accrued income is Baht 1.52 million.	Solarta Co., Ltd. (Agreement signed on 2 Jul 13)	8.50	Solarta Co., Ltd. requested for the Company to provide the service and the Company has experts with the required skills. Service charge is on monthly basis according to the contract plus other actual expenses.
1.1.19 Leasing office space and other services in the premise. - Service income in 2016 is Baht 0.80 million. - As of 31 Dec 16, accrued income - accrued service income is Baht 0.02 million.	Solarta Co., Ltd. (Agreement signed on 1 Jan 16)	0.80	The Company leased out office space covering 72 square metres and other services including computer and network and telephone system for 36 months (from 1 Jan 16-31 Dec 18.)
1.1.20 Providing secondment service by assigning representatives to be the Assistant Managing Director, vice president, managers and employees at Xe-Pian Xe-Namnoy Power Co., Ltd. - In 2016, service income is Baht 6.97 million. - As of 31 Dec 16, other account receivables-accrued income is Baht 0.59 million.	Xe-Pian Xe-Namnoy Power Co., Ltd. (Agreement signed on 1 Apr 12)	6.97	Xe-Pian Xe-Namnoy Power Co., Ltd. requested for the Company to provide the service and the Company has experts with the required skills. Service is charged on monthly basis according to the contract plus other actual expenses.
1.1.21 Providing construction control and supervision service for the Xe-Pian Xe-Namnoy Hydroelectric Power Plant in Lao PDR to meet with the project control plan. - In 2016, service income is Baht 68.20 million. - As of 31 Dec 16, connected transaction are as follows: - Other account receivables-accrued income is Baht 5.76 million. - Accrued income-accrued service income is Baht 5.76 million.	Xe-Pian Xe-Namnoy Power Co., Ltd. (Agreement signed on 28 Nov 13)	68.20	The Company respects the condition set under the Shareholders Agreement signed on 15 Jun 11, which is a check and balance for major shareholder (SKE&C) which has the right to be the project's EPC Contractor.
1.1.22 Providing management services by assigning 2 representatives to be the Managing Director and Deputy Managing Director at Oversea Green Energy Co., Ltd. and providing legal, IT, accounting, financial and tax services. - In 2016, service income is Baht 3.76 million. - As of 31 Dec 16, other account receivables-accrued income is Baht 0.67 million.	Oversea Green Energy Co., Ltd. (Agreement signed on 1 Aug 15 and 1 Oct 15)	3.76	Oversea Green Energy Co., Ltd. requested the Company to provide the service and the Company has experts with the required skills. Service is charged on monthly basis according to the contract plus other actual expenses.

Connected Transactions		Related Parties	Value (Million Baht)	Necessities and Reasons
1.1.23	Leasing office space and other services in the premise. • <i>Service income in 2016 is Baht 0.52 million.</i> • <i>As of 31 Dec 16, connected transactions are as follows:</i> - <i>Other account receivables -accrued income of Baht 0.05 million.</i> - <i>Accrued income-service of Baht 0.01 million.</i>	Oversea Green Energy Co., Ltd. (Agreement signed on 1 Aug 15)	0.52	The Company leased out 65 square metre of office space and provided other services, including computer network and system and telephone system. The service contract last for 36 months. (starting from 1 Aug 15-31 Jul 18.)
1.1.24	Providing management services by assigning 1 representative to be the Management of Songkhla Biomass Co., Ltd. • <i>In 2016, service income is Baht 1.32 million.</i> • <i>As of 31 Dec 16, account receivable -accrued income is Baht 0.18 million.</i>	Songkhla Biomass Co., Ltd. (Agreement signed on 31 May 16)	1.32	Songkhla Biomass Co., Ltd. requested the Company to provide the service and the Company has experts with the required skills. Service is charged on monthly basis according to the contract plus other actual expenses. The contract period is 36 months (from 1 May 16 - 30 Apr 19)
1.1.25	Providing management service for Huay Bong 3 Wind-Turbine Power Plant. • <i>Service income in 2016 is Baht 1.04 million.</i> • <i>As of 31 Dec 16, accrued income -accrued service income is Baht 0.19 million.</i>	First Korat Wind Co., Ltd. (Agreement signed on 21 Mar 16)	1.04	First Korat Wind Co., Ltd., requested the Company to provide the service and the Company has experts with the required skills. Service is charged on monthly basis according to the contract plus other actual expenses.
1.1.26	Providing management service for Huay Bong 2 Wind-Turbine Power Project. • <i>Service income in 2016 is Baht 1.04 million.</i> • <i>As of 31 Dec 16, accrued income -accrued service income is Baht 0.19 million.</i>	K. R. Two Co., Ltd. (Agreement signed on 31 Mar 16)	1.04	K. R. Two Co., Ltd., requested the Company to provide the service and the Company has experts with the required skills. Service is charged on monthly basis according to the contract plus other actual expenses.
1.2 Loan given to subsidiaries/associates and joint ventures				
1.2.1	Loan given to Ratchaburi Electricity Generating Co., Ltd. in promissory notes. Total loans as of 31 Dec 16 is as follows: <u>Million baht</u> 31 Dec 15 Previous loan 6,380 New loan 9,300 Repayment (10,280) 31 Dec 16 Loan balance <u>5,400</u> • <i>In 2016, interest received is Baht 257.62 million.</i> • <i>As of 31 Dec 16, other receivables -accrued interest is Baht 65.60 million.</i>	Ratchaburi Electricity Generating Co., Ltd. (Board of Directors' resolutions No. 9/2000 and 6/2014)	257.62	For Ratchaburi Electricity Generating Co., Ltd., for use as revolving funds with 2.45-4.50 percent interest per annum.

Connected Transactions		Related Parties	Value (Million Baht)	Necessities and Reasons									
1.2.2	Loan extended to RATCH-Lao Services Co., Ltd. under a loan agreement. Total loan value as of 31 Dec 16 is as follows: <u>Million USD</u> <table><tr><td>31 Dec 15</td><td>Previous loan</td><td>41.28</td></tr><tr><td></td><td>Repayment</td><td>(5.96)</td></tr><tr><td>31 Dec 16</td><td>Loan balance</td><td><u>35.32</u></td></tr></table> <i>In 2016, interest received is Baht 49.24 million.</i> <i>As of 31 Dec 16, other receivables -accrued interest is Baht 29.29 million.</i>	31 Dec 15	Previous loan	41.28		Repayment	(5.96)	31 Dec 16	Loan balance	<u>35.32</u>	RATCH-Lao Services Co., Ltd. (Agreement signed on 27 Aug 15)	49.24	To invest in EDL-Generation Public Company (EDL-Gen) ordinary shares which is traded in Lao Securities Exchange. The interest rates are 3.65 percent per annum.
31 Dec 15	Previous loan	41.28											
	Repayment	(5.96)											
31 Dec 16	Loan balance	<u>35.32</u>											
1.2.3	Loan to Xe-Pian Xe-Namnoy Power Co., Ltd. under Shareholders' Loan Agreement. Total loan as of 31 Dec16 is USD 1.32 million <i>In 2016, interest received is Baht 2.17 million.</i> <i>As of 31 Dec 16, other account receivables-accrued interest is Baht 5.56 million.</i>	Xe-Pian Xe-Namnoy Power Co., Ltd. (Agreement signed on 27 Jan 14)	2.17	To support Lao Holding State Enterprise as guarantee for LHSE's equity. A total of USD4 million shareholders' loan was arranged with repayment of both capital and interest within 27 years. Interest rates: - First 2 years: LIBOR+3.5% - 3rd year onwards: LIBOR+4%									
1.2.4	Loan given to Ratchburi Energy Co.,Ltd. in promissory notes format. Total loans as of 31 Dec 16 is as follows: <u>Million baht</u> <table><tr><td>31 Dec 15</td><td>Previous loan</td><td>638</td></tr><tr><td></td><td>Repayment</td><td>(313)</td></tr><tr><td>31 Dec 16</td><td>Loan balance</td><td><u>325</u></td></tr></table> <i>In 2016, interest received is Baht 18.75 million.</i> <i>As of 31 Dec 16, other account receivables-accrued interest is Baht 3.09 million.</i>	31 Dec 15	Previous loan	638		Repayment	(313)	31 Dec 16	Loan balance	<u>325</u>	Ratchburi Energy Co., Ltd. (Board resolution No. 2/2014)	18.75	To buy shares in Solarta Co., Ltd., Solar Power (Korat 3, 4, 7) Co., Ltd., Songkhla Biomass Co., Ltd. and Songkhla Biofuel Co., Ltd. at interest rate of 4.50 percent per annum.
31 Dec 15	Previous loan	638											
	Repayment	(313)											
31 Dec 16	Loan balance	<u>325</u>											
1.2.5	Loan given to RH International Corporation Ltd. under loan agreement signed and the Company has received repayment in full since 10 Mar 16. <i>In 2016, interest received is Baht 34.71 million.</i>	RH International Corporation Ltd. (Agreement signed on 20 Aug 15)	34.71	To support RH International (Singapore) Corporation Pte. Ltd. in increasing equity contribution for the Hongsa Power Plant and acquired ordinary shares of EDL Generation Public Company (EDL Gen) in Lao Securites Exchange at 4.50 percent interest per annum.									

2. Ratchaburi Electricity Generating Company Limited

Connected Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
2.1 Power Purchase Agreement-Ratchaburi Power Plant and Tri Energy Power Plant			
2.1.1 Power Purchase Agreement-Ratchaburi Power Plant, Ratchaburi Electricity Generating Co., Ltd.	EGAT (Agreement signed on 9 Oct 00)	38,735.67	Ratchaburi Power Plant and Tri Energy Power Plant has to supply electricity to EGAT and will receive income from EGAT under the Power Purchase Agreement according to the normal business practice.
2.1.2 Power Purchase Agreement-Tri Energy Power Plant.	EGAT (Agreement signed on 22 May 97)	6,274.18	
- In 2016, income is as follows: - Power sales income is Baht 40,518.51 million. - Income from financial lease contract is Baht 4,491.34 million. - As of 31 Dec 16, connected transactions are as follows: - Account receivables under financial lease contract Baht 24,995.25 million. - Trade account receivables Baht 7,345.06 million. - Accrued income Baht 16.05 million.			
2.1.3 Ratchaburi Electricity Generating Co., Ltd. hires EGAT to supply fuel-bunker oil.	EGAT (Agreement signed on 9 Oct 00)	58.82	
- In 2015, fuel-bunker oil costs are Baht 58.82 million - As of 31 Dec 16, trade creditor is Baht 1.00 million.			
2.2 Station service power and power for watersupply system	EGAT Agreement signed on 24 Jul 01)	193.34	Ratchaburi Electricity Generating Co., Ltd. has to buy electricity from EGAT for its power plant operations and the water supply system. Electricity rate is the same as that charged on other EGAT customers.
- In 2016, expense is Baht 193.34 million. - As at 31 Dec 16, connected transactions are as follows: - Account payable-Nov 16 Baht 17.27 million. - Accrued expenses-Dec 16 Baht 18.67 million.			
2.3 Power Plant Operation and Maintenance Agreement	EGAT (Agreement signed on 7 Jan 09)	1,306.92	EGAT has experience and expertise in power plant operations and maintenance. Service fees is adjusted according to Thailand's consumer price index, which is a normal business practice.
Ratchaburi Electricity Generating Co., Ltd. commissioned EGAT to provide power plant operation and major and general maintenance services. - In 2016, total expenses is Baht 1,306.92 million including: - Monthly retainer of Baht 1,056.94 million. - Other expenses of Baht 249.98 million. - As at 31 Dec 16, connected transactions are as follows: - Account payables Baht 8.86 million. - Accrued expenses Baht 16.39 million.			

Connected Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
2.4 Management Service Agreement			
2.4.1 Ratchaburi Electricity Generating Co., Ltd., leases to Ratchaburi Power Co., Ltd., a plot of 143 rai. • In 2016, income is Baht 11.86 million. • As of 31 Dec 2015, unearned revenue is Baht 1.49 million.	Ratchaburi Power Co., Ltd. (Agreement signed on 7 Jun 04)	11.86	Ratchaburi Power Plant has comprehensive facilities and utilities that support power generating business. Ratchaburi Electricity Generating Co., Ltd., charges leasing fee with incremental adjustment every 5 years in accordance with Thailand's consumer price index, which is a normal business practice.
2.4.2 Ratchaburi Electricity Generating Co., Ltd. leases to Ratchaburi Power Co., Ltd., a plot of 2 rai land for national gas receiving station • In 2016, income is Baht 0.17 million • As of 31 Dec 2015, unearned revenue is Baht 0.02 million.	Ratchaburi Power Co., Ltd. (Agreement signed on 21 Oct 05)	0.17	Ratchaburi Power Plant has comprehensive facilities and utilities that support power generating business. Ratchaburi Electricity Generating Co., Ltd., charges leasing fee with incremental adjustment every 5 years in accordance with Thailand's consumer price index, which is a normal business practice.
2.4.3 Ratchaburi Electricity Generating Co., Ltd. allows Ratchaburi Power Co., Ltd., to use its power plant facilities. • In 2016, income is Baht 39.15 million including - Environmental service fee Baht 3.43 million. - Diesel tank rental fee Baht 2.13 million. - Utility service fee Baht 33.59 million. • As of 31 Dec 16, other account receivables Baht 12.47 million.	Ratchaburi Power Co., Ltd. (Agreement signed on 25 Nov 05)	39.15	Ratchaburi Electricity Generating Co., Ltd., has comprehensive utilities and facilities to support power generating business. Services fees are as follows: • Environmental service. • Diesel oil tank rental service which will be increased every 5 years according to Thailand's consumer price index, which is a normal business practice, • Utility service charge based on the previously agreed agreement, which is a normal business practice.
2.5 Service Agreement with EGAT			
EGAT coordinates the fuel (bunker oil) sourcing and supply to Ratchaburi Electricity Generating Co., Ltd. • In 2016, total expense is Baht 2.14 million. • As of 31 Dec 16, prepaid expense is Baht 1.06 million.	EGAT (Agreement signed On 1 Jul 12)	2.14	EGAT is PTT's major client thus has good bargaining power on price, volume and speed of delivery. Service fee is charged at the rate that is normal business practice standard.

3. Ratchaburi Energy Company Limited

Connected Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
3.1 Power purchase agreement-PTO-A Power Plant <i>In 2016, income is Baht 2.02 million including</i> <i>Power sales is Baht 2.01 million.</i> <i>Contribution to the Fund is Baht 0.01 million.</i> On 1 Apr 16, Ratchaburi Energy Co., Ltd. sold the PTO-A Power Plant and extension project, the Saothian-A Power Plant and assets, contracts and rights related to electricity generation from natural gas of both plants to another company in other country. The sales value is Baht 205 million (excluding VAT)	EGAT (Agreement signed on 3 Dec 08)	2.02	Ratchaburi Energy Co., Ltd. has to supply electricity from the PTO-A Power Plant which produces electricity from flare gas from oil refinery (PTO-A Project) in Sukhothai to EGAT. It receives income from EGAT according to the power purchase agreement which is a normal business practice.
3.2 Ratchaburi Energy Co., Ltd. extended Baht 7.60 million loans to Songkhla Biomass Co., Ltd. on 7 May 15 and received repayment in full on 30 Jun 16. <i>In 2016, interest income is Baht 0.23 million.</i>	Songkhla Biomass Co., Ltd. (Board of Directors resolution No. 2/2015)	0.23	To support the development of Songkhla Biomass Power Plant with interest rate of 6.25 percent per year.

4. RH International (Singapore) Corporation Pte. Ltd.

Connected Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
4.1 RH International (Singapore) Corporation Pte. Ltd. extended loan to RATCH-Australia Corporation Ltd. under Mezzanine Facility Agreement totaling AUD 250 million. <i>In 2016, Connected transactions are as follows:</i> <i>Interest income Baht 310.65 million.</i> <i>Management service income Baht 81.06 million.</i>	RATCH-Australia Corporation Ltd. (Agreement signed on 22 May 13)	391.71	To pay for RAC loan and restructure the Company's loan at the interest rate of BBSY +2.25% per year and management service fee at 1.125 per cent per year

5. RATCH-Lao Services Company Limited

Connected Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
5.1 O&M Agreement for Nam Ngum 2 Hydroelectric Power Plant*			
5.1.1 RATCH-Lao Services Co., Ltd. signed agreement to provide operation and maintenance services to Nam Ngum 2 Hydroelectric Power Plant and dam including building and facility maintenance and management service. - In 2016, service income is Baht 33.33 million.	Nam Ngum 2 Power Co., Ltd. (Agreement signed on 25 Jun 09)	33.33	RATCH-Lao Services Co., Ltd. Provides operation and maintenance service for the power plant and dam, including building and facility and management service for 27 years. Service charge for the operational phase starts from 1 Nov 10 until the end of the concession period and the charge will be increased 3 percent per annum, which is a normal business practice.
5.1.2 RATCH-Lao Services Co., Ltd. signed subcontract agreement with EGAT to provide operation and maintenance services to Nam Ngum 2 Hydroelectric Power Plant and dam including building and facility maintenance and management service. • In 2016, service income is Baht 20.58 million.	EGAT (Agreement signed on 26 Jun 09)	20.58	RATCH-Lao Services Co., Ltd. does not have employee with this skill while EGAT has specialists in this area. RATCH-Lao Services Co., Ltd., therefore signed the subcontract agreement with EGAT with service fee for the operation phase from 1 Nov 10 until the end of the concession period and the service fee will be increased by 3 percent per annum, which is a normal business practice.
5.2 Other services related to operations and maintenance of the Nam Ngum 2 Hydroelectric Power Plant*			
5.2.1 RATCH-Lao Services Co., Ltd. signed an agreement for the maintenance of Nam Ngum 2 Hydroelectric Power Plant. • In 2016, total service is Baht 6.20 million.	Nam Ngum 2 Power Co., Ltd. (Agreement signed on 25 Jun 09)	6.20	Nam Ngum 2 Power Co., Ltd. outsourced additional service or extra work on power plant maintenance to RATCH-Lao Service Co., Ltd.
5.2.2 1 RATCH-Lao Services Co., Ltd. signed a subcontract agreement for the maintenance of Nam Ngum 2 Hydroelectric Power Plant. • In 2016, other service income is Baht 5.38 million. • As of 31 Dec 16, other account payable-related business is Baht 1.24 million.	EGAT (Agreement signed on 26 Jun 09)	5.38	RATCH-Lao Services Co., Ltd. does not have employee with this skill while EGAT has specialists in this area. RATCH-Lao Services Co., Ltd., therefore signed the subcontract agreement with EGAT.
5.3 Fuel supply and other services* • In 2016, other service income is Baht 3.23 million. • As of 31 Dec 16, other account receivables is Baht 0.20 million.	Nam Ngum 2 Power Co., Ltd. (Agreement signed on 25 Jun 09)	3.23	RATCH-Lao Services Co., Ltd. provides fuel supply for automobile usage in Nam Ngum 2 Hydroelectric Power Plant and other services that is not covered in O&M agreement.
5.4 Fuel Supply* • In 2016, other service income is Baht 0.16 million.	EGAT (Agreement signed on 26 Jun 09)	0.16	RATCH-Lao Services Co., Ltd. provides fuel supply for automobile usage in Nam Ngum 2 Hydroelectric Power Plant and other services that is not covered in O&M agreement.

* Remarks: On 1 Apr 16, RATCH-Lao Services Co., Ltd. transferred the right under the Nam Ngum 2 Hydroelectric Power Plant's operations and maintenance agreement with EGAT to Nam Ngum 2 Power Co., Ltd.

Connected Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
5.5 Agreement on Major Maintenance Service (MMA)*			
5.5.1 RATCH-Lao Services Co., Ltd. signed the Agreement on Major Maintenance Services for Nam Ngum 2 Hydroelectric Power Plant • In 2015, service income is Baht 16.88 million.	Nam Ngum 2 Power Co., Ltd. (Agreement signed on 3 Sep 12)	16.88	RATCH-Lao Services Co., Ltd. provides maintenance service to Nam Ngum 2 Hydroelectric Power Plant for 7 years. Service fees are charged according to normal business practice.
5.5.2 RATCH-Lao Services Co., Ltd. signed the Subcontract Agreement on Major Maintenance Services for Nam Ngum 2 Hydroelectric Power Plant. • In 2016, service income is Baht 12.38 million	EGAT (Agreement signed on 4 Sep 12)	12.38	RATCH-Lao Services Co., Ltd. entered into a subcontract agreement on major maintenance service for Nam Ngum 2 Hydroelectric Power Plant for 7 years. Service fee is charged according to normal business practice.
5.6 Outsource Service Agreement on personnel recruitment for the operation and maintenance of Hongsa Thermal Power Plant in Lao PDR EGAT commissioned RATCH-Lao Services to recruit technicians to operate and maintain the Hongsa Thermal Power Plant • In 2016, service income is Baht 48.14 million. • As of 31 Dec 16, connected transactions are as follows: - Other account receivable is Baht 8.03 million. - Long-term deferred income from related businesses is Baht 1.88 million. - Accrued income of Baht 0.32 million. - Accrued expense of Baht 0.81 million.	EGAT (Agreement signed on 10 Sep 13)	48.14	EGAT considered that RATCH-Lao Services Co., Ltd. is a Lao legal entity that has good understanding and flexibility in efficiently coordinating all activities in Lao PDR and therefore hired the company to recruit technicians to handle Hongsa Thermal Power Plant operations and maintenance. RATCH-Lao Services Co., Ltd. would recruit personnel at the required number and qualifications stated in the contract by EGAT. The service period is 40 months (Mar 14-Jun 17)
5.7 RATCH-Lao Services Co., Ltd. transferred the right under Nam Ngum 2 Hydroelectric Power Plant's operation and maintenance agreement with EGAT. • In 2016, the income from right transfer is Baht 134.71 million.	Nam Ngum 2 Power Co., Ltd.	134.71	On 1 Apr 16, RATCH-Lao Services Co., Ltd. transferred the right under the Nam Ngum 2 Hydroelectric Power Plant's operations and maintenance agreement with EGAT to Nam Ngum 2 Power Co., Ltd. and received compensation for the transfer.

* Remarks: On 1 Apr 16, RATCH-Lao Services Co., Ltd. transferred the right under the Nam Ngum 2 Hydroelectric Power Plant's operations and maintenance agreement with EGAT to Nam Ngum 2 Power Co., Ltd.

Relationship between related parties is as follows:

1. Ratchaburi Electricity Generating Holding Public Company Limited

- 1.1 The Company and Ratchaburi Electricity Generating Company Limited
- The Company holds 99.99 per cent stake in Ratchaburi Electricity Generating Company Limited.
 - Some of the Company's executives are directors of Ratchaburi Electricity Generating Company Limited.

- 1.2. The Company and Ratchaburi Energy Company Limited
- The Company holds 99.99 per cent stake in Ratchaburi Energy Company Limited.
 - Some of the Company's executives are directors of Ratchaburi Energy Company Limited.

- 1.3 The Company and RATCH-Lao Services Company Limited
- The Company holds 99.99 per cent stake in RATCH-Lao Services Company Limited.
 - Some of the Company's executives are directors of RATCH-Lao Services Company Limited.

- 1.4 The Company and Ratchaburi Alliances Company Limited
- The Company holds 99.99 per cent stake in Ratchaburi Alliances Company Limited.
 - Some of the Company's executives are directors of Ratchaburi Alliances Company Limited.

- 1.5 The Company and RH International Corporation Limited
- The Company holds 99.99 per cent stake in RH International Corporation Limited.
 - Some of the Company's executives are directors of RH International Corporation Limited.

- 1.6 The Company and RH International (Singapore) Corporation Pte. Limited
- The Company holds 99.99 per cent stake in RH International Corporation Limited.
 - RH International Corporation Limited, which is the Company's subsidiary, holds 99.99 per cent stake in RH International (Mauritius) Corporation Limited.
 - RH International (Mauritius) Corporation Limited holds 100 per cent stake in RH International (Singapore) Corporation Pte. Limited.
 - Some of the Company's executives are directors of RH International (Singapore) Corporation Pte. Limited.

- 1.7 The Company and RATCH-Australia Corporation Limited
- RH International (Singapore) Corporation Pte. Limited holds 80.00 per cent stake in RATCH-Australia Corporation Limited.
 - Some of the Company's executives are directors of RATCH-Australia Corporation Limited

- 1.8 The Company and RE Solar 1 Company Limited
- Ratchaburi Energy Company Limited, the Company's subsidiary, holds 99.99 per cent stake in RE Solar 1 Company Limited.
 - Some of the Company's executives are directors of RE Solar 1 Company Limited.

- 1.9 The Company and Ratchaburi Power Company Limited
- Ratchaburi Alliances Company Limited, the Company's subsidiary, holds 25.00 per cent stake in Ratchaburi Power Company Limited.
 - Some of the Company's executives are directors of Ratchaburi Power Company Limited.

- 1.10 The Company and Chubu Ratchaburi Electric Services Company Limited
- The Company holds 50.00 percent stake in Chubu Ratchaburi Electric Services Company Limited.
 - Some of the Company's executives are directors of Chubu Ratchaburi Electric Services. Company Limited.

- 1.11 The Company and SouthEast Asia Energy Limited
- The Company holds 33.33 per cent stake in SouthEast Asia Energy Limited.
 - Some of the Company's executives are directors of SouthEast Asia Energy Limited.

- 1.12 The Company and Nam Ngum 2 Power Company Limited
- SouthEast Asia Energy Limited, the Company's joint venture, holds 75.00 per cent stake in Nam Ngum 2 Power Company Limited.
 - Some of the Company's executives are directors in Nam Ngum 2 Power Company Limited.

- 1.13 The Company and Hongsa Power Company Limited
- RH International (Singapore) Corporation Pte. Limited, the Company's indirect subsidiary, holds 40.00 per cent stake in Hongsa Power Company Limited.
 - Some of the Company's executives are directors of Hongsa Power Company Limited.

- 1.14 The Company and Xe-Pian Xe-Namnoy Power Company Limited
- The Company holds 25.00 per cent stake in Xe-Pian Xe-Namnoy Power Company Limited.
 - Some of the Company's executives are directors of Xe-Pian Xe-Namnoy Power Company Limited.

- 1.15 The Company and First Korat Wind Company Limited
- The Company holds 20.00 per cent stake in First Korat Wind Company Limited.
 - Some of the Company's executives are directors of First Korat Wind Company Limited.

1.16 The Company and K.R. TWO Company Limited

- The Company holds 20.00 per cent stake in K.R. TWO Company Limited.
- Some of the Company's executives are directors of K.R. Two Company Limited.

1.17 The Company and Nava Nakorn Electricity Generating Company Limited

- Ratchaburi Electricity Generating Company Limited, the Company's subsidiary, holds 40.00 per cent stake in Nava Nakorn Electricity Generating Company Limited.
- Some of the Company's executives are directors of Nava Nakorn Electricity Generating Company Limited.

1.18 The Company and Solarta Company Limited

- Ratchaburi Energy Company Limited, the Company's subsidiary, holds 49.00 per cent stake in Solarta Company Limited.
- Some of the Company's executives are directors of Solarta Company Limited.

1.19 The Company and Ratchaburi World Cogeneration Company Limited

- Ratchaburi Electricity Generating Company Limited, the Company's subsidiary, holds 40.00 per cent stake in Ratchaburi World Cogeneration Company Limited.
- Some of the Company's executives are directors of Ratchaburi World Cogeneration Company Limited.

1.20 The Company and Oversea Green Energy Company Limited

- Ratchaburi Energy Limited, the Company's subsidiary, holds 60.00 per cent stake in Oversea Green Energy Company Limited.
- Some of the Company's executives are directors of Oversea Green Energy Company Limited.

2. Ratchaburi Electricity Generating Company Limited

2.1 Ratchaburi Electricity Generating Company Limited and EGAT

- EGAT holds 45.00 per cent stake in the Company.
- The Company holds 99.99 per cent stake in Ratchaburi Electricity Generating Company Limited.
- Some of EGAT executives are directors in Ratchaburi Electricity Generating Company Limited.

2.2 Ratchaburi Electricity Generating Company Limited and Ratchaburi Power Company Limited

- The Company holds 99.99 per cent stake in Ratchaburi Electricity Generating Company Limited.
- Ratchaburi Alliances Company Limited, the Company's subsidiary, holds 25.00 per cent stake in Ratchaburi Power Company Limited.
- Some of the Company's directors and executives are directors of Ratchaburi Power Company Limited.

3. Ratchaburi Energy Company Limited

3.1 Ratchaburi Energy Company Limited and EGAT

- EGAT holds 45.00 per cent stake in the Company.
- The Company holds 99.99 per cent stake in Ratchaburi Energy Company Limited.

3.2 Ratchaburi Energy Company Limited and RE Solar 1 Company Limited

- The Company holds 99.99 per cent stake in Ratchaburi Energy Company Limited.
- Ratchaburi Energy Company Limited holds 99.99 per cent stake in RE Solar 1 Company Limited.
- Some of the Company's executives are directors of RE Solar 1 Company Limited.

3.3 Ratchaburi Energy Company Limited and Songkhla Biomass Company Limited

- The Company holds 99.99 per cent stake in Ratchaburi Energy Company Limited.
- Ratchaburi Energy Company Limited holds 40.00 per cent stake in Songkhla Biomass Company Limited.
- Some of the Company's executives are directors of Songkhla Biomass Company Limited.

4. RH International (Singapore) Corporation Pte. Limited

4.1 RH International (Singapore) Corporation Pte. Limited and RATCH-Australia Corporation Limited

- RH International (Singapore) Corporation Pte. Limited holds 80.00 per cent stake in RATCH-Australia Corporation Limited.
- Some of the Company's executives are directors of RATCH-Australia Corporation Limited.

5. RATCH-Lao Services Company Limited

5.1 RATCH-Lao Services Company Limited and Nam Ngum 2 Power Company Limited

- The Company holds 99.99 per cent stake in RATCH-Lao Services Company Limited.
- SouthEast Asia Energy Limited, the Company's joint venture, holds 75.00 per cent stake in Nam Ngum 2 Power Company Limited.

5.2 RATCH-Lao Services Company Limited and EGAT

- EGAT holds 45.00 per cent stake in the Company.
- The Company holds 99.99 per cent stake in RATCH-Lao Services Company Limited.

Management Discussion and Analysis

1. Significant events of the year 2016

1.1 The Participation in Biddings of the MRT Pink Line Project (Khae Rai - Min Buri) and the MRT Yellow Line Project (Lat Phrao - Samrong)

On November 7, 2016, the Company, BTS Group Holding Public Company Limited and Sino-Thai Engineering & Construction Public Company Limited have jointly submitted the proposals under the name of "BSR Joint Venture" for the biddings of the MRT Pink Line Project (Khae Rai - Min Buri), having a total track length of 34.5 kilometers, and the MRT Yellow Line Project (Lat Phrao - Samrong), having a total track length of 30.4 kilometers, to Mass Rapid Transit Authority of Thailand ("MRTA"). Both projects are under the Public-Private Partnership (PPP) framework.

On December 14, 2016, MRTA notified that BSR Joint Venture was the bidder who proposed the best offer for the MRT Pink Line Project and the MRT Yellow Line Project. At the moment, BSR Joint Venture is in the process of negotiation pursuant to the procedures stated in the Private Investments in State Undertakings Act B.E. 2556 (2013).

1.2 Signing of Power Purchase Agreement of Mount Emerald Wind Farm Power Project

On June 28, 2016, RATCH-Australia Corporation Company Limited ("RAC"), an indirect subsidiary, entered into a Share Sale and Purchase Agreement with Port Bajool Pty. Ltd. to acquire an additional 50% interest in Mount Emerald Wind Farm Pty. Ltd. ("Mount Emerald") in Australia for a consideration of Australian Dollars 8 million or equivalent Baht 207.13 million. After the acquisition, RAC will hold 100 percent interest in Mount Emerald, which will enable the company to recognize more revenue and profits from the project.

On November 1, 2016, Mount Emerald has signed financial agreements for Mount Emerald Wind Farm Project's development with financial institutions in Australia. The total loan amount is Australian Dollars 258.30 million or equivalent to Baht 6,687.80 million.

Mount Emerald is located in the north of Queensland, Australia. Its installed capacity is 180 megawatts. The project cost is approximately AUD 400 million. The Project is expected to commercially operated in 2018.

Management Discussion and Analysis

1.3 Commercial Operation of Nava Nakorn Electricity Generating Company Limited's SPP Power Plant

Nava Nakorn Electricity Generating Company Limited's SPP Power Plant with 139.13 megawatts installed capacity, which Ratchaburi Electricity Generating Company Limited (the Company's wholly owned subsidiary) held 40 percent stake or equivalent to the Company's attribution installed capacity of 55.65 megawatts, has commenced commercial operation since June 3, 2016. The Project is located in Nava Nakorn Industrial Promotion Zone, Klong Nueng Sub-district, Klong Luang District, Pathumthani Province.

1.4 Transfer of Rights in a Subsidiary's Operation and Maintenance Agreement

On April 1, 2016, RATCH-Lao Services Company Limited, the Company's wholly owned direct subsidiary, has transferred its right to operate and maintain Nam Ngum 2 Hydroelectric Power Plant to Nam Ngum 2 Power Company Limited, a subsidiary of a direct joint venture (SouthEast Asia Energy Limited) in exchange for a Baht 134.71 million in April 2016.

1.5 Sale of Pratu Thao Power Plant and Sao Thian-A Power Plant

Ratchaburi Energy Company Limited, the Company's wholly owned direct subsidiary, has sold Pratu Thao Power Plant and Sao Thian-A Power Plant with the installed capacity of 2.65 megawatts and 3.60 megawatts, respectively, including assets, contracts, and rights related to such both power plants' electricity generation from natural gas to UAC Energy Company Limited at the amount of Baht 205 million (excluding VAT). Ratchaburi Energy Company Limited has received full payment on April 1, 2016.

1.6 The Commencement of Commercial Operation of Hongsa Thermal Power Project Unit 3

On March 2, 2016, Hongsa Thermal Power Plant in Lao PDR, held 40 percent stake by RH International (Singapore) Corporation PTE., a subsidiary, has commenced commercial operation of the unit 3 of its power plant as scheduled. As a result, all 3 units of Hongsa Thermal Power Plant are commercially operated, with the total installed capacity of 1,878 megawatts, 751.20 megawatts of which the Company's attribution.

1.7 Purchase of EDL-Generation Public Company's Shares in Stock Exchange of Lao PDR

In February 2016, RH International (Singapore) Corporation PTE. Ltd. ("RHIS") purchased the shares of EDL-Generation Public Company ("EDL-Gen") in Stock Exchange of Lao PDR for 4.51 million shares; as a result, RHIS has held the shares of EDL-Gen in the totaling of 74.92 million shares (4.46 percent) and the proportion of Company's shareholding in EDL-Gen through RATCH-Lao Services Co., Ltd. and RHIS increased to 10.11 percent.

Management Discussion and Analysis

2. Operation performance according to consolidated financial statement

Unit : Million Baht

	2016	2015	Increase (Decrease)	%
Revenue from sale and rendering of services (excluded Fuel Cost)	6,287.22	7,206.37	(919.15)	(12.8)
Revenue from financial leases	4,491.34	5,005.33	(513.99)	(10.3)
Share of profit of associate entities and joint ventures	2,907.20	1,116.09	1,791.11	160.5
Other incomes	794.30	1,033.44	(239.14)	(23.1)
Total revenues	14,480.06	14,361.23	118.83	0.8
Cost of sale and rendering of services (excluded Fuel Cost)	4,823.45	5,651.59	(828.14)	(14.7)
Administrative expenses	1,476.04	1,567.21	(91.17)	(5.8)
Finance costs	1,402.44	1,386.03	16.41	1.2
Income tax expense	863.24	1,407.73	(544.49)	(38.7)
Total expenses	8,565.17	10,012.56	(1,447.39)	(14.5)
	5,914.89	4,348.67	1,566.22	36.0
Non-controlling Interests	93.17	172.95	(79.78)	(46.1)
Profit Attributable to Owner of the Company before exchange rate	6,008.06	4,521.62	1,486.44	32.9
Gain (loss) on exchange rate	157.66	(1,333.75)	1,491.41	111.8
Profit Attributable to Owner of the Company	6,165.72	3,187.87	2,977.85	93.4
Earnings per share (Baht)	4.25	2.20		
Fuel Cost	36,799.82	44,965.07		

The operating result according to the consolidated financial statements of the Company and its subsidiaries for the year 2016 showed the profit of Baht 6,165.72 million or Baht 4.25 per share, compared to the profit of Baht 3,187.87 million or Baht 2.20 per share of the year 2015, which showed a increase in profit of Baht 2,977.85 million, or 93.4 percent. The significant transactions were as follows:-

2.1 Revenue from Sales and Rendering of Services (excluding fuel costs)

Revenue from sale and rendering of services (excluding fuel costs of Baht 36,799.82 million) for the year 2016 was Baht 6,287.22 million, decreasing by Baht 919.15 million or 12.8 percent from revenue from sale and rendering of services (excluding fuel costs of Baht 44,965.07 million) of Baht 7,206.37 million in the year 2015. The main reason was the decrease in revenue from sale of Ratchaburi Electricity Generating

Management Discussion and Analysis

Company Limited, a subsidiary, in the amount of Baht 939.90 million due to the decrease in Base Availability Credit in 2016 comparing to 2015, as specified in the Power Purchase Agreement.

2.2 Revenue from Finance Leases Contracts

Revenue from finance leases contracts for the year 2016 was Baht 4,491.34 million, decreasing by Baht 513.99 million from 5,005.33 million or 10.3 percent in the year 2015. The decrease was from the recognition of lease receivable, in accordance with the Effective Interest Method.

2.3 Cost of sale and rendering of services (excluding fuel costs)

Cost of sale and rendering of services (excluding fuel costs of Baht 36,799.82 million) for the year 2016 was Baht 4,823.45 million, decreasing by Baht 828.14 million, or 14.7 percent from revenue from Sale and rendering of services (excluding fuel costs of Baht 44,965.07 million) Baht 5,651.59 million in the year 2015. The main reason was from the decrease in cost of sale of Ratchaburi Electricity Generating Company Limited by Baht 752.28 million since the shutdowns for planned maintenance in the year 2016 were less than those of the year 2015.

2.4 The effect of exchange rate

In the year 2016, the Company recorded gain on exchange rate of Baht 157.66 million. On the other hand, in the year 2015, the Company recorded loss on exchange rate of Baht 1,333.75 million. The main reason of loss on exchange rate, in the year 2015, was the significant appreciation of US dollar currency which resulted in the extraordinary decrease of net asset value in other currencies.

2.5 Share of profits of associated entities and joint ventures

Share of profits in associate entities and joint ventures for the year 2016 was Baht 2,907.20 million, increasing by Baht 1,791.11 million or 160.5 percent from Baht 1,116.09 million in the year 2015. The main reasons were as follows:-

2.5.1 The operating result of Hongsa Power Company Limited ("HPC"), a joint venture, in a portion of 40 percent increased in the amount of Baht 1,467.15 million; as well as, the operation result of Phu Fai Mining Company Limited, a joint venture for coal mining and trading to HPC, in a portion of 37.5 increased in the amount of Baht 81.61 million, since Hongsa Power Plants commenced its commercial operation for 3 units on June 2, 2015, November 2, 2015, and March 2, 2016, respectively.

Management Discussion and Analysis

2.5.2 The operating result of Ratchaburi World Cogeneration Co., Ltd., a joint venture, in a portion of 40 percent, increased in the amount of Baht 95.80 million since the power plant has commenced commercial operation for all 2 units on November 1, 2014 and March 1, 2015, respectively.

2.5.3 The operating result of Navanakorn Electricity Generating Company Limited, a joint venture, in a portion of 40 percent, increased in the amount of Baht 74.01 million since the power plant has commenced commercial operation on June 3, 2016.

2.5.4 The operating result of Songkhla Biomass Company Limited, a joint venture, in a portion of 40 percent, increased in the amount of Baht 61.92 million since the power plant has commenced commercial operation on November 9, 2015.

2.6 Income tax expense

Income tax expense in the year 2016 was Baht 863.24 million, decreasing by Baht 544.49 million or 38.7 percent from Baht 1,407.73 million in the year 2015. The main reason was, in the year 2016, the decrease in tax profit of Ratchaburi Electricity Generating Company Limited decreased its tax expense in the amount of Baht 178.98 million. In addition, in the year 2015, RATCH-Australia Corporation Co., Ltd., a subsidiary, had an adjustment of income tax expense in the amount of Baht 217.69 million.

Management Discussion and Analysis

3. Analysis of Statements of Financial Position

3.1 Analysis of Assets

As at December 31, 2016, the total assets were Baht 96,391.09 million, increasing by Baht 3,786.04 million or 4.1 percent from Baht 92,605.05 million as at December 31, 2015. The details were as follows:

(Million Baht)

	Dec 31, 2016	Dec 31, 2015	Increase (Decrease)	%
Current assets	26,303.02	25,983.50	319.52	1.2
Non-current assets	70,088.07	66,621.55	3,466.52	5.2
Total Assets	96,391.09	92,605.05	3,786.04	4.1

3.1.1 Cash and cash equivalents increased in the amount of Baht 1,954.69 million. The details are described in no.4. On the other hand, current investments decreased in the amount of Baht 952.82 million.

3.1.2 Trade accounts receivable from related parties decreased in the amount of Baht 1,003.88 million due to the lower of natural gas price, compared to that of the previous year.

3.1.3 Investments in joint ventures increased in the amount of Baht 7,819.13 million due to the additional investments and additional paid-up share capital, in the company's proportion, as follows:

	<u>Million Baht</u>
- Hongsa Power Co., Ltd.	6,910.07
- Xe-Pian Xe-Namnoy Power Co., Ltd.	481.77
- Navanakorn Electricity Generating Co., Ltd.	209.20
- Berkprai Cogeneration Co., Ltd.	107.71

3.1.4 Financial lease receivables from related party decreased in the amount of Baht 3,195.55 million.

Management Discussion and Analysis

3.2 Analysis of Liabilities

As at December 31, 2016, total liabilities were Baht 33,938.32 million, increasing by Baht 1,753.11 million or 5.4 percent from Baht 32,185.21 million as at December 31, 2015. The details were as follows:

(Million Baht)

	Dec 31, 2016	Dec 31, 2015	Increase (Decrease)	%
Current Liabilities	10,945.81	11,658.07	(712.26)	(6.1)
Non-Current Liabilities	22,992.51	20,527.14	2,465.37	12.0
Liabilities	33,938.32	32,185.21	1,753.11	5.4

3.2.1 Short-term loans from financial institutions increased in the amount of Baht 1,900 million due to the liquidity management during the period.

3.2.2 Trade accounts payable to other parties decreased in the amount of Baht 1,432.28 million due to the lower of natural gas price, compared to that of the previous year.

3.2.3 The Company made a long-term loan repayment during the period in the amount of Baht 1,200 million.

3.2.4 RATCH-Australia Corporation Limited received long-term loan from financial institutes in the amount of AUD 100 million.

3.3 Analysis of Equity

As at December 31, 2016, equity was Baht 62,452.77 million, increasing by Baht 2,032.93 million or 3.4 percent from Baht 60,419.84 million as at December 31, 2015. The main reasons were as follows:

3.3.1 The profit of the year 2016 in the amount of Baht 6,165.72 million

3.3.2 The dividend payment during the year 2016 in the amount of Baht 2.27 per share decreased retained earnings in the amount of Baht 3,291.50 million.

Management Discussion and Analysis

3.3.3 Other components of equity decreased in the amount of Baht 742.27 million. The main reason was a loss on fair value changes in investment in EDL-Generation Public Company in the amount of Baht 638.27 million. In addition, currency translation differences decreased the equity in the amount of Baht 72.82 million.

3.3.4 Non-controlling interests decreased by Baht 99.03 million.

4. Analysis of Cash Flows

Cash and cash equivalents of the Company and its subsidiaries as at December 31, 2016 were Baht 9,419.21 million, increasing by Baht 1,954.69 million from Baht 7,464.52 million on December 31, 2015. The details were summarized below:

	(Million Baht)
Net cash from operating activities	8,706.42
Net cash used in investing activities	(4,978.96)
Net cash used in financing activities	(1,417.27)
Effect of exchange rate changes on balances held in foreign currencies	(355.50)
Net cash increase (decrease) during the year	<u>1,954.69</u>

4.1 Net cash from operating activities increased cash flow in the amount of Baht 8,706.42 million. The reason was the operating result of the year 2016 increased cash in the amount of Baht 6,390.2 million. In addition, the change in operating assets and liabilities increased cash in the amount of Baht 2,316.21 million.

4.2 Net cash used in investing activities decreased cash flow in the amount of Baht 4,978.96 million. The main reasons were as follow:-

4.2.1 In the year 2016, the Company additionally invested in joint ventures in the total amount of Baht 7,708.75 million, mainly in Hongsa Power Co., Ltd. and Xe-Pian Xe-Namnoy Power Co., Ltd. in the amount of Baht 6,910.07 million and Baht 481.77 million, respectively.

4.2.2 In the year 2016, the Company received dividends from joint ventures, associate entities, and EDL-Gen in the total amount of Baht 3,298.41 million.

Management Discussion and Analysis

4.3 Net cash used in financing activities decreased cash flow in the amount of Baht 1,417.27 million.

The main reasons were as follow:-

4.3.1 The dividend payment to shareholders during the year 2016 in the amount of Baht 3,290.93 million.

4.3.2 The Company made a long-term loan repayment during the period in the amount of Baht 1,200 million.

4.3.3 RATCH-Australia Corporation Limited received long-term loan from financial institutes in the amount of AUD 100 million.

5. Significant Financial Ratios (Excluded the effect of foreign exchange rate)

Ratios		2016	2015
1) Current Ratio	(Times)	2.40	2.23
2) Net Profit to Total Revenue (excluded fuel costs)	(%)	40.85	30.28
3) Return on Equity	(%)	9.81	7.48
4) Return on Assets	(%)	6.26	4.61
5) EBITDA *	(Million Baht)	9,324	8,645
6) EBITDA to Total Assets	(%)	9.87	9.16
7) Debt to Equity Ratio	(Times)	0.54	0.53
8) Debt Service Coverage Ratio	(Times)	3.27	3.65
9) Book Value per Share	(Baht)	42.98	41.51

* Not included the change in lease receivable (Million Baht) 3,313.03 3,552.83

Remuneration for the Auditor's Office



Audit Fee

The Company and its subsidiaries, namely Ratchaburi Electricity Generating Company Limited, Ratchaburi Energy Company Limited, Ratchaburi Alliances Company Limited, RH International Corporation Limited, RATCH-Lao Services Company Limited, RATCH O&M Company Limited, RE Solar 1 Company Limited, CN Biomass Company Limited, PB Biomass Company Limited and LP Biomass Company Limited recorded the total of Baht 2,193,000 payment (not included Baht 60,000 out-of-pocket expenses) made to the auditor's office in the past fiscal year. This included the Company's audit fee of Baht 810,000 and the subsidiaries' audit fee of Baht 1,383,000 (not included Baht 60,000 out-of-pocket expenses) which each subsidiary was responsible for its own audit fee. The Company did not pay audit fee to the auditor, person or any business related to the auditor and the auditor's office in the past year.

Non Audit Fee

The Company hired other businesses related to the auditor's office as consultant for specific purpose totaling Baht 3,750,000 payment (not included Baht 8,223 out-of-pocket expenses). The Company had already recorded this entire amount as an accounting expense during the year.

In hiring persons or businesses related to the auditor's office for other services than auditing, the Management had reported to the Audit Committee that such services did not cause conflict of interest and not include own auditing. As a result the auditor continue to maintain independence and fairness in performing duty.

General Information of the Company's Group

Company's name	Ratchaburi Electricity Generating Holding Public Company Limited
Registered No.	0107543000031
Industry	Resources
Sector	Energy and utilities
Nature of Business	Invest, develop and operate in electricity generating business and related businesses
Establishment	7 March 2000
Stock Listed Date	13 October 2000
Ticker Symbol	RATCH
First Trade Date	2 November 2000
Registered Capital	Baht 14,500 million (1,450 million ordinary shares)
Par Value	Baht 10
Paid-up Capital	Baht 14,500 million (as of 26 October 2000)

Contact

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Tel. +66 2627 3443 Fax. +66 2627 3250

As of 31 December 2016, the Company's attribution installed capacity is 6,980.03 MW, comprising

1. Commercially operating power plants: 16 plants		2. Project under construction and development: 5 projects	
Power plants	Attribution installed capacity (MW)	Project under Construction	Attribution installed capacity (MW)
IPPs and SPPs in Thailand			
1. Ratchaburi	3,645.00	1. Berkprai Cogeneration SPP	35.00
2. Tri Energy	700.00		
3. Ratchaburi Power	350.00		
4. Ratchaburi World SPP	93.60		
5. Nava Nakorn SPP	55.65		
Total	4,844.25	Total	35.00
Domestic alternative energy power plants			
1. Solarta Solar Power	16.78		
2. Solar Power Korat 3	2.40		
3. Solar Power Korat 4	2.40		
4. Solar Power Korat 7	2.40		
5. Huay Bong 2 Wind-Turbine	20.70		
6. Huay Bong 3 Wind-Turbine	20.70		
7. Songkhla Biomass	3.96		
Total	69.34		
International Projects			
1. Nam Ngum 2 Hydroelectric Power	153.75	1. Xe-Pian Xe-Namnoy Hydroelectric 2. RATCH-Australia : Mount Emerald Wind Farm 3. RICI Solar Power 4. Fangchenggang II Nuclear	102.50
2. Hongsa Thermal Power	751.20		144.00
3. RATCH-Australia	509.52		20.11
- Townsville Power Plant	187.20		236.00
- Kemerton Power Plant	240.00		
- BP Kwinana Power Plant	28.32		
- Starfish Hill Wind-Turbine Power Plant	27.60		
- Toora Wind-Turbine Power Plant	16.80		
- Windy Hill Wind-Turbine Power Plant	9.60		
Total	1,414.47	Total	502.61
Related Business (other investment)			
1. Invest in EDL-Generation Public Company	114.36	-	
Total	114.36	-	
Grand total	6,442.42	Grand total	537.61

The Company's Group, including subsidiaries, associates and joint ventures:

Subsidiaries: 17 companies

	Company - Address	Shareholding (%)	Type of Business	Registered Capital	Ordinary Shares	Par Value	Paid-up Capital
1.	Ratchaburi Electricity Generating Company Limited 128 Moo 6, Phikunthong, Muang Ratchaburi, Ratchaburi 70000 Tel. : +66 2978 5111-9 +66 3236 5740 ext. 3210 Fax. : +66 2978 5110 +66 3236 5740 ext. 3204 Location of Branch 2 39 Moo 5, Ratchaburi-HuayPhai Road, Hin Kong, Muang, Ratchaburi 70000 Tel. : +66 3271 9000 Fax. : +66 3271 9090	99.99	Produce and sell electricity and invest in electricity related business	Baht 21,900 million	2,190 million shares	Baht 10	Baht 21,900 million
2.	Ratchaburi Alliances Company Limited 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000 Tel. : +66 2794 9999 Fax. : +66 2794 9998	99.99	Invest in electricity generation business	Baht 420.20 million	42.02 million shares	Baht 10	Baht 420.20 million
3.	Tri Energy Company Limited (Liquidator's office) 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000 Tel. : +66 2794 9999 Fax. : +66 2794 9998	Under liquidation					

Subsidiaries

	Company - Address	Shareholding (%)	Type of Business	Registered Capital	Ordinary Shares	Par Value	Paid-up Capital
4.	Ratchaburi Energy Company Limited 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000 Tel. : +66 2794 9999 Fax. : +66 2794 9998	99.99	Develop and operate power plants and invest in electricity related business	Baht 640 million	64 million shares	Baht 10	Baht 640 million
5.	RH International Corporation Limited 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000 Tel. : +66 2794 9999 Fax. : +66 2794 9998	99.99	Invest in electricity related business	Baht 17,650 million	1,765 million shares	Baht 10	Baht 17,650 million
6.	RATCH O&M Company Limited 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000 Tel. : +66 2794 9999 Fax. : +66 2794 9998	99.99	Provide power plant operations and maintenance service	Baht 10 million	1 million shares	Baht 10	Baht 2.5 million
7.	RATCH-Lao Services Company Limited 187 Unit 12, Ban Pones-a-d, Saysetha, Vientiane, Lao PDR Tel. : +856 21 454 074 Fax. : +856 21 454 075	99.99	Provide power plant operations and maintenance service	USD 2.5 million	2.5 million shares	USD 1	USD 2.5 million

Subsidiaries

	Company - Address	Shareholding (%)	Type of Business	Registered Capital	Ordinary Shares	Par Value	Paid-up Capital
8.	RE Solar 1 Company Limited 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000 Tel. : +66 2794 9999 Fax. : +66 2794 9998	99.99 (held by Ratchaburi Energy Company Limited)	Produce and sell electricity	Baht 100 million	10 million shares	Baht 10	Baht 25 million
9.	CN Biomass Company Limited 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000 Tel. : +66 2794 9999 Fax. : +66 2794 9998	99.99 (held by Ratchaburi Energy Company Limited)	Produce and sell electricity	Baht 20 million	2 million shares	Baht 10	Baht 5 million
10.	PB Biomass Company Limited 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000 Tel. : +66 2794 9999 Fax. : +66 2794 9998	99.99 (held by Ratchaburi Energy Company Limited)	Produce and sell electricity	Baht 20 million	2 million shares	Baht 10	Baht 5 million
11.	LP Biomass Company Limited 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000 Tel. : +66 2794 9999 Fax. : +66 2794 9998	99.99 (held by Ratchaburi Energy Company Limited)	Produce and sell electricity	Baht 20 million	2 million shares	Baht 10	Baht 5 million
12.	Oversea Green Energy Company Limited 8/8 Moo 2, Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi 11000 Tel. : +66 2978 5301 Fax. : +66 2978 5080 ext. 5301	60 (held by Ratchaburi Energy Company Limited)	Provide power plant operations service	Baht 21 million	2.10 million shares	Baht 10	Baht 16 million
13.	RH International (Mauritius) Corporation Limited 4 th Floor, Ebene Skies, Rue de L'Institut, Ebene, Mauritius	100 (held by RH International Company Limited)	Invest in overseas power-related business	USD 524.13 million	524.13 million shares	USD 1	USD 524.13 million

Subsidiaries

	Company - Address	Shareholding (%)	Type of Business	Registered Capital	Ordinary Shares	Par Value	Paid-up Capital
14.	RH International (Singapore) Corporation Ltd. 8 Marina Boulevard #05-02 Marina Bay Financial Centre Tower 1, Singapore 018981	100 (held by RH International (Mauritius) Corporation Limited)	Invest in overseas power-related business	USD 523.83 million or equivalent	523.83 million shares	USD 1	USD 523.83 million or equivalent
15.	RATCH China Power Limited 1401 Hutchison House 10, Harcourt Road, Hong Kong	100 (held by RH International (Singapore) Corporation Pte. Limited)	Invest in overseas power-related business	USD 12,000	12,000 shares	USD1	USD 12,000
16.	RATCH-Australia Corporation Limited Level 7, 111 Pacific Highway, North Sydney, NSW 2060, Australia Tel.: +61 2 8913 9400 Fax.: +61 2 8913 9423	80 (held by RH International (Singapore) Corporation Pte. Limited)	Develop and operate power plants and invest in electricity related businesses	AUD 159.38 million	159.99 million shares	AUD 10	AUD 159.38 or equivalent
17.	RICI International Investment Pte. Limited 8 Marina Boulevard #05-02 Marina Bay Financial Centre Tower, Singapore 018981	60 (held by RH International (Singapore) Corporation Pte. Limited)	Invest in overseas power-related business	SGD 100 and USD 15.85 million	100 shares and 15.85 million shares	SGD 1 and USD 1	SGD 100 and USD 15.85 million

Associates and joint ventures: 21 companies

	Company - Address	Shareholding (%)	Type of Business	Registered Capital	Ordinary Shares	Par Value	Paid-up Capital
1.	Chubu Ratchaburi Electric Services Company Limited 128 Moo 6, Tambon Pikulthong, Amphur Mueang, Ratchaburi 70000 Tel. : +66 2978 5180, +66 3236 5740 ext. 3210 Fax. : +66 2978 5126, +66 3236 5740 ext. 3204	50	Provide power plant operations and maintenance service	Baht 20 million	0.40 million shares	Baht 50	Baht 20 million
2.	KK Power Company Limited Cambodia	50	Produce and sell electricity	USD 1 million	0.001 million shares	USD 1,000	USD 1 million
3.	SouthEast Asia Energy Company Limited 587 Viriyathavorn, 20 th Floor, Suthisarnvinichai Road, Din Daeng, Bangkok 10400 Tel. : +66 2275 4873 Fax. : +66 2691 8307	33.33	Invest in power generation-related business	Baht 6,606.75 million	660.675 million shares	Baht 10	Baht 6,606.75 million
4.	Nam Ngum 3 Power Company Limited 093, Unit 07, Kamphengmeang Road, Vientiane Village, Saysetha District, Vientiane, Lao PDR Tel. : +856 21 412 639 Fax. : +856 21 412 644	25	Produce and sell electricity	USD 0.30 million	0.003 million shares	USD 100	USD 0.06 million
5.	Xe-Pian Xe-Namnoy Power Company Limited Capital Tower, 6 th Floor, 23 Singha Road, Ban Nong Bon, Saysetha, Vientiane Capital City, Lao PDR Tel. : +856 21 455 025 Fax. : +856 21 455 025	25	Produce and sell electricity	USD 306 million	3.06 million shares	USD 100	USD 189.61 million
6.	First Korat Wind Company Limited 87 M Thai Tower, All Seasons Place, 27 th Floor, Wireless Road, Lumpini Bagkok, Pathumwan Bangkok 10330 Tel. : +66 2654 1155-8 Fax. : +66 2654 1159	20	Produce and sell electricity	Baht 1,996.02 million	199.602 million shares	Baht 10	Baht 1,996.02 million

Associates and joint ventures: 21 companies

	Company - Address	Shareholding (%)	Type of Business	Registered Capital	Ordinary Shares	Par Value	Paid-up Capital
7.	K. R. Two Company Limited 87 M Thai Tower, All Seasons Place, 27 th Floor, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Tel. : +66 2654 1155-8 Fax. : +66 2654 1159	20	Produce and sell electricity	Baht 1,827 million	182.70 million shares	Baht 10	Baht 1,827 million
8.	EGAT Diamond Service Company Limited 56/25 Moo 20, Khlong Nueng, Khlong Luan, Pathumthani 12120 Tel. : +66 2529 0808 Fax. : +66 2529 0900	10	Provide power plant's gas turbine maintenance service	Baht 623 million	6.23 million shares	Baht 100	Baht 623 million
9.	Ratchaburi World Cogeneration Company Limited 155/115 Ratchaburi Industrial Estate, Moo 4 Chet Samian, Potharam, Ratchaburi 70120 Tel. : +66 3237 5869 Fax. : +66 3237 5870	40 (held by Ratchaburi Electricity Generating Company Limited)	Produce and sell electricity and steam	Baht 2,500 million	250 million shares	Baht 10	Baht 2,500 million
10.	Nava Nakorn Electricity Generating Company Limited 111 Moo 20 Paholyothin Road, Khlong Nueng, Khlong Luang, Pathumthani	40 (held by Ratchaburi Electricity Generating Company Limited)	Produce and sell electricity and steam	Baht 1,550 million	150 million shares	Baht 10	Baht 1,525.10 million
11.	Berkprai Cogeneration Company Limited 302 S&A Building, 2 nd Floor, Silom Road, Surinwong, Bang Rak, Bangkok Tel. : +66 2978 5380 Fax. : +66 2978 5080 Ext. 5380	35 (held by Ratchaburi Electricity Generating Company Limited)	Produce and sell electricity and steam	Baht 1,331 million	133.10 million shares	Baht 10	Baht 333.50 million

Associates and joint ventures: 21 companies

	Company - Address	Shareholding (%)	Type of Business	Registered Capital	Ordinary Shares	Par Value	Paid-up Capital
12.	Solarta Company Limited 8/8 Moo 2 Bangkhen, Muang Nonthaburi, Nonthaburi 11000 Tel. : +66 2978 5200 Fax. : +66 2978 5080 ext. 5200	49 (held by Ratchaburi Energy Company Limited)	Produce and sell electricity	Baht 1,320 million	13.20 million shares	Baht 100	Baht 1,100 million
13.	Solar Power (Korat 3) Company Limited 333/22 Sukhumvit 55, Sukhumvit Road, Khlong Tan Nua, Wattana, Bangkok 10110 Tel. : +6627127374-6, +6621852342-3 Fax. : +6627127378, +6621852344	40 (held by Ratchaburi Energy Company Limited)	Produce and sell electricity	Baht 188.75 million	18.875 million shares	Baht 10	Baht 188.75 million
14.	Solar Power (Korat 4) Company Limited 333/22 Sukhumvit 55, Sukhumvit Road, Khlong Tan Nua, Wattana, Bangkok 10110 Tel. : +6627127374-6, +6621852342-3 Fax. : +6627127378, +6621852344	40 (held by Ratchaburi Energy Company Limited)	Produce and sell electricity	Baht 199.25 million	19.925 million shares	Baht 10	Baht 199.25 million
15.	Solar Power (Korat 7) Company Limited 333/22 Sukhumvit 55, Sukhumvit Road, Khlong Tan Nua, Wattana, Bangkok 10110 Tel. : +6627127374-6, +6621852342-3 Fax. : +6627127378, +6621852344	40 (held by Ratchaburi Energy Company Limited)	Produce and sell electricity	Baht 188.75 million	18.875 million shares	Baht 10	Baht 188.75 million
16.	Songkhla Biomass Company Limited 56 Moo 3 Khun Tat Wai, Jana, Songkhla	40 (held by Ratchaburi Energy Company Limited)	Produce and sell electricity	Baht 246 million	2.46 million shares	Baht 100	Baht 246 million
17.	Songkhla Biofuel Company Limited 1842 Krungthep-Nonthaburi Road, Wongsawang, Bang Sue, Bangkok 10800 Tel. : +66 2910 9700 Fax. : +66 2910 9713	40 (held by Ratchaburi Energy Company Limited)	Provide biofuel supply	Baht 1 million	0.01 million shares	Baht 100	Baht 1 million

Associates and joint ventures: 21 company

	Company - Address	Shareholding (%)	Type of Business	Registered Capital	Ordinary Shares	Par Value	Paid-up Capital
18.	Ratchaburi Power Company Limited 1828 Sukhumvit Road, Bang Chak, Phra Khanong, Bangkok 10260 Tel. : +66 2311 5111 Fax. : +66 2332 3882	25 (held by Ratchaburi Alliances Company Limited)	Produce and sell electricity	Baht 7,325 million	73.25 million shares	Baht 100	Baht 7,325 million
19.	Nam Ngum 2 Power Company Limited 215 Lan Chang Road, Ban Chiang Yuen, Chantamoon, Vientiane, Lao PDR Tel. : +856 21 251 718 Fax. : +856 21 252 060	25 (held by SouthEast Asia Energy Limited)	Produce and sell electricity	Baht 8,809 million	0.881 million shares	Baht 10	Baht 8,809 million
20.	Hongsa Power Company Limited Sikhottabong, Vientiane Capital City, Lao PDR Tel. : +856 21 223 911 Fax. : +856 21 222 089	40 (held by RH International (Singapore) Corporation Pte. Limited)	Produce and sell electricity	USD 927 million	92.70 million shares	USD 10	USD 927 million
21.	Phu Fai Mining Company Limited Sikhottabong, Vientiane Capital City, Lao PDR Tel. : +856 21 223 911 Fax. : +856 21 222 089	37.50 (held by RH International (Singapore) Corporation Pte. Limited)	Lignite mining and sale	USD 0.05 million	0.005 million shares	USD 10	USD 0.05 million

Other investment: 1 company

	Company - Address	Shareholding (%)	Type of Business	Registered Capital	Ordinary Shares	Par Value	Paid-up Capital
1.	EDL-Generation Public Company Mittaplab Lao-Thai Road, Thongkang Village, Sisatanark district, P.O.Box 2392 Vientiane Lao PDR Tel. : +856 21 316 141 Fax. : +856 21 316 142 Website : www.edlgen.com.la	10.11 (held by RATCH-Lao Services Company Limited and RH International (Singapore) Corporation Pte. Limited)	Produce and sell electricity	6,717,214.79 million kips	1,679,304 million shares	4,000 Kips	6,717,214.79 million kips

Definition

Company's Name

The Company	Ratchaburi Electricity Generating Holding Public Company Limited
The Company's Group	Ratchaburi Electricity Generating Holding Public Company Limited, subsidiaries, associates and joint ventures

Power Plants in the Company's Group

IPPs and SPP in Thailand

Ratchaburi Power Plant	Ratchaburi Power Plant, Ratchaburi Electricity Generating Company Limited
Tri Energy Power Plant	Tri Energy Power Plant, Ratchaburi Electricity Generating Company Limited
Ratchaburi Power's Power Plant	Ratchaburi Power's Power Plant, Ratchaburi Power Company Limited
Ratchaburi World SPP Power Plant	Ratchaburi World Cogeneration Company Limited's SPP power plant
Nava Nakorn SPP Power Plant	Navanakorn Electricity Generating Company Limited's SPP power plant
Berkprai Cogeneration SPP Power Plant	Berkprai Cogeneration Company Limited's SPP power plant

Renewable Projects in Thailand

Solarta Solar Power Plant	Solarta Company Limited's solar power plant
Solar Power Korat 3 Power Plant	Solar Power (Korat 3) Company Limited's solar power plant
Solar Power Korat 4 Power Plant	Solar Power (Korat 4) Company Limited's solar power plant
Solar Power Korat 7 Power Plant	Solar Power (Korat 7) Company Limited's solar power plant
Huay Bong 2 Wind-Turbine Power Plant	Huay Bong 2 Wind-Turbine Power Plant, K. R. Two Company Limited
Huay Bong 3 Wind-Turbine Power Plant	Huay Bong 3 Wind-Turbine Power Plant, First Korat Wind Company Limited
Songkhla Biomass Power Plant	Songkhla Biomass Company Limited's biomass power plant

International Projects

Nam Ngum 2 Hydroelectric Power Plant	Nam Ngum 2 Hydroelectric Power Plant, Nam Ngum 2 Power Company Limited
RATCH-Australia Power Plant	RATCH-Australia Corporation Limited's power plants
Hongsa Thermal Power Plant	Hongsa Thermal Power Plant, Honga Power Company Limited
Xe-Pian Xe-Namnoy Hydroelectric Power Plant	Xe-Pian Xe-Namnoy Hydroelectric Power Plant, Xe-Pian Xe-Namnoy Power Company Limited
RICI Solar Power Plant	RICI International Investment Pte. Limited's solar power plant
Fangchenggang II Nuclear Power Plant	Fangchenggang II Nuclear Power Plant, Guangxi Fangchenggang Nuclear Power (II) Company Limited

Other Organizations

SEC	Securities and Exchange Commission
EGAT	Electricity Generating Authority of Thailand
MEA	Metropolitan Electricity Authority
PEA	Provincial Electricity Authority
SET	Stock Exchange of Thailand
TSD	Thailand Securities Depository Company Limited

Technical Terms

Listed company	A company whose ordinary shares are registered in the Stock Exchange of Thailand
IPP	Independent Power Producer
PDP	Power Development Plan
SPP	Small Power Producer
VSPP	Very Small Power Producer

RATCH



RATCHABURI
ELECTRICITY GENERATING
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Ratchaburi Electricity Generating Holding Public Company Limited
chooses only paper made from trees grown specially for pulp making,
under sustainable forest management and environmentally friendly production process.
The paper is light-weighted, thus reducing energy consumption during transportation.
Soy ink is used for printing, which reduces carbon dioxide emission.
It is chemical free and is not health-hazardous.



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