

## Materiality Assessment

In 2022, RATCH adopts the Global Reporting Initiative Standards 2021 (GRI Standards 2021) to identify material topics, taking into account the impacts from the company's operations on stakeholders in economic, governance, social and environmental dimensions. The identification process was completed in 4 steps as follows:

### 1. Operational due diligence

The central responsible unit for Sustainability Report conducted the due diligence on the company's operations. It entailed the company, all subsidiaries and all joint ventures in power and non-power businesses. Factors adopted in the identification of materiality or impacts from the company's operations concerned 4 aspects which are business operations, business relationship, sustainability issues concerning the company's operations and stakeholders

### 2. Materiality identification

Based on the aforementioned information, the company gathered material issues in environmental, social, human rights and governance aspects to identify the impacts from the company's activities on stakeholders and the environment. Emphasis was placed on the actual and potential negative impacts of each issue and the company's connection to the negative impacts.

- 1) Cause of impacts
- 2) Contribution to impacts
- 3) Directly linked to the impacts

All gathered material issues then were identified the impacts from the operations of RATCH, all subsidiaries and joint ventures in Thailand, Lao PDR, Australia, Indonesia, Vietnam and Singapore.

RATCH also interviewed the representatives of key stakeholders which are the business partner, the supplier serving for power plant operation and maintenance, the electricity buyer, the community leaders, the community representatives, the Sub-district health officer, the monk, the local environmental regulatory bodies, the environmental academic and the institutional investors (ESG funds) for their

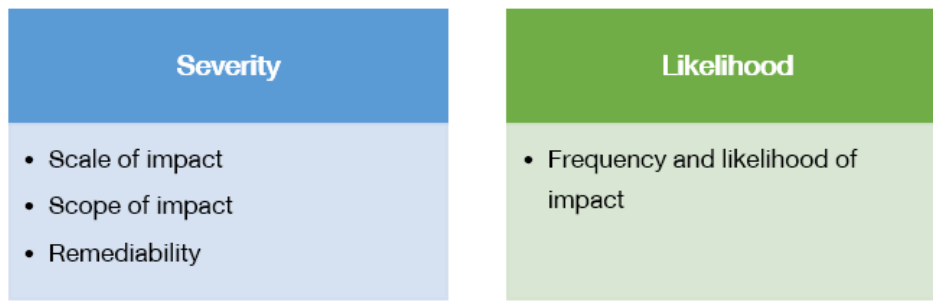
opinions on the impacts from the Group's operations and impact severity, concerns and recommendations for correction or improvement. The interviews were used in the materiality assessment.

### 3. Materiality assessment

The identified impacts, per stakeholders' opinions, were assessed to pinpoint the severity. The assessment focused on:

- 1) Actual Impacts: only impact severity is assessed.
- 2) Potential Impacts: impact severity and likelihood of impact are assessed.

Assessment criteria of severity and likelihood



The assessment form was filled up with the scale of severity which stakeholders assigned to each material issue, concerning the negative and positive sides of actual and potential impacts, to show the average severity level of each issue.

In case that the stakeholders did witness an impact, only severity was assessed and the base scale of severity level was adjusted to 100%, like in the case of potential impacts.

### 4. Materiality prioritization for reporting

The assessment results were put into 2 categories: issues that caused positive impacts and issues that caused negative impacts. The issues with negative impacts were prioritized as follows:

- 1) set the threshold of risk impacts based on the negative impact scores and group those with scores above the threshold as significant materiality
- 2) set material topics
- 3) prioritize the material topics

- 4) consider compatibility of the material topics against the GRI Standards topics and the Electric Utilities Sector supplement and
- 5) concluding the list of material topics for the preparation of 2022 Sustainability Report. The list was submitted to the Executive Vice President - Corporate Administration, as the person in charge of the reporting process, and subsequently to Chief Executive Officer for approval. Finally, the Sustainability Report was presented to the Board of Directors.