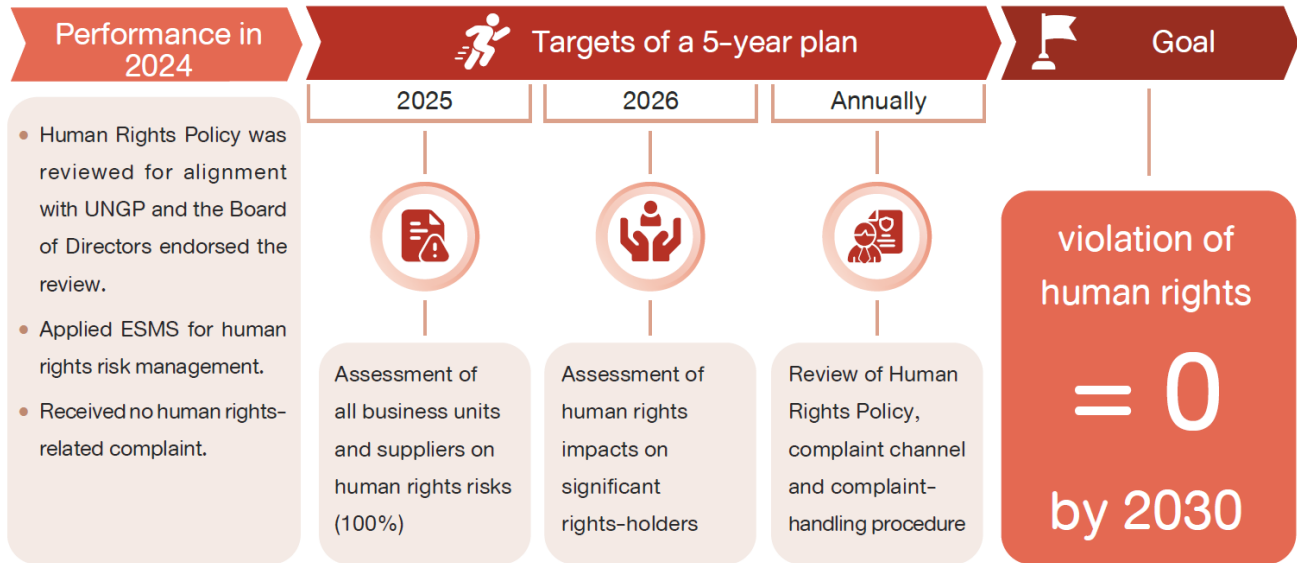


Human Rights Risk Management



Human Rights Due Diligence: HRDD

In 2022, RATCH started implementing the Human Rights Policy. Being aware that human rights is an essential factor for successful and sustainable business, the company kicked off the development of the Human Rights Due Diligence, starting with the Human Rights Risk Assessment (HRRRA) to identify actual risks, potential risks and preventive and mitigative measures for the possible impacts on the company's rights holders.

In 2023, RATCH assessed human rights impact on employees and reviewed the human rights risk register, conducted in 2023, and the results showed all the risks involving stakeholders – employees, suppliers/contractors, customers, community and other rights-holders, were unchanged.

HRDD was carried out in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs), regarded as international guidelines. The process involved:

Human Rights Risk Assessment: HRRRA

RATCH assessed the human rights risks in activities of the company, operational controlled entities and suppliers, covering both actual and potential risks.

Assessment Method

1. Identification

- Analyze issues in the company's activities and study actual risks faced by companies in the same industry, global trends and emerging events during the COVID-19 pandemic.
- Consider an act a risk if it may cause impacts on rights holders and the vulnerable.
- Identify women, pregnant women, children, people with disabilities, the elderly, LGBTQI+ persons, indigenous peoples, migrant workers and third party's employees as the vulnerable.

2. Assessment of Inherent Risk

- Assess and prioritize existing risks that have not yet been controlled.

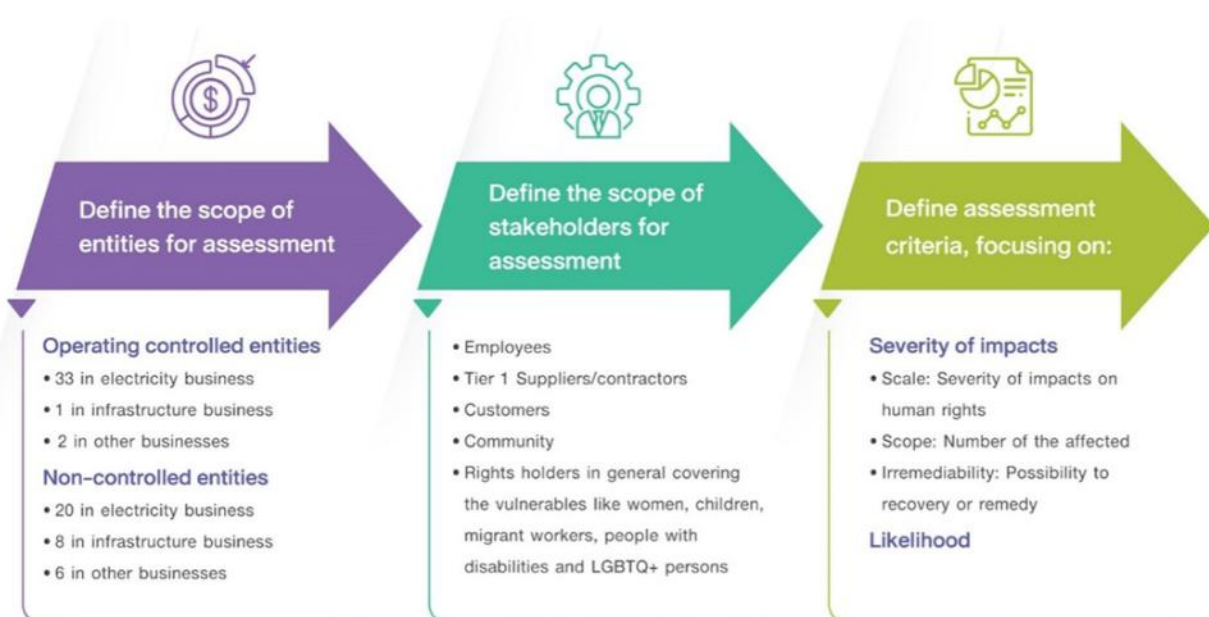
3. Assessment of Residual Risk

- Assess and prioritize the risk remaining after mitigation measures have been applied.

4. Prioritization of Risks

- Prioritize salient issues from extreme residual risks and identify mitigating measures to reduce the risk level.

Rights Risk Assessment Process



Rights Holders and Human Rights Issues Under Assessment

Involved rights holders	Assessed human rights issues
Employees	<ul style="list-style-type: none"> • Work environment • Health and safety • Discrimination and violation • Freedom of association and collective bargaining • Illegal workforce
Tier1 Suppliers/Contractors	<ul style="list-style-type: none"> • Work environment • Health and safety • Discrimination and violation • Discriminating acts against suppliers/contractors in procurement process
Community	<ul style="list-style-type: none"> • Health and safety • Standard of living • Land ownership and resettlement
Customers	<ul style="list-style-type: none"> • Health and safety • Personal data
All rights holders	<ul style="list-style-type: none"> • Cybersecurity/Information safety

Assessment result and risk management

Key risks of RATCH and operational controlled entities	Preventive measures
Supplier/contractor's health and safety	<ul style="list-style-type: none"> • Enforce Supplier Code of Conduct in the procurement process. • Impose a condition regarding labor protection and safety measures on suppliers/sub-contractors. • Enforce the rules and regulations on safety, occupational health and work environment rigorously. • Supervise suppliers' operations in line with the ISO 14001 Environmental Management System. • Demand suppliers/contractors jointly assess job risks with job originators or area supervisors, to devise necessary prevention and protective personal equipment as well as remediation measures in case of accidents. • Establish a work permission request process, to check and assure the completeness of work requirements.

	<ul style="list-style-type: none"> • Identify the qualifications of job operators and safety rules for the inspection of tools/machinery and equipment prior to the start of work; and check the readiness of work environment. • Organize safety training for suppliers/contractors and sub-contractors prior to the start of work. • Monitor suppliers/contractors' work conditions and compliance with safety rules and if observing any risk or possible accident, immediately stop the job for the safety of suppliers/contractors. • Establish the complaint-receiving process/measures and the compensation/ remediation process.
Community's health and safety	<ul style="list-style-type: none"> • Follow the Human Rights Policy, the Code of Conduct and mitigation measures on safety, health and environmental impacts on community as specified in EIA. • Establish the complaint-receiving process and prepare corrective and remediation measures in case the Company Group's activities cause impacts on community. • Assign the Community Relations Unit to interact with community and ensure mutual understanding. • Prepare an emergency/crisis response plan and evacuation plan; ensure community's readiness for emergency incidents through training; and engage them in emergency plan drills. • Establish a tri-partite committee as a panel for dialogue with community and relevant stakeholders.
Community's quality of life	<ul style="list-style-type: none"> • Survey community satisfaction and if required by EIA/EHIA, monitor the statistics of illnesses – e.g. respiratory disorders and skin diseases – that may be influenced by the operations. • Organize activities to raise safety awareness. • Contribute fund to the Power Development Fund (in Thailand), to support community activities/quality of life improvement projects. • Establish the complaint channel; set correction timeframe for the impacts caused by the operations; and ensure complainants' understanding in the corrective measures and results. • Create a dialogue process with community to solve issues and identify remediation actions. • Organize activities to improve the quality of life at neighboring community, as a good neighbor

Risks of RATCH and controlled entities' suppliers/contractors	Preventive measures
<p>Health and safety of suppliers' employees</p>	<ul style="list-style-type: none"> • Demand suppliers' compliance with the Supplier Code of Conduct. • Make the assessment on human rights issues a part of preliminary qualification process. • Evaluate supplier risks and categorize them accordingly to their significance based on spending value, non-substitutable criteria, and ESG risks in social dimension through an assessment on health, safety and human rights risks. • Examine and assess the ESG operations (on site/online) of significance suppliers. • Engage suppliers with job risk assessment and work permission process and organize orientation for suppliers before the start of work. • Include the application of personal protective equipment in contract terms and conditions. • Require insurance for suppliers' employees assigned to perform high-risk jobs. • Require suppliers to provide medical examination results and permits for work in confined space, high ground, hot work and other jobs as required by law. • Schedule job risk assessment every 2 years or when there is a change in work procedure or the project. • Apply universal safety standards: Stop Work Authority and Log-out/Tag-out (LOTO). • Supervise the operations accordingly to ISO45001, if the project is certified for the international standard. • Make the assessment on sub-contractors' ESG risks a part of supplier contracts. • Monitor/inspect compliance with the Company's procedures, measures or rules and, if observing a risk or possible accident, immediately stop the job for the safety of suppliers/contractors.

Risks of non-operational controlled entities	Preventive measures
Treatment of labor and complaint channel	<ul style="list-style-type: none"> Communicate RATCH's policy and guidelines with joint ventures, through RATCH's representatives serving as the joint ventures' directors or executives, for their consideration and application. Integrate risk assessment and HRDD in the project development stage/investment decision-making process. Supervise and monitor joint ventures' compliance with human rights principles through the Asset Management Function, the Related and New Business Function and the Company's representatives serving as the joint ventures' directors or executives. Coordinate and cooperate with joint ventures in devising corrective measures and reporting to the Management and the Board of Directors. Advise joint ventures to develop a Human Rights Due Diligence (HRDD) process and disclose the results accordingly to industry best practices and universal standards.

Human rights risk management and prevention

The risk assessment found that a human rights issue significant to RATCH, subsidiaries and joint ventures concerns the health condition and safety of community, employees and suppliers. All entities showing the risk have properly established and exercised prevention and control measures. The actions implemented in 2024 can be summarized as follows:

RATCH Cogeneration Power Plant		
Rights holders	Suppliers/Contractors	Community
Actions implemented in 2024	<ul style="list-style-type: none"> Safety training for suppliers/contractors and sub-contractors prior to the start of work. Make requirements on work permission, PPE and work environment. 	Establishment of the Community Engagement Committee (involving public and civic sectors) as a stage for joint discussion with community and relevant stakeholders.

Ratchaburi Power Plant		
Rights holders	Community	Suppliers' employees
Actions implemented in 2024	<ul style="list-style-type: none"> • “Mobile Clinic” to offer medical treatment and healthcare consulting services to 9 communities around the power plants, with a total of 2,727 people receiving services. • Educational training for 4 schools in 4 districts located around the power plant about the emergency response plan prepared through a participatory process and participation in the drill. • Community members were engaged with the exercise of the emergency response plan. For example, allowing the municipal fire brigade from the area near the power plant to participate in Level 3 emergency response drills and allowing community representatives to observe the exercises. 	Apply the Stop Work Authority and Lock-out/Tag-out (LOTO) with suppliers' works, particularly in maintenance that involves many of suppliers' employees.

Employee-related Human Rights Impact Assessment

In 2023, RATCH conducted the employee-related human rights impact assessment, to affirm the 2022 risk assessment results. The activity in 2023 entailed the employees of the Company and operational controlled entities as they are considered the most important internal rights-holders. It served as a review of the latest assessment of impacts on employees and the evaluation of the efficiency of current actions and preventive measures.

The assessment was conducted through an opinion survey involving employees in all business functions working in Thailand and abroad.

Steps of human rights impact assessment



- Scope of employee-related human rights impact assessment

Mapping of sample groups: The sample groups involved the employees of RATCH and operational controlled entities, separated into 5 groups according to the nature of their business units' operations. The sample size was based on a scientific method, to achieve an appropriate number of samples and complete representation of each business group.

Type of Operations	No. of employees (persons)	No. of respondents (persons)
Fossil fuel power plants	241	203
Renewable power plants	105	94
Infrastructure	10	10
Electricity-related and energy	251	214
Head Office	207	124
Total	814	645

Scope of the survey: Involving employees working in Thailand, Lao PDR, Vietnam, Indonesia, Singapore and Australia.

Scope of the assessment: The issues covered in the assessment were based on the Company's human rights issues gathered in 2022 and extended to cover the risks in international contexts and of other leading companies. The human rights aspects covered in the assessment are as follows:

Employee-related human rights aspects	Likelihood of impacts
Work environment	Poor work environment unaligned with legal requirement involves overtime, rest period, holidays, workplace environment, etc.
Occupational health and work safety	Health impacts, work safety, security measures, and examination of tools/equipment or protective personal equipment
Freedom of association and collective bargaining	Rights to join a group to defend employees' interests
Discrimination and intimidation	<ul style="list-style-type: none"> • Discrimination because of gender, religion, race and unfair practices • Intimidation/physical and verbal harassment/damage to reputation
Illegal workforce	Human trafficking, forced labor, child labor

Summary of employee-related human rights risk assessment results

Assessment aspects	Risk level
Work environment	Low
Occupational health and work safety	Low
Freedom of association and collective bargaining	Low
Discrimination and intimidation	Low
Illegal workforce	Low

The assessment of human rights risks on the employees of RATCH and controlled business entities in 2023 showed the low level of risks in all aspects; work environment, occupational health and work safety, freedom of association and collective bargaining, discrimination and intimidation, and illegal workforce. Nevertheless, RATCH took employees' recommendations into consideration and outlined additional actions aside from the prescribed prevention and control measures. The actions implemented in 2024 are summarized below:

Recommendations	Continuous communications on the Human Rights Policy and guidelines through communication channels for employees' engagement in the prevention of internal violation
Actions in 2024	<ul style="list-style-type: none"> Communicated the Human Rights Policy to the employees of 3 operational controlled business entities in Thailand and 3 in Lao PDR via meetings, talks and discussions, to ensure their understanding in the Company Group's human rights and sustainability operations for their cooperation in preventing violations across the supply chain of each entity. Increased communications frequency and channels in additional languages to reach employees at all operating sites, to ensure the understanding in the same direction among the Company Group's employees. Organized an employee training on human rights, attended by 24 participants, focusing on basic knowledge about international human rights principles, the UN Guiding Principles on Business and Human Rights (UNGPs), and the integration of human rights management into the operations. The post-training evaluation showed 27.27% demonstrated the highest level of increased knowledge and understanding and 54.55% gained a high level, and 18.18% exhibited a moderate level.
Recommendations	Inspection of work condition; and review of pay, compensation and welfare for more fairness and suitability to each employee's job description/performance as well as continuous increases in the cost of living
Actions in 2024	<p>Reviewed and adjusted welfare, ensuring it was equitable, fair and suitable to each employee's job description/performance and the current cost of living.</p> <ol style="list-style-type: none"> Increased the annual leave for employees with more than 10 years of working period from 10 days to 15 days and the rights to forward unused annual leave to the next year. Cumulative annual leave is capped at 20 days. Raised the allowance by THB 5,000 for dental care, eye care, vaccination, traditional Thai medicine/alternative medicine treatment, and treatments for mental illnesses for employees at all levels. Adjusted the performance evaluation criteria for employees in the Vice President level and lower. To make them fairer to all despite different lines of command and job descriptions, the criteria give scores according to their responsibilities at the enterprise, function, department, division, individual levels, as well as their engagement and behaviors.

Recommendations	Safety culture for employees' awareness and strict compliance with the Company's safety and occupational health policy as well as safety measures
Actions in 2024	<ul style="list-style-type: none"> Repeatedly emphasized the inspection of machinery/ equipment and personal protection equipment (PPE) prior to the start of work, to maintain them in good and ready-to-use condition and make a change in due time, as accidents are mostly caused by negligence. Made safety one of the employee performance evaluation indicators. Consistently organized safety training for all employees across the organization and increased the intensity and frequency for job operators with high-risk jobs or working in risk areas.
Recommendations	Non-discriminatory treatment, fight against harassment, the diversity policy, the communications of complaint channels to all employees and assurance of complainant protection and fair investigation/correction of complaints
Actions in 2024	<ul style="list-style-type: none"> Communicated the complaint channels to all employees as well as the complainant protection measures as prescribed in the Code of Conduct. Allowed complainants to remain anonymous to ease their concerns about negative impacts. Improved the complaint-handling procedure in the Code of Conduct and reviewed the Company's regulations. All employees shall study and understand them and sign their acknowledgements.
Recommendations	Protection of employees from the repercussions of exercising their freedom of association and collective bargaining and from employment of illegal labor
Actions in 2024	<ul style="list-style-type: none"> Encouraged voluntary association through various activities like sports and music clubs. Allowed employee to submit their recommendations on welfare improvement through the Welfare Committee's employee representatives, so that the recommendations are tabled for further discussion and negotiation with the employer's representatives for a better quality of life and a happy and safe work environment.

Additional measures to employee-related human rights risks

- Outline the approaches to communicate human rights policy and guidelines to the Company Group's employees, for their comprehension and strict compliance.
- Promote employee engagement in preventing internal violations to human rights
- Increase communications channels at operating sites and continuously organize training on human rights for the Company Group's employees.
- Supervise work safety concerning the equipment, tools and work environment, by scheduling regular examination of machinery and protective personal equipment (PPE) to keep them in good and ready condition.
- Examine the work condition and ensure compliance with the Company Group's safety requirements and safety measures on a regular basis.
- Organize safety training for employees on a continuous basis.
- Establish a complaint channel and fair complainant protection measures; update relevant measures to meet legal changes and universal standards; and communicates such updates to employees to establish trust in the complaint-receiving process which will prevent violations in the forms of discrimination, intimidation, obstructed freedom of association and collective bargaining and illegal workforce.
- Set the guidelines for a review of pay, compensation and welfare, to keep them at an appropriate level and in line with the work conditions of each employee as well as changes in social conditions/trends.