


## Message from the Chairman and the President




**Mr. Kulit Sombatsiri**  
Chairman



**Mr. Thepparat Theppitak**  
President



In the time of COVID-19, the world has plunged into Volatility, Uncertainty, Complexity and Ambiguity (VUCA) throughout the past two years. The economy has slowed down while new issues have emerged and required urgent solutions. All sectors, from individual to global levels, therefore have to adjust and strive to deal with the changing situation.



The VUCA World prevailed during EGCO's 30<sup>th</sup> anniversary in 2022. EGCO therefore got a good opportunity to review its 30-year-long business journey and reflect on its future. Of course, "sustainability" for the world, the country, society, stakeholders and EGCO itself remains a major destination. EGCO's goals to become carbon neutral by 2050 and to curb carbon emission intensity by 10% by 2030, which were declared in 2021, underline the commitment to "sustainability" and the milestones EGCO aims to achieve.

As EGCO Group has continuously integrated sustainability into all aspects of its work, its efforts have been recognized both nationally and internationally. EGCO Group has now ranked among DJSI members in emerging markets index via Electric Utilities category for three consecutive years, Thailand Sustainability Investment (THSI) index for eight years in a row, Silver Class distinction and world's top 10 in Electric Utilities from S&P Global Sustainability Award. Also, EGCO Group was listed in Sustainability Yearbook 2022 from S&P Global Assessment, furthermore, EGCO Group received recognition on disclosure of sustainability information for four consecutive years, Transparency and Reporting category aligns with UN Women 2022 Thailand WEPs Awards for two years in a row, on top of winning a Human Rights Award. All these accolades have accentuated the solid and continuity of ESG on business operations.

In 2022, the Company improved its key work in pursuit of grater sustainability by formulating **Sustainability Strategies and Action Plans that aligned with its Corporate Strategies** comprised investment plan in renewable energy power plants, development plan for traditional-fuel power plants,

using hydrogen and ammonia as blended fuel for carbon dioxide-emission reduction, strengthen guideline and operations on social and environmental responsibility, and elevating corporate governance principles and guideline to international standards.

**Regarding corporate governance**, the Company increased the duties and responsibilities of its Corporate Governance and Social Responsibility Committee to cover sustainability, cybersecurity, environmental management, climate change, human rights, occupational health and safety, and stakeholder engagement including community and society. Moreover, EGCO revised the committee's charter to cover its scope of work. In addition, the Company reviewed, revised, and improved the EGCO Group's good corporate governance principles, the Board of Directors' Code of Conduct, and Business Code of Conduct. Additionally, the Board acknowledged the corporate governance assessment by external audit focusing on Business Code of Conduct, the compliance of Code of Conduct, and personal data protection. The Board of Directors and the Management valued policy and practices on corporate governance as promoted to implement accordingly. As such, in 2022, EGCO Group performed "excellent" in the Corporate Governance Report (CGR) with the score of 97 assessed by the Thai Institute of Directors and ranked ASEAN Asset Class of ASEAN CG Scorecard 2021.

**Regarding businesses and investments**, the EGCO Group has implemented under the direction "Cleaner, Smarter and Stronger to Drive Sustainable Growth". The Company started the commercial operation of 650 MW "Nam Theun 1" power plant in Laos PDR to increase the capacity of power generation by clean energy, purchased 10% more

of shares in Chaiyaphum Wind Farm and Theppana Wind Farm in Chaiyaphum to become their sole owner, and acquired 49% of shares in 609 MW RISEC power plant in the United States, which has potentially increased its production capacity with Battery Energy Storage System and hydrogen-blend usage. The Company sold all its investments in Indonesia-based “Star Energy” power plant to raise funds for investments in renewable-energy and clean-energy projects that have had high-growth potential.

Moreover, the Company has pursued collaborations with partners in both Thailand and overseas. It has already inked memorandums of understanding (MOU) on studies and plans to use clean energy and technologies in curbing carbon emissions from business operations with a strong emphasis on the use of hydrogen/ ammonia-based fuel and Carbon Capture, Utilization and Storage in power industry.

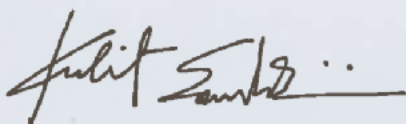
EGCO Group has always committed to **community, social and environmental** care including natural resources and biodiversity around power plant areas, transforming decommissioned power plant to “Khanom Learning Center” to educate energy and power-generation knowledge outside classroom, which awarded “Thai Sun Sern” Museum Thailand National Award 2022. On community and social development, the Company has targeted youth and teachers, for example, it has implemented “Youth Development” project to grant scholarships to vocational students. These scholars graduated from their vocational colleges and now pursued either a career or further studies. In addition, its “online energy teacher course” has promoted teachers’

energy and environmental knowledge that is passed on to young students. The Company has combatted corruption via “Pay it Forward” campaign initiative too. Under this project, 15 million baht have been given to nine charity organizations instead of being spent on gifts.

Regarding the conservation and rehabilitation of watershed forests, the Thai Rak Pa Foundation, which was founded and supported by EGCO Group for over 20 years, handed over the Krung Ching Waterfall natural trail at the Khao Luang National Park, Nakhon Si Thammarat, to the Department of National Parks, Wildlife and Plant Conservation in 2022. The handover took place after the trail was fully developed as a learning center on tropical-rainforest ecological system and the southern region’s history. EGCO Group and the Thai Rak Pa Foundation have contributed to reduce 662,5000 tonCO<sub>2</sub>e and captured 225,600 tonCO<sub>2</sub>e.

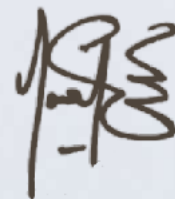
All achievements and recognition earned in 2022 resulted from policies formulated by the Board of Directors and steering efforts by the Management, and also determination, dedication and engagement from employees and all stakeholders for the goal of sustainability.

On behalf of the Board of Directors, the Management and employees, we would like to thank shareholders, investment partners, vendors, customers, communities and all stakeholders for supporting EGCO Group throughout the past 30 years. We also would like to assure you that EGCO Group shall continue to grow with stability and sustainability.



**Mr. Kulit Sombatsiri**

Chairman



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President