

Banpu's Four Decades in Energy Business, Moving Forward to Create the Better Living for All

When talking about “large renowned Thai energy companies”, **Banpu Public Company Limited** or “**Banpu**” often comes to the forefront of the people’s minds. The Company has been pioneering, developing, and expanding the energy business to meet market demands and has continuously taken part in the economic and social development at both national and regional levels for 40 years. The Company has grown exponentially, triumphing over all its challenges. Today, Banpu has become a fully integrated energy company, covering the supply chain from upstream to downstream, and is ready to move forward as a “leading international versatile energy provider”.

With the maximum efficiency and benefits of Banpu’s strong business ecosystem, all 3 core business groups – energy resources, energy generation, and energy technology are promoting and supporting each other to deliver smarter energy for sustainability. Not only does the Company focus on expanding its growth and operating the business in line with future energy trends but it is also striving for a better quality of life for all.

Driving the business toward sustainable energy

Banpu’s business ambitions heavily enforce the principles of energy sustainability. Essentially, energy must be accessible by having reasonable prices (**Affordable**); energy must be stable so that it can be delivered continuously (**Reliable**); and energy must be environmentally friendly (**Eco-Friendly**).

Banpu Coal Company Limited was established in 1983 to subcontract a coal mining operation in Li District, Lamphun Province from the Department of Alternative Energy Development and Efficiency. Since then, the Company has built strong business ties by seeking potential energy resources and experts in the field. Banpu has also developed products and production capabilities for many industries such as power generation, cement, petrochemicals, paper, textiles, and many more. Moreover, Banpu also expands its energy resources to countries with the potential growth in the Asia-Pacific region, such as Indonesia, China, and Australia.

Building a diverse portfolio

After stabilizing the mining business establishment both domestically and internationally, Banpu sought to diversify its energy business – especially ones that generate value in the supply chain. The establishment of “Banpu Power (BPP)” in 1996 aspired to strengthen power generation and distribution. During this period, Thailand needed to expand its electricity-generating capacity in order to support economic growth as well as building national energy security. That led to a significant step in the business as BPP was listed on the Stock Exchange of Thailand in 2016, expanding the power generation growth in strategic countries in the Asia-Pacific region that had high growth rate of electricity demand and government support in terms of clear energy policy.

Banpu has propelled the growth of its power business by focusing on balancing its business portfolio which included thermal power business that uses high efficiency, low emissions technology (HELE) and renewable power business such as solar and wind. The Company also built upon its growth continuously in the countries that it had long experience in operating energy resources business and strong relationship with local alliances.

Industry leader in transformation – be the first to know, start, and succeed.

As global climate changes increase and intensify, Banpu has incorporated the “Greener and Smarter” strategy as part of its new vision to drive the organization. This means focusing on environmentally friendly business operations, as well as utilizing innovative technology in line with new energy trends. The Company stepped in the greener business with the notable creation of a new business, namely the natural gas business in the United States. This business serves to bridge the business transition according to the Greener & Smarter strategy, by focusing on generating and maintaining cash flow to protect the interests of shareholders and investors. Banpu also sought investment opportunities in greener energy businesses, adding balance and sustainability to its business portfolio.

Paving the way for a sustainable future with a green flagship company

In 2020, Banpu established its green flagship company, “Banpu NEXT,” which enabled its business ecosystem to become more whole and cohesive. This was the crucial puzzle piece in driving a greener and smarter portfolio. Banpu NEXT aims in creating the energy solutions in response to future energy trends as well as the lifestyles of new generations. It has taken a step forward in advancing these 5 businesses: renewable energy, energy storage, energy trading, e-mobility, and smart city development and energy management with the utilization of the digital

platform as a tool to collect and analyze data to develop products and services to address customer needs and create new energy innovations. Furthermore, Banpu also invests in **new S-curve businesses** relate to and beyond the energy business in order to create competitiveness and increase value for all stakeholders while making a better quality of life for people.

Making changes to gain a competitive advantage

As a leading international versatile energy provider, Banpu remains strong, employing strategic policy of transformation to digital era. The transformation operates in three aspects (Triple-Transformation). The first aspect is business transformation which focuses on increasing proportions of the greener and smarter energy portfolio, through the operations of Banpu NEXT. The second aspect is technology transformation. Banpu has established a Digital and Innovation (D&I) Department to drive digital transformation and further develop the infrastructure for information technology. This enhances the organization's digital capabilities and instills employees' potential in technology. The third aspect is people transformation focusing on people development and advancement. Banpu Academy was established to promote limitless learning within the organization and to train Banpu employees to be ready in learning new things. These changes provide advantages in terms of competitiveness and cope with rapid changes in highly dynamic businesses, such as the energy business.

Becoming an internationally recognized Thai company.

With a strong foundation in the 3 aforementioned core groups of businesses, Banpu is ready for building international growth. Currently, Banpu operates in 9 countries: Thailand, Indonesia, China, Australia, Lao PDR, Mongolia, Japan, the United States, and Vietnam. In addition to having a complete understanding of the market prior to starting the business, Banpu has built a strong team with competent personnel. These factors resulted in the success of overseas investments. When Banpu was first established, there were fewer than a hundred employees. Today, Banpu has become a Thai company with approximately 600 employees based in the head office in Thailand and almost 6,000 employees stationed abroad. In addition, Banpu believes in good corporate citizenship, upholding the rule to conduct business in an ethical and transparent manner. The Company also adheres to the practice of being a "good neighbor," fostering understanding and cooperation between the Company and surrounding communities in order to support various social activities and needs of each area.

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Mrs. Somruedee Chaimongkol, Chief Executive Officer of Banpu Public Company Limited, said, “For 40 years, Banpu has adhered to ethical and sustainable business practices that have been instilled and transmitted from Mr. Chanin Vongkusolkit, one of the founders and the first Chief Executive Officer of Banpu. According to the Company’s business credo “an industry will be strong only when it is developed in tandem with social and environmental responsibility” with the acceleration of Banpu Transformation under the Greener & Smarter strategy and readiness to cope with changes with the antifragile principle, Banpu will be able to maintain its strength no matter what crisis it faces. With “Our Way in Energy” commitment, Banpu is ready to create energy stability for the world and take part in creating a better living for people today and in the decades to come.”

Over the past four decades of strong and stable business growth, Banpu has an outstanding **business ecosystem**, connecting all core businesses together and creating synergistic power resulting in producing the best investment results, reducing risks and creating sustainability. Banpu’s strength also comes from its unique **corporate culture** called “Banpu Heart” which aims to unite all employees in every country towards the same goal. All of these factors have enabled Banpu to deliver “smarter energy for sustainability.” As the leading international versatile energy provider, Banpu strives to build sustainable value for all groups of stakeholders and power the better living for all.

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