

Ref. No. Kor Por Ngor. 1-249/2563

August 28th, 2020

Ms. Beatriz Balbin
Chief,
Special Procedures Branch
Office of the High Commission for Human Rights

Dear Madam

We, Thanachart Bank PLC (“the Bank”), refer to your letter reference numbers AL OTH 16/2020 dated 17 April 2020, requesting the Bank to provide information related to human right impacts caused by the collapse of auxiliary dam ‘Saddle Dam D’ of the Xe-Pian Xe-Namnoy hydropower project in Lao PDR, which has been addressed by the United Nations Human Rights (UNHR).

The Bank is fully aware of its role and duty as one of the syndicate lenders providing financial support to Xe-Pian Xe-Namnoy Power Company Limited (“the Company”) for the investment of Xe-Pian Xe-Namnoy hydropower dam project, and recognizes all concerns related to the social environment agenda.

Therefore, as part of the credit approval process for all projects, the Bank does include a number of mechanisms identifying and assessing concerns on social and environment risks and impacts in compliance with the sustainable development policy and guideline. Besides, the Bank undertakes internal credit monitoring to assure all projects strictly abide by international standards in assessing, monitoring and addressing any environmental or social issues that arise in connection with the development, construction or operation of all projects. This typically includes a detailed Environment Impact Assessment (EIA) and Social Impact Assessment (SIA), as well as the engagement of third party monitoring experts to minimize impacts to the environment and affected communities.

Following the incident stemming from the collapse of the dam, the Bank has worked closely with other syndicate lenders, the Company and the social and environmental working group including the technical advisor appointed by syndicate lenders to work with the Company to minimize potential impact and ensure proper compensation to the affected people in accordance with the law and social and environmental guideline under the facility agreement. The Company has urgently collaborated with the government agencies of the Lao PDR to minimize and mitigate the adversely social and environmental impacts and has reported the situation to all lenders periodically as attached herewith.

[Redacted Signature]

Mr. [Redacted]
Chief Executive Officer and President

ธนาคารธนชาต จำกัด (มหาชน)
Thanachart Bank Public Company Limited

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