



Corporate Citizenship Strategy

Introduction: Group-wide Strategy

Committed to bring disruptive and inclusive Greenovation to benefit our customers, as well as to assure our stakeholders while promoting sustainable development of society, Bangchak assembles the sufficiency economy philosophy and the 9 SDGs as our guideline toward the 4 Green sustainability strategies —Green business, Green production, Greenovative experience, and Green society.

Regarding the creation of Green Society, the Bangchak Group focuses on Goal 13 Climate Action, Goal 7 Affordable and Clean Energy and Goal 12 Responsible Consumption and production.

SDG Goal 13: Take urgent action to combat climate change and its impacts



Description of alignment between priority and business drivers

Bangchak places great importance to the prevention and reduction of greenhouse gas emission from business operation. The Company considers physical, regulatory, transition risks as well as potential impacts to stakeholders. Therefore, the Company defines GHG Emission reduction as corporate KPI. The Company also set a target to be a Carbon Neutral Company in 2030 and Net Zero GHG Emission Company in 2050.

Bangchak manages GHG emission by using clean fuel in production process, increasing energy efficiency, and expanding renewable and clean energy investment programs. The Company also managed energy and implemented energy efficiency projects for GHGs emission reduction including project to install coating material at the crude oil distillation unit, project to improve heat exchangers, and project to reduce the use of steam. In addition, the Company studied and assessed carbon dioxide emission through the Life Cycle Assessment (LCA) of products and certified Organization carbon footprint from Thailand Greenhouse Gas Management Organization

SDG Goal 13: Take urgent action to combat climate change and its impacts



Business Benefit KPIs

- Reduce risks and impacts from climate change both from physical risks and transition risks
- Increase business opportunities from climate change mechanisms, green energy businesses, and bio-based businesses.

Social / Environmental Benefit

- Reduce risks and impacts of climate change.
- Contribute to the efforts to limit temperature rise to within 1.5 C. Support Thailand's GHG reduction goals according to the Paris Agreement (NDCs) roadmap.



Description of alignment between priority and business drivers

Realizing the ever increasing importance of renewable energy. The Company invests more of its capital in renewable energy business and green business. We also buy used cooking oil from the communities adjacent to our refinery for biodiesel production, which helps improving their well-being from the extra income.

By 2030, to ensure universal access to affordable, reliable and modern energy services and to increase substantially the share of renewable energy in the global energy mix, the Company has expanded its investment in green power, including solar, wind and Bio-based businesses. The Company has developed projects for society such as:

- The “Winnonie” startup
- Renewable energy Businesses investment

SDG Goal 7: Affordable and Clean Energy



The “Winnonie” startup

In 2021, the company launched the “Winnonie” startup business, which is an extension of green energy innovation to improve the quality of life for motorcycle taxis who must pay high interest rate on their motorcycles. To elaborate, this is a marriage between electric motorcycle technology and motorcycle taxis in the form of battery renting with swapping of expired batteries at Bangchak’s service stations. This startup was initiated by Bangchak’s employees under the “Intrapreneur” project.

SDG Goal 7: Affordable and Clean Energy



Business Benefit

- Explore new opportunity in EV business supply chain
- Generate new green source of income
- Promote core value of innovation for employees
- Supports Bangchak's goal to become a green and innovative business

Social / Environmental Benefit

- Improve the economic conditions of motorcycle taxi drivers because of saving on leasing interest and other fixed costs
- Reduce CO₂ emissions more than 640.65 tCO₂eq, equivalent to planting 53,386 trees.
- Reduce average air pollution and urban noise level
- Support the government's policy to promote electric vehicle and clean energy

Investing in the renewable energy Businesses.

- Develop power generation businesses from solar, wind and hydropower
- Develop biofuel business and expanding the high value bio-based product businesses.

SDG Goal 7: Affordable and Clean Energy



Business Benefit

- Increase stable income from renewable energy and green businesses.
- Organic and inorganic growth through the M&A projects focusing on domestic and ASEAN markets while balancing returns, risks, and portfolio mix
- Expand the Biofuel Business into a high value bio-based product that increases business opportunities as well as support agricultural products

Social / Environmental Benefit

- Generate and distribute renewable energy domestically and internationally
- Increase share of renewable energy for the country and reduce Thailand's overall GHG emissions

SDG Goal 12: Responsible Consumption and production



Description of alignment between priority and business drivers

In accordance with SDG 12, the company's retail business pays great attention to reduce single-use plastic while encouraging customers to do the same. As of now, plastic packaging has been replaced by 100% biodegradable material. Highlight activities including:

- "Waste Reduction at Sources with Bangchak" by
 - Encouraging customers to bring their own personal cup at Inthanin Coffee Shop
 - All Inthanin take away cups and drinking lids are made by BIO plastic as well as ready-to-drink lids to reduce the use of plastic straws. We aim at replacing 100% plastic cups to biodegradable cups.
 - No plastic bags to customers at convenience stores in service stations.
- "Rak Pansuk" project with business partners to encourage customers to return used PET plastic bottles to upcycling and becoming souvenirs as polo shirts, caps and cloth bags etc.
- "Greenovative Lube Packaging" Project that demonstrate close-loop recycling on Bangchak's Lubricant containers

SDG Goal 12: Responsible Consumption and production

Business Benefit

- Increase brand recognition and brand loyalty, expanding to new generation customers
- Increase PR opportunities for Inthanin as Eco-coffee concept by highlighting the use of biodegradable cups and drink lids

Social / Environmental Benefit

- Bio Packaging helped reducing plastic waste and PET plastic bottles
- In 2021, Inthanin used more than 20 million sets of bio-plastic cups and lids which 500,000 cups are re-used as “cup cultivating seedlings” project by the Royal Forest Department. (Accumulated number of Bio cup for drinks at Inthanin coffee shops 98,000,000 cup)
- Encouraging customer awareness for using personal cup by giving a discount on the purchase



Cup cultivating seedlings