

Climate participation in trade associations

Statement of Position on Public Policies Relating to Climate Change

Which is aligned with the Paris Agreement



Green Society is one of the key strategies Bangchak strictly adheres to, aligning with our commitment to developing business innovation in harmony with the environment and society.

Climate change resulting from GHG emissions is currently a key sustainability issue facing all industries. **Bangchak recognizes risks and impacts on itself and stakeholders from physical and legislative changes concerning climate change. To illustrate its commitment to addressing climate change in line with the Paris Agreement, calling for no more than 2 degrees Celsius increment, and SDG 13**, in 2021, Bangchak Group has declared a Carbon Neutrality goal for 2030, goals for GHG reduction (Scope 1 and Scope 2) of 30 percent by 2030, and a Net Zero emission goal for 2050. It has also required corporate GHG emissions as a corporate KPI and required them as a KPI for the Group CEO and President.

The establishment of the Carbon Market Club to encourage the exchange of knowledge on carbon credit management and carbon credit trading in the Thai market has become more active. Bangchak Group and its 11 founding



partners have expanded their work and recruited Bangchak Corporation Public Company Limited 115 Integrated Sustainability Report 2022 members from both corporate and individual forms to join the network until now. With 39 organizations and 145 individuals in 2022 supported carbon credit trading and digital renewable power producer rights certificates to reduce greenhouse gases by more than 400,000 tons of carbon dioxide equivalent. [sd2022-en.pdf \(bangchak.co.th\)](#) (PDF Page 101)



In 2022, Bangchak announced the comprehensive roadmap to drive the development of the Low-Carbon Society with the BCP NET Plan comprising 4 dimensions in order to achieve organizational Carbon Neutrality by 2030 and Net Zero by 2050 emphasizing tangible processes and long-term results.



Following to our climate action goal and a clear BCP 316 NET plan. We reiterate Bangchak's role in the transition from fossil fuels to clean energy through our **12th annual seminar on Energy Security and Carbon Sequestration to foster public awareness and our clear stance on the environment.**

<https://investor.bangchak.co.th/en/document/viewer/stream/66811/form-56-1-one-report-2022> (PDF page 15)

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Bangchak signing ceremony of the Collaborative Agreement between the Department of Industrial Factories and Industrial Plants and Industrial Facilities within the Eastern Economic Corridor (EEC) Area and Other Areas, for the Reduction of Pollution and Greenhouse Gas Emissions. The initiative aims to drive the BCG economic model through circular economy practices within industrial plants (under the BCG-driven Industrial Decarbonization Policy).



Bangchak is one of the partners supporting the Carbon Credit Management for Sustainable Development Project, initiated by the Mae Fah Luang Foundation. The project aims to conserve forest areas, prevent wildfires, combat intrusion, preserve biodiversity, generate revenue through forest carbon credits, and promote sustainable coexistence with forests. This effort is part of BCP's BCP 316 NET plan, aligned with the organization's goals to achieve Carbon Neutrality by 2030 and Net Zero GHG Emissions by 2050.

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Jointly signed the memorandum of understanding on “the Development of Carbon Credit Projects from the Forestry and Agricultural Sector, and Renewable Energy with Agricultural Cooperatives and Farmers within the Bangchak Business Network and Partners”. This collaboration aims to facilitate mutual communication, promotion, information exchange, knowledge sharing, technology, personnel engagement, and management processes for carbon credit projects from the forestry and agricultural sector, along with renewable energy initiatives involving agricultural cooperatives and farmers within the Bangchak business network and partners. This initiative aligns with the Thailand Voluntary Emissions Reduction (T-VER) program and focuses on utilizing perennial agricultural crops such as para rubber trees, oil palm, and fruit trees, for carbon credit generation, as well as electricity generation from renewable energy for internal consumption. These efforts are geared towards cost reduction in production, fostering the adoption of clean energy, creating added value and benefiting from carbon credit processes.

<https://www.bangchak.co.th/en/newsroom/bangchak-news/1162/bangchak-and-partners-sign-the-memorandum-of-understanding-on-developing-carbon-credit-projects-from-agricultural-sector-and-renewable-energy>

Governance Framework for Public Policy Engagement

With clear accountabilities up to executive level

To engage with external climate related responsibility, Bangchak set the governance structure of climate change and management.



Level	BCP Representatives	Accountabilities
President & CEO	Group Chief Executive Officer and President (CEO)	Chairman of the Sustainability Policy Committee (SPC) , In 2022 focused on creating climate change strategies under the BCP316NET framework in order to achieve Net Zero GHG emissions by 2050. sd2022-en.pdf (bangchak.co.th) (PDF page 19) Provide policy and strategy direction for the company's business in accordance with the mission corporate culture, with responsibility to stakeholders, including economic, social, and environmental aspects especially climate change and climate-related risks and opportunities in accordance with the international sustainability direction, in order to ensure the organization's sustainability. The target of Carbon Neutrality by 2030 and Net Zero GHG emission by 2050 has been defined. https://www.bangchak.co.th/storage/document/tcf-report/2023/tcf-report-2023.pdf (PDF page 5, 7)
Chief Operation Officer (COO)	Refinery Business Group	Chairman of Safety, Health, Environment and Energy Management Team (SHEEM) Establish policies and guidelines for security, safety, occupational health, environment, and energy, Review the management systems concerning security, safety, occupational health, environment, and energy, Provide recommendations and suggestions for improvement, including supporting resources to develop a sustainable and continuous system of standards for managing security, safety, occupational health, environment, and energy.
Senior Executive Vice President	Corporate Sustainability Development and Strategic Synergy	Board member of the Sustainability Policy Committee (SPC)
Executive Vice President	Corporate Strategy and Sustainability	Chairman of the Sustainability Management Committee (SMC) , Conduct the work plans and manage work according to the responsibilities towards various groups of stakeholders according to the direction and framework specified by the Corporate Sustainability Policy Committee to bring innovation and GHG management tools to use within the Bangchak Corporation in order to achieve Carbon Neutrality in 2030 and Net Zero in 2050, Prepare climate strategy and manage opportunities and risks arising from climate change , Encourage work processes and development plans or events to increase awareness, knowledge, and understanding of sustainability including climate change . Participating in operations with Bangchak Corporation stakeholders by submitting a report to the working committee or reviewing in order to promote collaboration among affiliated companies in Strategic Corporate Governance Planning (CPG Task Force) https://www.bangchak.co.th/storage/document/tcf-report/2023/tcf-report-2023.pdf (PDF page 5, 7)
	Corporate Branding, Communication and Sustainability Activation	<ul style="list-style-type: none"> Board member of the Sustainability Management Committee (SMC) Chairman of Carbon Markets Club (CMC), encourage the exchange of knowledge on carbon credit management and carbon credit trading in the Thai market has become more active. sd2022-en.pdf (bangchak.co.th) (PDF page 101)

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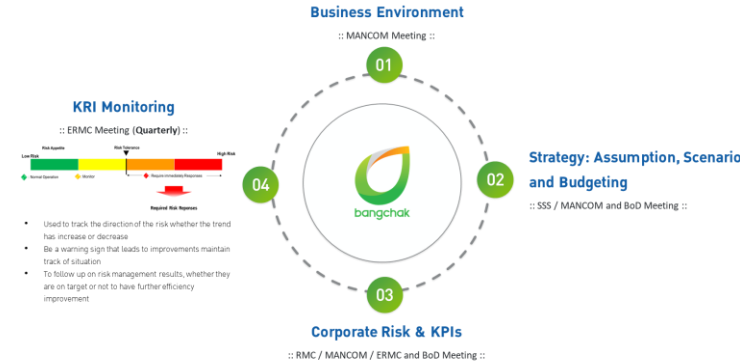
Level	BCP Representatives	Accountabilities
Senior Vice President	Corporate Sustainability Development and Standard	<ul style="list-style-type: none">• Board member of the Sustainability Management Committee (SMC)• Board member of ESG network and Risk and Internal Control Club of Thai Listed Companies Association
Vice President	Refinery Strategic and Business Development	Chairman of SHEE Promotion Steering Committee (SHEEP) Plan various activities to promote organizational awareness and conscientiousness among employees, aiming for their alignment with exemplary behaviors, Support initiatives related to safety, health, environment, and energy across different areas, Monitor and evaluate the performance of safety, health, environmental, and energy-related operations in each area, and encourage continuous improvement efforts.
Staffs	The Net Zero Development Division	Enhances Climate Change Strategy as well as manages climate-related risk and opportunities simultaneously. Driving Net Zero achievement by collaboration among Bangchak Group to define target along with roadmap, monitoring, evaluating together with exploring reduction solutions. Managing GHG emission data collection/system, verification, climate-related report including data disclosure. https://www.bangchak.co.th/storage/document/tcf-report/2023/tcf-report-2023.pdf (PDF page 5)

Management System, Reviewing and Monitoring Process to Assess

Whether public policy engagements and lobbying are aligned with the Paris Agreement



Bangchak use **Environmental Scan Process** as the management system to assess and review internal and external factors that could potentially impact its objectives.



TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



Bangchak has also defined strategies and assessed risks and opportunities for climate change (short-term and long-term) in line with the guidelines of the Task Force on Climate-Related Financial Disclosures (TCFD) to assess related financial impacts

<https://investor.bangchak.co.th/en/document/viewer/stream/66811/form-56-1-one-report-2022> (PDF Page 93)

The climate change positions used to inform our review of eligible trade associations such as Paris Agreement, Climate science, Energy efficiency and Reducing emissions and Carbon pricing.

Next process, We use Key Risk Indicator (KRI) to monitor the results of risk management to determine if they align with the objectives or not, in order to drive improvements for greater efficiency going forward. In misalignment case; the event of a rising trend in risk direction, it acts as a warning sign to prompt timely adjustments and corrective actions in response to the situation. [tcf-report-2023.pdf \(bangchak.co.th\)](#) (PDF page 24)

Management System, Reviewing and Monitoring Process to Assess

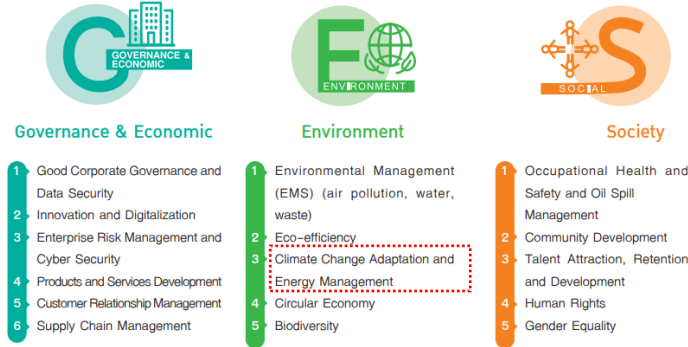
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Process for Stakeholder Engagement

- 1** Identifies stakeholders and ranks them by considering 3 criteria as follows:
 - Stakeholders' involvement in business operations.
 - Whether or not the company can impact stakeholders in the sustainability issues.
 - Whether the stakeholders have the influence to impact the company's sustainability issues.
- 2** Approach to Stakeholder Engagements are involved as follows:
 - Specify the divisions that take responsibility for stakeholders.
 - Determine methods for surveying the needs and expectations of stakeholders systematically and frequency operation.
 - Gather information on the needs and expectations of stakeholders.
- 3** Specification of Materiality issues:
 - Identify the causes and actual and potential impacts, both positive and negative, in relation to sustainability issues (economy, environment, and society, including human rights issues), and rank importance based on severity and likelihood of occurrence.
- 4** Implementation
 - Propose outcomes to the Sustainability Policy Committee (SPC) to specify the sustainability direction, strategies and plans to prevent and minimize sustainability impacts on different stakeholder groups.

List of Materiality Topics (Disclosure 3-2)



Climate Change Adaptation and Energy Management is one of list of materiality topics; Bangchak committed to accelerating sustainable energy transition, while balancing energy security. We are energizing lives through greenovative solutions and promoting ESG for all to the vision, "Crafting a Sustainable World Evolving Greenovation." Therefore, **a crucial area that the business has continuously improved for effectiveness is working to satisfy the needs and expectations of stakeholders including government agencies.** In order to prevent or mitigate sustainability impacts on stakeholders and promote a balance between value and worth from business operations, the company uses these data to support strategic planning. It also aims to increase stakeholder trust in its collective efforts.

<https://www.bangchak.co.th/storage/document/sd-report/sd2022-en.pdf> (PDF Page 28)

Bangchak stated its intention to play a part in driving and supporting the goal of **corporate carbon neutrality and Net Zero by 2050** as a Climate Action Leading Organization (CALO) through action under the Carbon Neutral Thailand network. <https://investor.bangchak.co.th/en/document/viewer/stream/66811/form-56-1-one-report-2022> (PDF page 94)




Bangchak received the Excellent Low Carbon and Sustainable Business (LCSB) Award for the second consecutive year from the Thailand Greenhouse Gas Management Organization (TGO). **This award honors organizations that are role models in low-carbon business operations.**



Trade Association Memberships - Climate Aligned

Name of Trade Associations	BCP Representatives	Bangchak's Positions	Association Missions
<p>Thailand Business Council for Sustainable Development (TBCSD)</p>  <p>องค์กรธุรกิจเพื่อการพัฒนาอย่างยั่งยืน</p> <p>TBCSD - Thailand Business Council for Sustainable Development (tei.or.th)</p>	<ul style="list-style-type: none"> Group Chief Executive Officer and President (CEO) Senior Executive Vice President - Corporate Sustainability Development and Strategic Synergy 	<ul style="list-style-type: none"> Council Member Associate Member 	<p>Accelerate the transition to a sustainable world by making more sustainable businesses in Thailand more successful.</p> <p>TBCSD - Thailand Business Council for Sustainable Development (tei.or.th)</p>
<p>Global Compact Network Thailand</p>  <p>สมาคมเครือข่ายโกลบอลคอมแพ็ค (Global Compact Network Association)</p> <p>[globalcompact-th.com]</p>	<p>Executive Vice President - Corporate Branding, Communication and Sustainability Activation</p>	<p>Board Member</p>	<ul style="list-style-type: none"> Take strategic actions to advance broader societal goals, such as Sustainable Development Goals (SDGs), with an emphasis on collaboration and innovation. Operate responsibly by aligning with 10 Principles of the United Nations Global Compact in the areas of human rights, labour, environment and anti-corruption. <p>สมาคมเครือข่ายโกลบอลคอมแพ็ค (Global Compact Network Association) [globalcompact-th.com]</p>


Trade Association Memberships - Climate Aligned

Name of Trade Associations	BCP Representatives	Bangchak's Positions	Association Missions
<p>Council of trustees and member of Petroleum Institute of Thailand</p>  <p>Petroleum Institute of Thailand สถาบันปิโตรเลียมแห่งประเทศไทย</p> <p>Petroleum Institute of Thailand (ptit.org)</p>	<ul style="list-style-type: none"> Group Chief Executive Officer and President (CEO) Vice President - Refinery Strategic and Business Development 	<ul style="list-style-type: none"> Council Member Environment Task Forces Member 	<ul style="list-style-type: none"> Guide and support projects of common interest to all member companies in the R&P industry by leveraging available resources and collaborative efforts of industry and government authorities. This will lead to the successful implementation of projects, for the benefits of the industry and ultimately for the kingdom of Thailand. <p>Petroleum Institute of Thailand (ptit.org)</p>
<p>Carbon Markets Club</p>  <p>CARBON Markets Club</p> <p>https://www.carbonmarketsclub.com/%E0%B8%97%E0%B8%B3%E0%B9%80%E0%B8%99%E0%B8%B5%E0%B8%A2%E0%B8%9A%E0%B8%AA%E0%B8%A1%E0%B8%B2%E0%B8%8A%E0%B8%B4%E0%B8%81/61e674e1402fb100138f6d89</p>	<ul style="list-style-type: none"> Group Chief Executive Officer and President (CEO) Executive Vice President - Corporate Branding, Communication and Sustainability Activation 	<ul style="list-style-type: none"> Founding members Chairman of the Carbon Markets Club 	<ul style="list-style-type: none"> Develop and promote a marketplace for carbon credits and Renewable Energy Certificates (REC) trading both domestically and internationally to enable businesses to achieve their greenhouse gas reduction goals. <p>Carbon Markets Club</p>

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<p>ESG network - Thai Listed Companies Association</p>  <p>กบว:นสสมร ESG Network (thailca.com)</p>	<p>Senior Vice President - Corporate Sustainability Development and Standard</p>	<p>Board Member</p>	<ul style="list-style-type: none"> Promote awareness and recognition among company members regarding the significance of managing operations with consideration for the environment, society, and corporate governance (Environmental, Social, Governance: ESG). Integrate the ESG framework into business operations for the sustainable growth of the registered company. Serve as an intermediary for knowledge exchange, fostering collaboration and cooperation between registered company members, the business sector, the social sector, and the government sector, aiming to create positive impact and achieve the sustainable development of Thailand. <p>Vision / Mission ESG Network (thailca.com)</p>
<p>Thailand Management Association</p>  <p>TMA Council TMA Official Website</p>	<p>Senior Executive Vice President - Corporate Management and Organization Development</p>	<p>Council Member</p>	<p>Promote Excellence in leadership & management integrity and competency. Initiate & Encourage the learning and sharing of practical managerial knowledge through modern platforms as well as providing & supporting networking opportunities.</p> <p>Thailand Management Association</p>

Trade Association Memberships - Climate Aligned

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<p>Thailand Carbon Neutral Network</p>  <p>http://tcnn.tgo.or.th/index.php?lang=EN&mod=YzNSeWRXTjBkWEps</p>	<ul style="list-style-type: none"> Group Chief Executive Officer and President (CEO) Executive Vice President - Corporate Branding, Communication and Sustainability Activation 	<ul style="list-style-type: none"> Council Board Board member 	<ul style="list-style-type: none"> Promote collaboration among government, private sector, and local/community stakeholders to elevate greenhouse gas reduction efforts, foster sustainable growth, and strive towards net greenhouse gas emissions as outlined in the global community's aspirations. Foster and support various organizations in exploring possibilities, operational guidelines, and goal-setting at the organizational level. Encourage the development of activities and projects that enhance the increase in capturing, sequestration, reversal, capture, and storage of greenhouse gases. Strengthen the mutual benefits of sustainable development and generate added value through certification and exchange of carbon credits within the network. Cultivate platforms for knowledge exchange among organizations within the network to manage and enhance the capture, sequestration, reversal, capture, and storage of greenhouse gas emissions, aiming at organizational targets. Build awareness in managing and enhancing the capture, sequestration, reversal, capture, and storage of greenhouse gas emissions, working towards organizational goals. Advocate for public sector benefits, promotional measures, funding access, or various forms of support to incentivize participation in promoting greenhouse gas reduction efforts. Promote and advocate for network operations to be acknowledged, fostering international acceptance and recognition at various levels. <p>http://tcnn.tgo.or.th/index.php?lang=EN&mod=YldsemMybHZiZz09</p>

Crafting a Sustainable World with Evolving Greenovation

 <http://www.bangchak.co.th>

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