



Climate Action and Strategy

Thaioil Group has defined the Net Zero GHG Emissions Strategy, or the 3Cs Strategy, with the details as follows:

Strategy	Operational Approach	Progress 2025
<p>C1 Cut Down Existing Emission</p>	<p>Operational and Investment Approach before 2035, comprising 3 sub-strategies:</p> <ul style="list-style-type: none"> • Maintain Greenhouse Gas (GHG) Emission Intensity by controlling emissions from existing operational units that significantly contribute to GHG production. Key measures include: <ul style="list-style-type: none"> - Ensuring Zero Unplanned Shutdown - Controlling gas volumes directed to flare systems. - Maintaining and repairing machinery and equipment to ensure optimal efficiency. - Selecting low-emission fuels for use in production processes. • Reduce Greenhouse Gas Emissions through the implementation of energy efficiency improvement projects. • Implement an Internal Carbon Price (ICP) as a tool to assess the impact of carbon pricing on the financial viability of Thaioil Group's investment projects that result in an increase or decrease in GHG emissions. <p>Operational and Investment Approach after 2035</p> <ul style="list-style-type: none"> • Study, select, and drive projects to increase the appropriate proportion of clean and renewable energy usage within Thaioil Group. This includes initiatives for Carbon Capture, Utilization, and Storage (CCUS) technologies, as well as studying the related impacts when integrating CCUS technology into production units. • Review and implement the Net Zero Greenhouse Gas Emissions pathway to achieve the Net Zero emissions target. 	<ul style="list-style-type: none"> • Reviewed the operational and investments strategies aimed at reducing greenhouse gas emissions in the production process. • Implemented a total of 23 energy efficiency improvement projects. • Maintained greenhouse gas (GHG) emission intensity below the established target. • Sign two Memorandums of Understanding (MOU) with the PTT Group to conduct feasibility studies on the application of Carbon Capture, Utilization, and Storage (CCUS) technology and the business development and application of low-carbon hydrogen technology. • Collaborated with the PTT Group Net Zero Taskforce to drive net-zero emissions goals, including studying energy efficiency improvement methods and the feasibility of investing in renewable energy and carbon capture and storage technologies. • Studied, monitored, and participated in the public hearing processes for relevant laws, rules, regulations, and measures.
<p>C2 Compensate Residual Emission</p>	<p>Implementation through the "3Bs" Sub-strategies:</p> <ul style="list-style-type: none"> • Build Up New Carbon Credit: <ul style="list-style-type: none"> - Maintain seedlings in reforestation projects for carbon credit benefits in collaboration with the public sector, totaling 8,600 rai throughout the 10-year project duration. This effort is carried out alongside creating co-benefits for communities surrounding the project areas. - Seek investment opportunities to implement reforestation projects for carbon credit benefits in partnership with allies. • Bring and Utilize Carbon Credit <ul style="list-style-type: none"> - Study, monitor, and advocate for relevant laws, and regulations to ensure the cost-effective utilization of carbon credits. Currently, 1.675 million tons of carbon dioxide equivalent have been generated from the 239 MW Cogeneration Power Plant in Si Racha, Chonburi (operated by TOP SPP Co., Ltd.) and the Solar Rooftop project of Thai Oil Public Company Limited. - Utilize carbon credits from the 239 MW Cogeneration Power Plant in Si Racha, Chonburi (operated by TOP SPP Co., Ltd.) to offset residual greenhouse gas emissions from events, including supporting stakeholders' activities to ensure they are Carbon Neutral Events. • Buy Carbon Credit: <ul style="list-style-type: none"> - Study guidelines for purchasing carbon credits on the spot market from partners ready for delivery within the Company's required timeframe. - Study guidelines for entering into carbon credit forward purchase agreements with partners who have clear production plans and sufficient volumes to meet the Company's requirements. 	<ul style="list-style-type: none"> • Maintained seedlings for reforestation projects to generate carbon credit benefits in collaboration with the public sector, totaling 8,600 rai. Five local community enterprises residing around the project areas have been employed to plant and maintain the forests. This initiative generates income for approximately 500 community members, totaling 130 million THB throughout the project duration. Additionally, co-benefits are created for these community enterprises, such as providing training and establishing learning centers for seedling nurseries and acting as a coordinator for community enterprises to sell coffee beans to PTT Oil and Retail Business Public Company Limited (OR). These efforts support income distribution, promote local economies in remote areas, provide knowledge, and foster a sense of ownership and conservation of local forests. • Registered the "2025 Thaioil Sustainable Mangrove Reforestation Project" in Trang Province, in collaboration with the Department of Marine and Coastal Resources, as a Thailand Voluntary Emission Reduction Program (T-VER) under the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO). The project covers 300 rai of mangrove forest for carbon credit benefits, with an estimated carbon sequestration of 8,250 tons of carbon dioxide equivalent over the project duration. • Thaioil Group is now in the process of applying for T-VER registration for the "Thaioil Sustainable Reforestation Project" (Phase 1/2024 and Phase 1/2025) in Phrae Province, in collaboration with the Royal Forest Department. This project aims to restore and conserve forest resources and gain carbon credit benefits across 8,300 rai, with an estimated carbon sequestration of approximately 78,850 tons of carbon dioxide equivalent over the project duration. • Renewed and expanded the scope of the T-VER project for the Cogeneration Power Plant operated by TOP SPP Co., Ltd. in Si Racha, Chonburi, increasing the capacity from 239 MW to 354 MW. This expansion was completed in the fourth quarter of 2025. • Utilized existing carbon credits to offset residual greenhouse gas emissions from Thaioil Group's activities and the "2025 Annual Petroleum Outlook Forum" organized by the Petroleum Refinery Industry Club, the Federation of Thai Industries, achieving Carbon Neutral Event status. • In the process of developing carbon credit trading processes and an approval authority framework to ensure compliance with company regulations and government requirements.
<p>C3 Control Future Emission</p>	<ul style="list-style-type: none"> • Investment in Low-Carbon Businesses and New Energy: Seek investment opportunities in environmentally friendly low-carbon and new energy sectors. Key areas of interest include Sustainable Aviation Fuel (SAF) production, hydrogen and hydrogen derivatives, the application of Carbon Capture and Storage (CCS) technologies, and Small Modular Reactors (SMR). • Development of Green Products: Study and develop Thaioil Group's green products to be more environmentally friendly, with the objective of increasing the number of products receiving International Sustainability and Carbon Certification (ISCC). 	<ul style="list-style-type: none"> • Studied feasibility and sought investment opportunities in low-carbon businesses and new energy sectors in collaboration with business partners. • Conducted feasibility studies for technology development and execute investments through Corporate Venture Capital (CVC).