



Circular No. 120/2023

Thaioil and Subsidiaries' Biodiversity Statement

Biodiversity is defined in accordance with the definition by International Union for Conservation of Nature (IUCN), which means the variety of life: the diversity of all living organisms from the various ecosystems of the planet including terrestrial, marine, and other ecosystem. Such variety includes diversity within species, between species, and of ecosystems in which living organisms live.

Ecosystem services include the value and benefits that biodiversity provides to humans through supporting ecological processes; provisioning food and energy; regulating the environment through carbon and water cycles and providing cultural services and others which are important to human life in order to have overall wellbeing.

From the benefits and the importance of biodiversity, Thaioil and Subsidiaries are focusing on conducting the business with environmental and social responsibility which is the one of Thaioil and Subsidiaries' core values. We understand that our business may cause both positive and negative impact on the environment, including biodiversity and ecosystem service. Thaioil and Subsidiaries therefore attach great importance to the protection and reduction of environmental and ecological impacts, to maintain sustainable biodiversity including the forest area throughout the supply chain.

Thaioil and Subsidiaries are committed to integrating the consideration of environmental impact on the sensitive biodiversity including the forest area into business process to avoid and mitigate possible risks to support sustainability development of all aspects including economics, environment, and society.

Our Values

Thaioil and Subsidiaries are committed to protecting and preserving biodiversity values including forest areas, which are driven at the highest level of the corporate policy, the QSHE policy.

Fundamentally, our biodiversity statement aims to reduce environmental footprint by:

- Designing and managing our facilities to avoid and mitigate against adverse impacts on biodiversity values;
- Operating our facilities responsibly, especially in areas with sensitive biodiversity values;

- Operating business with consideration to minimize impacts on the environment, striving to achieve No Net Loss: NNL of biodiversity;
- Avoiding putting negative impacts on the net forest areas, striving to offset, restore or re-forest to compensate, where possible, in case of the forest areas¹ loss from our business operations to ensure striving to achieve No Net Deforestation.

Our biodiversity commitments cover our own operations and key stakeholders which are tier-1 suppliers and non-tier 1 suppliers

Our Performance

Thaioil and Subsidiaries' operation demonstrates its efforts and responsibility to protect and manage to maintain the biodiversity by executing practices as follows:

- Integrate biodiversity assessment and management through QSHE policy;
- Avoid operating in World Heritage areas as defined by UNESCO and protected areas (Category I-IV) as defined by the International Union for Conservation of Nature (IUCN), identify and minimize impacts in the areas;
- Manage biodiversity values in biodiversity sensitive areas or significant area nearby by complying with related standards, laws, and regulations;
- Follow operating practices/ procedures to avoid and minimize the loss of biodiversity;
- Ensure compliance with forest and biodiversity regulations and mandatory standards in group-wide level through all Thaioil and Subsidiaries.

Our Actions

- Apply Mitigation Hierarchy : avoid severe impacts, minimize impacts by improving operation process, restore and offset the loss of biodiversity as well as the forest area;
- Assess possible risks and impacts on biodiversity emerged from Thaioil and Subsidiaries operation/ activities;
- Develop biodiversity action plan, then implement, monitor, report outcomes, and continuously improve biodiversity plan for high-risk area;
- Seek the opportunities/ways to maintain positive impacts on biodiversity;

¹ Forest area is defined in accordance with the definition by Thailand's national forest policy 2019: http://forestinfo.forest.go.th/Content/file/policy/national_forest_policy.pdf

- Engage communities and key stakeholders including suppliers and partners to enhance the efficiency of biodiversity management and mitigate the risks of deforestation through collaboration, consultation, and participation in related operation as well as working with external partners to enhance the biodiversity values;
- Communicate our biodiversity-related activities to communities, employees and the public.

Performance Assessment

The effectiveness of biodiversity management and ecosystem services are assessed by:

- Measuring and monitoring the risk of Thairoil and Subsidiaries' business activities and operations on biodiversity and deforestation;
- Regularly monitoring biodiversity values;
- Regularly and efficiently audit our performances against our values and actions to ensure that we operate effectively and comply with the laws and regulations related to forest and biodiversity sensitive area.

Thairoil and Subsidiaries are determined to declare and execute as stated in this biodiversity statement.



(Professor Dr. Supot Teachavorasinskun)

Chairman of the Board

5 July 2023



(Mr. Bandhit Thamprajamchit)

Chief Executive Officer and President

5 July 2023