

ESG NEWSLETTER

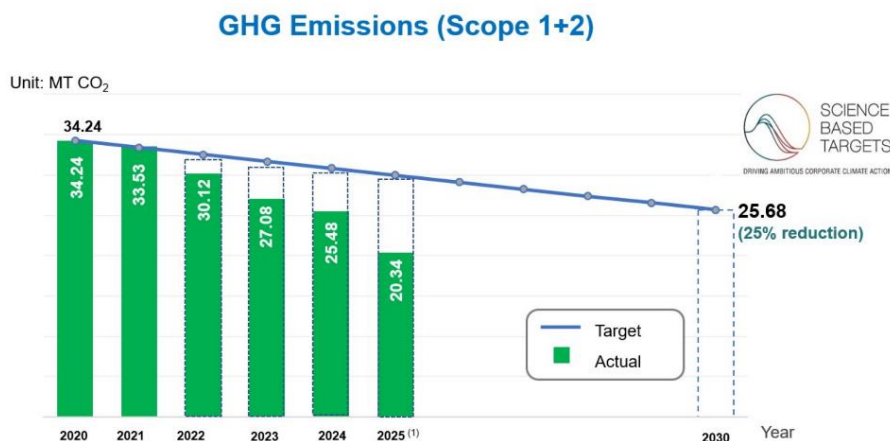


SCG Inclusive Green Growth

SCG is on track to reduce Greenhouse Gas emissions by 25% (Scope 1+2) by 2030 and achieve Net Zero by 2050. The company leverages the Marginal Abatement Cost Curve (MACC) to identify cost-effective decarbonization investments that simultaneously reduce emissions and generate financial returns. This is achieved through energy efficiency improvements, clean energy adoption, and low-carbon technology deployment. To accelerate Low Carbon transition, SCG engaged over 300 stakeholders at the ESG Symposium 2025 to accelerate Thailand's transition to a low-carbon economy. The symposium focused on three strategic pillars: energy transition acceleration, SME sustainability and competitiveness support, and climate resilience enhancement through cross-sector collaboration.

SCG 2050 Net Zero Roadmap and Progress

SCG GHG Scope 1+2 reduction is on track with SBTi targeting to achieving 25% reduction in 2030.



Note:

1) Q1-Q3/2025 is the actual of Jan-Aug and estimate Sep.



Energy Efficiency

By using the best available technologies with energy efficiency



Renewable Energy

By increasing the share of biomass renewable energy



Low Carbon Products

By innovating the products with circular economy principle and low carbon in value chain



CCUS

By networking with national and international to scale up carbon capture, utilization and storage (CCUS) technologies



Natural Climate Solution

By collaborating with communities and authorities to forestation and rehabilitation as carbon sink

Marginal Abatement Cost Curve (MACC)

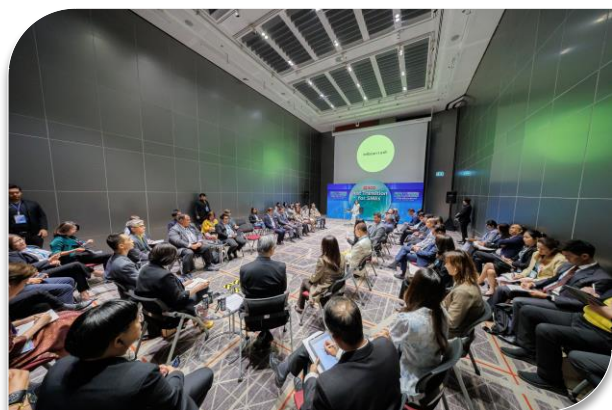
SCG leverages the Marginal Abatement Cost Curve (MACC) to categorize decarbonization projects into three priority groups — Do Now, To Decide, and Decide Later — guiding the selection of high-impact, cost-effective initiatives in energy efficiency, alternative fuels, renewable energy, and low-carbon products to maximize emissions reductions and cost savings.



A Just Transition to a low-carbon society demands collaborative action across all sectors — including government, business partners, SMEs, local communities, youth, and vulnerable groups. SCG is accelerating this transition through impactful, community-driven initiatives.

ESG Symposium 2025

The ESG Symposium is SCG's ongoing platform for cross-sector collaboration and action toward Thailand's sustainability transition. This year, under the theme "GREEN BREAKTHROUGH AMID THE PERFECT STORM – Accelerate with Green, Survive Together," the event brought together more than 300 leaders from government, business, civil society, and international organizations to share insights and experiences on strengthening Thailand's competitiveness amid rising geopolitical, climate, and trade pressures. This year's discussions highlighted two key national priorities: accelerating the energy transition and elevating SMEs toward sustainability and long-term competitiveness.



2. Elevating SMEs Toward Sustainability and Competitiveness

The initiative establishes a One Stop Service for SMEs to access capital, knowledge, and technology, supporting market entry. It also focuses on improving production efficiency using green and digital technologies, developing workforce skills, and creating an ecosystem linked to greenhouse gas reduction. These actions position SMEs as key drivers for Thailand's stable and sustainable economy.

1. Accelerate Energy Transition

The initiative seeks to Unlock, Restructure, and Establish a Comprehensive Free Energy System to accelerate energy transition. Key actions include liberalizing the market via TPA Code and Direct PPA, and restructuring to accommodate new technologies. The goal is supporting cost-effective clean energy and enhancing system flexibility against global volatility.



3. Accelerating Climate Resilience Through Innovation and Collaboration

Serious implementation of climate adaptation foundations through partnerships with networks, deployment of appropriate technologies, and study and adaptation of policy approaches from other countries to align with Thailand's context, all aimed at preparing for climate crisis response.