

Announcement No. 7/2023

Biodiversity Restoration and Conservation Policy

SCG Chemicals Public Company Limited is aware of the importance of responsible business operations in order to achieve sustainable development. Therefore, the company has established Biodiversity Restoration and Conservation Policy as a guideline, and committed to incorporating the consideration of impacts of biodiversity into business decision-making processes, including promoting the restoration and conservation of biodiversity Actions that create a Net Positive Impact (NPI) balance and No Net Loss (NNL) to biodiversity within manageable limits to eliminate the risk and/or mitigate risks that may have a negative impact on sensitive biological values.

The policy outlined herewith shall be applied to all production operations, business facilities, business partners in value chain: from designing, procuring, manufacturing, providing services and solutions, distribution and logistics, and management of waste and end of used products. This policy shall also be applied to suppliers, contractors and service providers both tier-1 and 2 suppliers and wholesalers other key business partners such as non-managed operations, joint venture partners, outsourcing partners, new project, modification project, due-diligence, mergers and acquisitions both Thailand and overseas as follows:

1. Commit to practice and operate with regard to biodiversity conservation: no net deforestation and no gross deforestation in areas that are important for national and international biodiversity, such as protected areas, reserved forest area, wetland site designated to be of international importance (Ramsar Wetlands), National Protected Areas, World Heritage Areas, and IUCN Category I-IV Protected Areas. etc.
2. Collaborate with national and international agencies and networks for conducting business to achieve the Sustainable Development Goals (SDGs) by establishing preventive measures and solutions for environmental and social impacts according to biodiversity management, including avoidance, minimization, rehabilitation & restoration, and offset.
3. Allocate budgets to support biodiversity restoration and conservation plans, both within and outside SCG Chemicals including the expansion of the project to increase green area in order to promote the habitats of plants and animals in both terrestrial and aquatic ecosystems.
4. Promote and support research and development with technology to increase efficiency of creating an ecological balance and preserving plant and animal species can be utilized sustainably.

5. Encourage the participation of employees, communities and key stakeholders to enhance the restoration and conservation of biodiversity by creating cooperation consulting and participation in related operations, and by integrating biodiversity into community development projects and motivating stakeholders from all sectors to contribute to the conserving and maintaining the balance of biodiversity ecosystems.
6. Evaluate and measure operational risks to biodiversity values along with monitoring the value of biodiversity regularly. Assess and monitor the status of biodiversity restoration and conservation within SCG Chemicals, business partners and relevant stakeholders. Also communicate operations and activities related to biodiversity to stakeholders and the public, including listen to opinions in order to set plan for the restoration and conservation of biodiversity.

To ensure that this Biodiversity Restoration and Conservation policy is a part of SCG Chemicals Public Company Limited's vision, and considered the responsibility of executives and employees at all levels to be good role, as well as, embedded in our organizational culture and put into action, all companies shall communicate and adapt the policy to suit their business operations.

This policy shall be effective July 1, 2023 onwards

Announced on June 30, 2023



(Mr. Tanawong Areeratchakul)

Chief Executive Officer and President

SCG Chemicals Public Company Limited