*Scoop*

**SCG addresses climate emergency,**

**paces with green innovation adhering to ESG’s sustainable stance**

The earth has undergone tremendous disruptions over the last two centuries. The world we once knew is gradually and alarmingly changed as humans exploit the environment yet inversing with leaping economic growth figures. The climate emergency is among the most crucial issue for humankind as everyone is affected. Often, economic activities come to a halt due to natural calamities or from factors relating to environmental destructions, all of which, are what we are observing at a growing trend each passing day.

United Kingdom NGO, Christian Aid, warns that rising sea levels from global warming, which will be most critical by 2045, may sink major cities, including Bangkok, if the issues are not tackled or not efficiently resolved. Moreover, the United Nations reported that for every 1 degree Celsius warmer, 100 million humans will die. Also, by 2050, the world’s population will breathe in 75% of below-standard air a day, which is the severest threat human will have ever encounter.

**Global warming, a major and urgent matter, calling public and private sectors to make a move.**

At the end of 2016, a worldwide climate emergency was declared to persuade every sector to collaborate and dedicatedly address the problem. By the end of 2020, 1,800 local governments in 33 countries jointly impelled the public and private sectors as well as the people to cooperate before time runs out. They operated in the mission to solve and restore global warming issues with tangible outcomes in line with the UN’s **Sustainable Development Goals (SDGs)**. Likewise, the Stock Exchange of Thailand encouraged good governance culture in its registered entities wherein they shall embrace transparency, execute good risk management skills, and adopt operations align with **the Environmental, Social, and Governance (ESG)** notion for sustainable development.

“**Climate change is an exigent issue that requires pressing and substantial addressing. SCG sets a more aspiring goal to reduce greenhouse gas. We are heading towards becoming an organization of net-zero emissions by 2050. This is to support the earth’s temperature control to not sore over 1.5 degrees Celsius according to the Paris Agreement**. We look to increase the proportion of biomass and renewable energy. We are thriving towards efficient energy consumption and **speeding R&D for products, services, and solutions that meet consumer needs whilst lowering greenhouse gas emissions throughout all businesses’ value chains**. We are utilizing the internal carbon pricing measures to assist in project investments that contribute to reducing greenhouse gas. Moreover, we are restoring forest areas via projects in both internal and external plant areas of 660 rai, all of which will help to absorb greenhouse gas and play a part in biodiversity”.**Tanawong Areeratchakul, Co-Chair** **of the Sustainable Development Committee and President of Chemicals Business, SCG,** shares SCG’s goal and determination to drive businesses towards the ESG concept, especially to fully address the climate emergency.

This is apparent from **the dedication to develop eco-friendly resins, campaign for end-to-end plastic waste management, and adopting technologies to promote recycling**. For instance, SCG has announced a collaboration to **develop and replace Unilever’s HDPE packaging bottles to recycled HDPE (rHDPE)**. As the first in Thailand, this project recycles post-consumer plastics into new containers, using **high-quality Post-Consumer Recycled Resin (PCR) under the SCG Green PolymerTM brand,** aiming for eco-conscious consumers. Moreover, the **Advanced Recycling Process** transforms post-consumer plastic into recycled feedstock for the petrochemical factories using state-of-the-art and eco-friendly operations. Once they can be reused for production, they contribute to alleviating the issue of over 2 million tons of accumulated plastic waste per year in Thailand. In early 2021, **Thailand’s first Advanced Recycling Process demonstration plant in Rayong province began construction**. It has a 4,000 tons per year production capacity with expanding trends in the future. This is the inclusive concept throughout the value chain in line with the “**Chemicals Business for Sustainability**” initiative which has adopted the SDGs and ESG concept as part of its operations. All of which has the circular economy strategy as the core driver for a sustainable chemical business goal.

In terms of **digital technology applications to reduce energy consumption and greenhouse gas emission**, Chemicals Business, SCG, utilizes its **manufacturing expertise coupled with AI supervisory to manage energy usage**. It helps to analyze the main factors in the complex and dynamic process to support the production team to always efficiently oversee opportunities to lessen energy consumption and greenhouse gas emission.

Additionally, the alteration from human’s existing way of energy consumption to using clean energy is another hand to aid the climate emergency. SCG champions **solar power by developing total innovative solutions in every aspect that even extends to installing solar panels on water**. The Chemicals Business, with expertise in plastic innovation, develops **the first-in-Thailand plastic buoy and installation system** for the **SCG** **Floating Solar Solutions**.This system turns solar power into electricity for use in both the industrial and agricultural sectors.They efficiently reduce the management cost, maximize the usage of water areas and provides business opportunities for clean energy. Meanwhile, the Cement-Building Materials Business, with expertise in solar roof systems, develops the **SCG Solar Roof Solutions** **for household roofs, buildings, and factories. These are solutions for homeowners or entrepreneurs who seek to decrease electricity costs**. These are among the innovations worth investing in while making great use of the abundant sunlight.

Likewise, the packaging business with **SCGP** is aware of the changing consumer behavior that has shifted to more online purchases with soaring demand for packaging and logistics. **They have developed the convenient-use, high-efficiency, and eco-friendly packaging called the** **R-1**. This is a flexible polymer packaging that consists of multi-layer mono materials. Each layer offers different functions such as printing, withstanding moisture, and durability. **They can be fully recycled and are accredited by the manufacturing sector for use as food-grade packaging and are accepted by various leading brands.**

Aside from the disruption from within the organization, SCG has begun the **Zero Burn project to purchase agricultural wastes such as paddy straw, sugarcane leaf, and corn cob. They are compressed into small and compact energy pellets** that can be transported in large amounts to become the energy source for cement kilns. **This project can lessen straw burning that is the cause of pollution, especially PM2.5**. Additionally, **this contributes to income for farmers** and helps to **raise their quality of life whilst tackling global warming** tangibly and immediately.

These are among SCG’s stories in the attempt to adapt and address the constantly challenging climate emergency. It hopes to be an inspiration for every sector to care for the world and drive businesses to a new era of the circular economy. It is now that we must find new ways to innovate for technologies that will gear us towards sustainable development goals and help maintain the earth’s balance together.

For more information on the green innovative product and services : <https://www.scg.com/climate-emergency>

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