*Press Release*

**SCG grips the ESG 4 Plus to untangle crises for a sustainable world,**

**accelerating clean energy, supplying eco-friendly innovation, easing social gaps, harnessing good governance**

**Bangkok : 8th December 2021 - SCG declares to forward operations alongside relieving global warming, mitigating resource scarcity, and easing social inequality. The ESG 4 Plus target is raised to “Set Net-Zero – Go Green – Reduce Inequality – Embrace Collaboration”. An estimated initial investment of 70 billion THB is injected to enhance the production process and propel low-carbon businesses to achieve the 20% reduction target of greenhouse gas emission by 2030. Moreover, deep technology is in place to accomplish net-zero emission by 2050 while the absorption of 5 million tons of CO2 shall be achieved by planting 3 million rai of forest plantation and building 130,000 check dam projects. Also, SCG is pushing eco-friendly innovation by two folds with solutions such as the SCG Green Choice, CPAC Green Solution, SCG Green Polymer, and recyclable-100% degradable packaging. To tackle inequality, SCG aims to create market-demanded jobs for 20,000 workforces while declaring partnership with various sectors, striving to hand over a better world to the next generation, all of which while harnessing good governance operations.**

**Mr. Roongrote Rangsiyopash, President and CEO, SCG**, discusses colossal crises of the world such as the **volatile climate** from the global temperature rising 1.2 degrees Celsius. **Global natural resources scarcity** fromtheincreasing 9.6 billion population and excess waste.And **expanded social inequality** by   
the COVID-19 with 205 million unemployment expected in 2022, intense inflation, and students risking exiting their education midway. SCG believes in the **Environmental, Social and Governance (ESG)** framework as the internationally acclaimed business operation standard. It aligns with the United Nations’ Sustainable Development Goals (SDGs) and the Bio-Circular-Green Economy (BCG Economy) model by the government.

Mr. Roongrote elaborates that “SCG adopts the sustainable development (SD) practice which is core for the operations with the responsibility for the society, community, and the environment. Today, SCG, entering its 109th year, **elevates the SD notion to the ESG-4 Plus with “1. Set Net-Zero, 2. Go Green,   
3. Reduce Inequality, 4. Embrace Collaboration, plus harnessing good governance”**

**Pathway 1: Set Net-Zero**

SCG is determined to achieve net-zero greenhouse gas emissions by 2050. This is implemented by **increasing low-carbon energy use such as the biomass from agricultural waste and RDF** in cement production, **using** **excess** **hot air energy from the production process and solar power, as well as investing in deep technology such as with electric vehicles (EV), AI supervisory for energy analytics, and Carbon Capture Utilization and Storage (CCUS)”.**

Additionally, plans are underway to **curb global warming by planting** 3 million rai of trees and 30,000 rai of mangroves to assist with 5 million tons of CO2 absorption, with expected expansion to the ASEAN countries. Moreover, there will be 130,000 check dam projects to restore the watershed forests and **expansion of the sustainable water management communities** to 50 provinces in Thailand.

**Pathway 2: Go Green**

**SCG is dedicated to eco-friendly innovation** so consumers can take part in easing greenhouse gas emissions and reducing resources consumption in line with the circular economy notion. The target is set to increase the proportion of the **SCG Green Choice** label products by two folds from 32% to 67% by 2030. Some products include the **SCG Hybrid structural cement** and **SCG Solar Roof Solutions**. In addition,   
**the SCG Cleanergy** **company** was established for services involving power solutions from renewable energy, both solar and wind power, for Thailand and abroad.

The **CPAC Green Solution** contributes by speeding construction and reducing construction waste while the **SCG Green Polymer**, an innovative eco-friendly polymer, optimizes resource usage under   
the circular economy guidelines. This answers to businesses and consumers who care for the environment. As for **SCGP’s packaging,** they provide fully recyclable, reusable, and degradable packaging in 2050.

In the Net-zero and Go green pathway, SCG has dedicated the initial investment of 70 billion THB to enhance the production process and develop low-carbon businesses to achieve the net-zero greenhouse gas emission target by 2030.

**Pathway 3: Reduce Inequality**

To mitigate social inequalities, SCG is helping to reskill and upskill the communities where we operate and SMEs to meet market demands. By 2025, projects will continue to reach 20,000 skilled workforces. Examples are training truck drivers by the **SCG Skills Development School** and developing home renovation handymen with **Q-Chang**. Other skills development programs include processing goods

and creating sales from e-commerce and offline channels under the **“strong communities” project**. Additionally, scholarships are granted to nurse assistants, dental assistants, and elderly’s caregivers, via the **Learn to Earn program by SCG Foundation**. Also, the agricultural groups are assisted by providing know-how on efficient agriculture via the **Kubota Smart Farming project**. Additionally, during the pandemic, SMEs are supported for sales on the NocNoc.com and Prompt Plus platform at no additional costs while wholesalers and main contractors are given credit via the Siam Siason platform.

**Pathway 4: Embrace Collaboration**

SCG is determined to drive ESG with collaborations at the national, ASEAN, and international level. Examples include projects with the **Thailand Post and Government Pharmaceutical Organization** in the “reBOX post” program to recycle paper boxes and joining with **PPP Plastic** for plastic waste to be recycled, setting a model for plastic waste management. There are also partnerships with **Unilever** to turn household plastic waste into high-quality recycled plastics for bottles. Additionally, SCG **joins with the** **Global Cement and Concrete Association (GCCA**) regarding the Recarbonation: CO2 sink that can reduce emission and capture greenhouse gas into the concrete of industrial cement. Recently, SCG, **together with the Ministry of Foreign Affairs, hosted the Green Meeting** at the **APEC 2022 and the** **ASEAN Summit.** This is   
the preparation for the **ESG Symposium** in Thailand, Vietnam, and Indonesia, a move to invite stakeholders in ASEAN to drive ESG together.

**Plus: Harnessing Good Governance**

SCG has continuously directed the organization towards the ESG 4 Plus concept with **good governance** as **operations remain to be fair, transparent, and accountable**. Moreover, we focus to convey the values to the employees, generations after generations, building on the corporate culture.

“SCG and our employees are part of this world. From now on, the ESG 4 Plus is the core mission that we strive to achieve, by integrating the knowledge, expertise, and experience, along with innovation and technology. This shall alleviate the crises and sustain the society, under the ESG umbrella. Nevertheless, SCG can not untangle the crises alone, we urge every sector to jointly care for a better world, to pass on to the next generations. Let’s begin together, for us, for a sustainable world.” Mr. Roongrote concludes.

For more information please visit <https://www.scg.com/esg/>