

CLIMATE STRATEGY

BAFS

TASK FORCE ON CLIMATE - RELATED
FINANCIAL DISCLOSURES (TCFD 2025)

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INTRODUCTION

Bangkok Aviation Fuel Services (BAFS) reaffirms our commitment to climate action and sustainability. Our 2025 Climate-Related Disclosure Report aligns with IFRS S1, S2, and TCFD recommendations, reflecting our focus on transparent, high-quality sustainability disclosures under the global baseline set by ISSB. We assess climate-related risks and opportunities through scenario analysis, shaping strategies that enhance resilience while creating long-term value. With net-zero emissions set as our goal by 2050, we continue to pursue medium- and long-term actions in line with the Paris Agreement and the 1.5°C ambition. In 2024, BAFS was recognized with the Climate Action Leading Organization (CALO) award, earning two gold-level distinctions. This recognition reinforces our determination to reduce GHG emissions, strengthen climate governance, and embed sustainability across all aspects of our operations.

Bangkok Aviation Fuel Services; BAFS



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As we navigate a rapidly changing world, our focus on safety, quality, and sustainability remains unwavering. With Net Zero GHG Emissions by 2050 as our goal, we are making tangible progress transitioning to electric vehicles and advancing Sustainable Aviation Fuel (SAF) initiatives in Thailand. Moving forward, we will continue to innovate, empower our people, and work closely with our communities to build long-term resilience. I encourage all of us to embrace our shared responsibility in shaping a future that benefits people, planet, and performance. Thank you for walking this path with us. Together, we are building a cleaner, stronger, and more sustainable tomorrow.

- M.L. NATHASIT DISKUL; President -

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"Effective governance guides BAFS in addressing climate risks & opportunities with resilience and foresight."

"Through transparency and collaboration, we strengthen resilience & drive sustainable growth for the future."



GOVERNANCE

"SHAPING RESILIENT GOVERNANCE FOR A CLIMATE-READY FUTURE."

ORGANIZATION CHART

At BAFS, climate governance is embedded at the highest levels of decision-making, ensuring that environmental and sustainability considerations are fully integrated into strategy, investments, and operations. The Board of Directors, together with dedicated committees and working groups, provides a structured oversight framework that aligns the company's climate actions with long-term business objectives, regulatory expectations, and stakeholder priorities. This governance structure ensures accountability, transparency, and proactive management of climate-related risks and opportunities across the organization.



OVERSIGHT AND ACCOUNTABILITY FRAMEWORK

BOARD OF DIRECTORS

Provides strategic direction, upholds ethical business practices, and ensures climate change responses and risk considerations are integrated into governance. Balances the interests of all stakeholders to create long - term, sustainable value.

THE CORPORATE SUSTAINABILITY COMMITTEE (CSC)

Defines the group's sustainability framework, including climate policies, targets, and management systems. Oversees the BG-Net Zero Task Force, ensuring alignment with the company's 2050 net-zero commitment. Reports sustainability & climate performance to the Board.

RISK MANAGEMENT COMMITTEE (RMC)

Approves risk management policies and supervises the identification, assessment, and mitigation of material risks, including climate - related risks classified as corporate-level priorities. Coordinates with the Audit Committee for quarterly reviews, reporting findings to the Board.

RISK SUPERVISION WORKING GROUP (RWG)

Implements the COSO ERM Framework across the group. Evaluates climate risks and opportunities at both corporate and functional levels, incorporating ESG factors into enterprise risk management. Provides quarterly reports to the RMC to maintain transparency and the accountability.

SUSTAINABILITY WORKING GROUP (SWG)

Drives climate initiatives in line with the group's sustainability strategy. Ensures environmental impacts are considered in all projects and monitors progress toward climate objectives. Oversees the BG-Net Zero initiative and issues quarterly progress updates.

BG-NET ZERO EMISSION TASK FORCE (BG-NET ZERO)

Leads implementation of the BAFS Group Net Zero Master Plan (2025-2050) to achieve net-zero GHG emissions by 2050. Reviews carbon reduction targets and baselines to align with business growth and updates action plans as needed. Reports progress to the SWG.

STRATEGY AND SUSTAINABILITY DEPARTMENT

Integrates climate and sustainability priorities into corporate strategy. Develops & implements climate action plans, ensuring ESG alignment across all operations. Supports resilience building and value creation through proactive climate risk management.

CLIMATE STRATEGY DIVISION

Develops the company's Climate Plan, conducts scenario analysis, and monitors regulatory changes related to climate. Identifies risks and opportunities arising from global climate trends & ensures timely adaptation in business strategies.

"BAFS is committed to a net-zero future by 2050, guided by climate science, market trends, and stakeholder expectations."

"By assessing risks and opportunities, we build resilience, guide investments, and ensure transparency in climate"



STRATEGY

"ACCELERATING RESILIENT GROWTH WITH CLIMATE READY STRATEGIES"

RISK PRIORITIZATION MATRIX: TRANSITION

LIKELIHOOD	Very High (5)	L	M	H	H	H
	High (4)	L	M	M	H	H
	Medium (3)	L	M	SAF	M	H
	Low (2)	L	L	M	M	M
	Very Low (1)	L	L	L	L	L
		Very Low (1)	Low (2)	Medium (3)	High (4)	Very High (5)
OPPORTUNITY						


TRANSITION OPPORTUNITY

SAF Transition Opportunity

The global aviation industry is shifting toward Sustainable Aviation Fuel (SAF) to reduce greenhouse gas emissions and meet decarbonization targets. BAFS is well - positioned to play a central role by leveraging its expertise in fuel storage, handling, & supply chain management. By facilitating SAF adoption in Thailand and Southeast Asia, BAFS helps airlines meet climate commitments while expanding its services and capturing new opportunities. Investment in SAF readiness aligns with BAFS’s Road to Net Zero Master Plan, strengthens resilience, and enhances its leadership in the low - carbon aviation market, supporting both strategic growth and broader regional and global sustainability goals.

CLIMATE - RELATED RISKS AND OPPORTUNITIES DRIVER





"We integrate climate risks and opportunities into our Group-wide risk framework, enhancing our ability to adapt and safeguard long-term resilience."

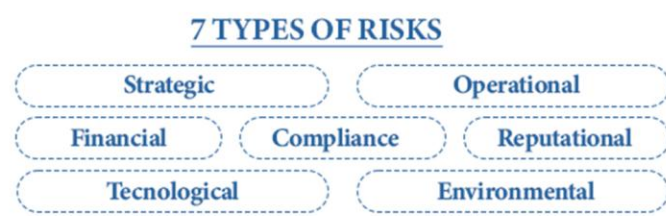
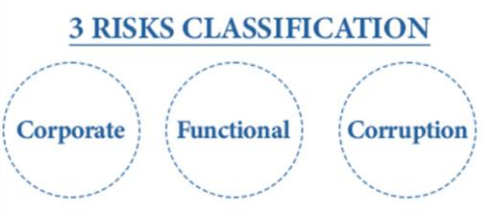
RISK MANAGEMENT

"EMBEDDING CLIMATE RESILIENCE INTO OUR RISK MANAGEMENT FRAMEWORK"



BAFS ENTERPRISE RISK MANAGEMENT

- 1. The Risk Management Committee (RMC) oversees corporate risk management for BAFS Group.
- 2. The RMC supervises the management of corruption risk, human rights risk, and other risks related to good corporate governance, business ethics, and the anti-corruption policy.
- 3. The RMC reviews SWOT analysis results to ensure Group strategies align with the approved Risk Appetite and Risk Tolerance.
- 4. The Risk Working Group (RWG) drives the Group’s risk management processes, evaluates risks and opportunities, and provides recommendations on corporate and functional risks. RWG also presents corporate risk assessments to the RMC.
- 5. RWG monitors performance to keep risks at acceptable levels, promotes IT integration in risk management, and ensures personnel have access to critical risk-related information.
- 6. Risk Appetite and Risk Tolerance must receive RMC approval prior to implementation.
- 7. Employees who identify risks especially those conflicting with governance principles, business ethics, or anti-corruption policies, must promptly report them to their supervisor for appropriate action.



GUIDELINES FOR ACTION ON CLIMATE RISKS AND OPPORTUNITIES

“The Guidelines for Action serve as a structured framework to translate the Company’s risk and opportunity assessments into concrete initiatives. They specify key priorities, responsible business units, and implementation timelines to ensure accountability and measurable progress. By linking strategic objectives with operational practices, the guidelines facilitate effective risk mitigation, enable the capture of emerging opportunities, and strengthen resilience across the value chain. This structured approach also supports compliance with regulatory expectations and enhances transparency in communicating the Company’s climate response to stakeholders.”

Risk Score	Threat/Opportunity Level	Acceptance	Action Plan or Mitigation Approach
-15 to -25	High Threat (H)	Unacceptable	The identified risk level is unacceptable. Finding ways to reduce the risk level must be the first priority.
-6 to -12	Medium Threat (M)	ALARP	Take action to reduce the risk level to an acceptable level, following the ALARP principle (As Low As Reasonably Practicable), especially when further action would incur costs or expenses disproportionate to the benefits gained.
-1 to -5	Low Threat (L)	Appettable	The risk is at a low level or already within ALARP. Maintain continuous monitoring and response mechanisms, with a process for regular review.
1 to 5	Low Opportunity (L)	N/A	There is an opportunity for business development or operational improvement, but results have not yet materialized or are minimal. Monitor continuously in case the opportunity grows in the future.
6 to 12	Medium Opportunity (M)	N/A	There is an opportunity for business development or operational improvement, with minor outcomes. Action can be taken within the next 1–2 years.
15 to 25	High Opportunity (H)	N/A	There is an opportunity for business development or operational improvement, with tangible long-term outcomes. Action can be taken immediately or within the next year.



LIKELIHOOD ASSESSMENT

LIKELIHOOD	Definition of Likelihood Threat / Opportunity
Very High (5)	<ul style="list-style-type: none">– Likely to occur more than once per year– Probability of occurrence in the assessment year >80%+ If it occurs, it will present an opportunity for business development or immediate operational improvement
High (4)	<ul style="list-style-type: none">– Likely to occur once per year– Probability of occurrence in the assessment year >60–80%+ If it occurs, it will present an opportunity for business development or operational improvement within 1 year
Medium (3)	<ul style="list-style-type: none">– Likely to occur once within a 2-year period– Probability of occurrence in the assessment year >40–60%+ If it occurs, it will present an opportunity for business development or operational improvement within 2 years
Low (2)	<ul style="list-style-type: none">– Likely to occur once within a 3-year period– Probability of occurrence in the assessment year >20–40%+ If it occurs, it will present an opportunity for business development or operational improvement within 3 years
Very Low (1)	<ul style="list-style-type: none">– Has never occurred / Likely to occur once in more than 3 years– Probability of occurrence in the assessment year ≤20%+ If it occurs, it will present an opportunity for business development or operational improvement beyond 3 years



IMPACT ASSESSMENT

IMPACT	Financial (5% of BAFS Group's estimated total revenue) Threat (-) / Opportunity (+)	Cash Flow Threat (-)	Operational (Based on disruption hours at airports as defined in the BCMS framework) Threat (-) / Opportunity (+)
Very High (5)	- Financial loss \geq 5% of BAFS Group's estimated total revenue + Generates revenue, cost savings, or cost reduction \geq 5% of BAFS Group's estimated total revenue	- Inability to maintain sufficient cash flow to cover operating expenses including interest for \geq 60 days	- Causes a complete disruption of core business operations or results in airport disruption lasting \geq 48 consecutive hours + Streamlines operational processes, improving agility across the entire BAFS Group
High (4)	- Financial loss \geq 3.75% to $<$ 5% of estimated total revenue + Generates revenue, cost savings, or cost reduction \geq 3.75% to $<$ 5% of estimated total revenue	- Inability to maintain sufficient cash flow to cover operating expenses including interest for \geq 43 to $<$ 60 days	- Disrupts 1–2 core business activities or results in airport disruption lasting \geq 24 to $<$ 48 consecutive hours + Streamlines processes in one company and improves operational agility in more than one company
Medium (3)	- Financial loss \geq 2.5% to $<$ 3.75% of estimated total revenue + Generates revenue, cost savings, or cost reduction \geq 2.5% to $<$ 3.75% of estimated total revenue	Inability to maintain sufficient cash flow to cover operating expenses including interest for \geq 25 to $<$ 43 days	- Disrupts one core business activity or results in airport disruption lasting \geq 12 to $<$ 24 consecutive hours + Streamlines processes within a single company
Low (2)	- Financial loss \geq 1.25% to $<$ 2.5% of estimated total revenue + Generates revenue, cost savings, or cost reduction \geq 1.25% to $<$ 2.5% of estimated total revenue	- Inability to maintain sufficient cash flow to cover operating expenses including interest for \geq 7- $<$ 25 days	- Minor disruption in core business activity or results in airport disruption lasting \geq 4 to $<$ 12 consecutive hours + Streamlines processes in certain departments within a company
Very Low (1)	- Financial loss $<$ 1.25% of estimated total revenue + Generates revenue, cost savings, or cost reduction $<$ 1.25% of estimated total revenue	- Inability to maintain sufficient cash flow to cover operating expenses including interest for 0 - $<$ 7 days	- No impact on core business activities or airport disruption lasts no more than 4 hours + No operational impact

IMPACT	Risk of Harm to People Threat (-) / Opportunity (+)	Environmental Threat (-) / Opportunity (+)	Customer or Stakeholder Satisfaction Threat (-) / Opportunity (+)
Very High (5)	<ul style="list-style-type: none"> – Fatality – Serious injury resulting in ≥4 consecutive days off work + Completely eliminates work-related injuries 	<ul style="list-style-type: none"> – Causes significant pollution and/or environmental damage both within and beyond company premises + Significantly reduces pollution and/or helps preserve the environment both within and beyond company premises 	<ul style="list-style-type: none"> – Customer or stakeholder dissatisfaction with formal complaints received; resolution takes more than 1 month + Received written commendations from more than one customer or stakeholder
High (4)	<ul style="list-style-type: none"> – Serious injury resulting in 2–3 consecutive days off work + Partially reduces work-related injuries 	<ul style="list-style-type: none"> – Causes pollution and leads to environmental changes both within and beyond company premises + Reduces pollution and helps preserve the environment both within and beyond company premises 	<ul style="list-style-type: none"> – Customer or stakeholder dissatisfaction with formal complaints received; resolution takes less than 1 month + Received a written commendation from one customer or stakeholder
Medium (3)	<ul style="list-style-type: none"> – Serious injury resulting in 1 day off work + Slight reduction in work-related injuries 	<ul style="list-style-type: none"> – Causes pollution and leads to environmental changes within company premises + Reduces pollution and helps mitigate environmental damage within company premises 	<ul style="list-style-type: none"> – Customer or stakeholder dissatisfaction with informal complaints received; resolved within 2 weeks + Received verbal praise from more than one customer or stakeholder
Low (2)	<ul style="list-style-type: none"> – Minor injury (first aid only), with temporary inability to work + N/A 	<ul style="list-style-type: none"> – Causes moderate pollution within company premises + Reduces pollution at the worksite 	<ul style="list-style-type: none"> – Customer or stakeholder dissatisfaction with informal complaints received; resolved within 1 week + Received verbal praise from one customer or stakeholder
Very Low (1)	<ul style="list-style-type: none"> – Minor injury (first aid only), able to resume work immediately + N/A 	<ul style="list-style-type: none"> – Minor leakage or pollutant release requiring reporting or notification to management, but with no environmental impact + N/A 	<ul style="list-style-type: none"> – Customer or stakeholder dissatisfaction with informal complaints received; resolved immediately + N/A

IMPACT	Passenger Rights Protection (Reference: Ministry of Transport Notification on the Protection of Passenger Rights for Domestic Scheduled Flights in Thailand, B.E. 2553 (2010)) Threat (-) / Opportunity (+)	Human Resources Threat (-) / Opportunity (+)
Very High (5)	– Causes flight delays of more than 6 hours + Uninterrupted service enhances competitive advantage	– Severe ethical impact or significant employee dissatisfaction that disrupts business operations, leads to mass resignations, and damages the organization's reputation + Promotes ethical conduct and results in high employee satisfaction and strong employee engagement across all levels
High (4)	– Causes flight delays of more than 4 hours but not exceeding 6 hours + N/A	– Serious ethical issues or employee dissatisfaction that disrupt business operations and cause more than 5 resignations + Promotes ethical conduct and results in high satisfaction and strong employee engagement in certain employee segments
Medium (3)	– Causes flight delays of more than 2 hours but not exceeding 4 hours + N/A	– Ethical concerns or employee dissatisfaction that lead to declining performance and ongoing departmental transfers or resignations + Promotes ethical conduct and results in moderate satisfaction and employee engagement in certain groups
Low (2)	– Causes flight delays of up to 2 hours + N/A	– Ethical concerns or employee dissatisfaction that lead to short-term declines in performance and temporary transfers or resignations + Promotes ethical conduct and results in minor satisfaction without leading to notable employee engagement
Very Low (1)	– No flight delay caused + N/A	– Ethical concerns or employee dissatisfaction that cause temporary declines in performance but are manageable + Promotes ethical conduct with no significant effect on overall employee satisfaction

IMPACT	Governance (Laws, regulations, requirements, rules, conditions, and contractual obligations) Threat (-) / Opportunity (+)	Corruption Threat (-)
Very High (5)	<ul style="list-style-type: none"> - Violation of governance requirements with immediate impacts on other areas + Employees at all levels willingly comply with governance requirements 	The company is fined, prosecuted, sued for damages, or has its license revoked due to corruption
High (4)	<ul style="list-style-type: none"> - Violation of governance requirements with impacts on other areas within 1 month + Some employees willingly comply with governance requirements 	A corruption complaint is filed with a government agency and the company is investigated, resulting in reputational or operational impact
Medium (3)	<ul style="list-style-type: none"> - Violation of governance requirements with impacts on other areas after 1–2 months + Some employees comply with governance requirements as an obligation, without impact on satisfaction 	The company receives a corruption complaint that impacts the organization, but the issue can be resolved within 30 days
Low (2)	<ul style="list-style-type: none"> - Violation of governance requirements with impacts on other areas after more than 2 months + Some employees comply with governance requirements as an obligation but with dissatisfaction 	The company is affected by an unintentional violation of anti-corruption policy/guidelines, with resolution possible within 10 days
Very Low (1)	<ul style="list-style-type: none"> - Violation of governance requirements with no impact on other areas + N/A 	The company is not affected by an unintentional violation of anti-corruption policy/guidelines, and the issue can be resolved immediately

"We aim to cut Scope 1-3 emissions 20% by 2030,
60% by 2040, and reach Net Zero by 2050 under
BAFS 'ZERO' for sustainable growth."



METRICS AND TARGET

"COMMITTED TO CLIMATE ACTION: 20% EMISSIONS REDUCTION BY 2030, NET ZERO BY 2050"

WHERE THESE THREE GHG 3 scopes come from ?



SCOPE 1

DIRECT



Fuel
consumption



Liquefied
Petroleum Gas



CO2 FIRE
extinguisher



Waste water
treatment CH₄



Refrigerant
R-134a

SCOPE 2

INDIRECT



Indirect emissions from the generation of purchased energy.

SCOPE 3

OTHER INDIRECT



Paper



Water Usage



Diesel



Gasoline



Ship oil



Gasoline (Stationary
Mobile Combustion)



Electricity



General waste



Internal bus



Oversea air travel
(short & long haul)



Domestic
flight



Employee
Commuting

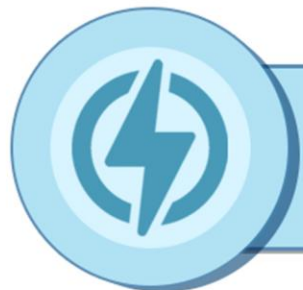
METRIC AND TARGETS

In 2025, the Company reports on greenhouse gas emissions across Scopes 1, 2, and 3, reflecting performance against established reduction targets. The disclosure underscores our alignment with international climate frameworks and our long-term ambition to achieve net zero by 2050. Emission data is presented to demonstrate progress, enhance transparency, and support informed decision-making for stakeholders.



2,172

Emissions arose from fuel use, refrigerant leakage, wastewater treatment, and SF₆ from equipment, representing the Company's direct operational footprint.



2,595

Scope 2 emissions were generated from purchased electricity consumed across all facilities, reflecting a key area for energy efficiency and decarbonization

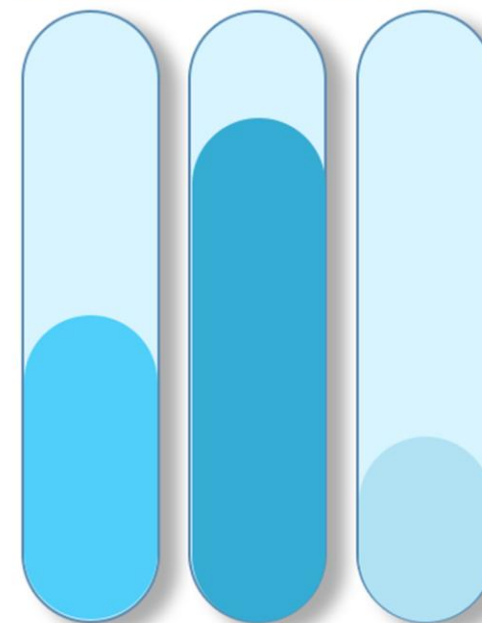


2,010

Scope 3 emissions arose across the value chain, including purchased goods and services, fuel - and energy-related activities, transportation,

6,777

GHG Emissions (2024): BAFS reported greenhouse gas emissions of 6,777 tonCO₂eq in 2024.



SCOPE 1

SCOPE 2

SCOPE 3



NET ZERO STRATEGY

2030 - 2050

“At BAFS, achieving Net Zero by 2050 is more than a commitment, it is our pathway to a resilient, sustainable future. Guided by science, innovation, and collaboration, we are transforming our operations and investments to cut emissions, unlock clean energy opportunities, and create long-term value for all stakeholders.”



BAFS GROUP
NET ZERO

20%

SHORT - TERM

Reduce Scope 1, 2, and 3 Greenhouse Gas Emissions by 2030 (Short-term target)

2024
NEW BASE YEAR



- T-VER Solar Cell Rooftop Project at DMK & BKK Office Building
- EV Hydrant Dispenser and EV Internal Bus in all BAFS's areas.
- Mae Pha Luang Forest

60%

MEDIUM - TERM

Reduce Scope 1, 2, and 3 Greenhouse Gas Emissions by 2040 (Mid-term target)



2030
SHORT - TERM GOAL



- EV Hydrant Dispenser
- The amount of electricity consumption will decrease by 40%.
- The amount of water consumption will decrease by 10%

NET ZERO

LONG - TERM

Achieve Net Zero Emissions by 2050 (Long-term target)



2040
MEDIUM - TERM GOAL

- 100% Renewable Energy



- BAFS targets net - zero emissions by 2050 through sustainable practices & clean energy.

2050
ACHIEVING NET ZERO

“Building a resilient future”

responsible operations, climate - aware decisions, and
a commitment to Net Zero in 2050.

