

BPP Accelerates Decarbonization in China, Driving New Growth in Carbon Trading and Steam Pipeline Expansion

With Annual Revenue Potential of Over THB 1 Billion upon Project Completion

- BPP leverages its power generation business to enter carbon trading, driving sustainable energy transition and growth under its decarbonization strategy.
- In H1/2025, BPP's power plants in China generated approximately RMB 19 million (around THB 100 million) in revenue from the sale of Carbon Emission Allowances (CEAs)^[1]. The company is also adopting biomass co-firing innovation to enhance its potential for generating CEAs in the future.
- BPP is expanding the Zouping power plant's steam pipeline to serve the industrial sector, reduce CO₂ emissions, and improve air quality. Upon completion of all three lines (North, West, and East), the project is expected to contribute over RMB 240 million (around THB 1.1 billion) in annual revenue.

Banpu Power Public Company Limited (BPP), an international energy producer company, continues to move beyond power generation by creating new value across the energy value chain, anchored by its commitment to “Pioneering Energy, Empowering Tomorrow.” With over two decades of experience in China, BPP operates three combined heat and power (CHP) plants in Zhengding, Zouping, and Luannan, as well as the large-scale Shanxi Lu Guang (SLG) power plant. By emphasizing High Efficiency, Low Emissions (HELE) operations, the company maintains carbon emissions below regulatory thresholds and unlocks opportunities in **the carbon trading market** by monetizing surplus carbon emission allowances (CEAs). The company also integrates biomass co-firing innovation to further reduce CO₂ emissions and capture additional revenue from future CEAs. In parallel, BPP is **expanding the steam pipeline network at its Zouping power plant** to support China's carbon neutrality target by 2060, while strengthening the resilience of its business portfolio and building sustainable long-term revenue.

Mr. Issara Niropas, CEO of Banpu Power PCL (BPP), said, “Beyond producing and delivering reliable, high-quality energy, a key part of our mission is to drive the sustainable energy transition by reducing environmental impact while strengthening energy security. We leverage the strengths of our existing assets, innovation and operational expertise to create both environmental and economic value through decarbonization-focused projects such as the implementation of biomass co-firing and the expansion of steam pipelines for industrial customers. These efforts

reflect our unwavering commitment to decarbonization strategy across every market in which we operate and form the foundation of BPP's long-term sustainable growth.”

In the first half of 2025, BPP sold CEAs approximately 258,800 tCO₂e from its three CHP plants, generating RMB 19 million (around THB 100 million) in revenue. The biomass co-firing project at the Zhengding power plant began commercial operation (COD) using a 10% biomass blend with conventional fuel. This initiative is expected to reduce CO₂ emissions by about 70,000 tons a year and unlock additional CEAs revenue moving forward. The company targets total CEAs sales of 290,000 tCO₂e for the full year 2025, while preparations for biomass co-firing are ongoing at the Zouping and Luannan power plants. Construction of the North Line of the steam pipeline at Zouping power plant began in July, with expansion plans underway for the West and East Lines to serve industrial customers. This project plays a crucial role in replacing low-efficiency, high-emission steam sources, helping improve local air quality and enabling governments to balance environmental protection with economic development. Upon completion of all three lines, the system will have an annual steam capacity of 720,000 tons and is expected to generate over RMB 240 million (around THB 1.1 billion) in additional annual revenue.

“This expansion in China underscores BPP's strong commitment to enabling a tangible and sustainable energy transition, while building a robust new business model. In addition to our projects in China, we further advanced our decarbonization strategy globally. This includes our investment in a Carbon Capture and Storage (CCS) project, called Cotton Cove, in Texas, in the U.S., which is expected to start its commercial operation in the first half of 2026, with an average sequestration rate of approximately 32,000 metric tons of CO₂e per year.” Mr. Issara Niropas added.

Learn more about BPP's business at www.banpupower.com

^[1] CEAs (Carbon Emission Allowances) refer to the emission rights allocated to companies to emit a certain amount of carbon dioxide. Companies emitting less than their allowances can sell the surplus in the carbon market. Those that exceed their limits must purchase additional allowances from others.

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About BPP

Banpu Power PCL (BPP), an international energy producer company, balances its portfolio across thermal power and “Renewables+ business,” which includes renewable energy and other related businesses, in eight strategic markets: Thailand, Lao PDR, China, Japan, Vietnam, Indonesia, Australia, and the United States. Operating under the concept “Pioneering Energy, Empowering Tomorrow,” BPP is



committed to powering a better tomorrow with reliable energy. For nearly three decades, BPP has been a forefront of delivering reliable, high-quality energy that meets global standards, by integrating advanced technologies with decarbonization efforts and strong corporate governance. BPP also actively supports local communities and aligning its operations with environmental goals in every country where it operates.

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