

“รายงานพันธบัตรเพื่ออนุรักษ์สิ่งแวดล้อม ปี 2569”

ข้อมูล ณ 31 สิงหาคม 2569

GREEN BOND REPORT 2026

Data as of 31 August 2026

Green Bond

The Green Bond of the Bank for Agriculture and Agricultural Cooperatives (BAAC) is a financial instrument that aims to support the bank's strategies in terms of integrated development on potential organizations and communities towards a sustainable foundation economy. Its strategic objective is to enhance the quality of life and environmental friendliness. In order to achieve this objective, the BAAC has established two environmental conservation credit projects, namely, the Go Green: Forest Credit and the Green Credit projects. In the 2020 fiscal year, the BAAC issued Green Bonds totaling 6,000 million Baht with the purpose to fund the Green Credit projects and support the work plan previously mentioned.

Green Bond Framework

The Green Bond framework of the BAAC has been reviewed externally and subjected to pre-issuance assurance by Ernst & Young LLP Singapore, which is an independent international audit organization. The review concludes that the BAAC's Green Bond issuance process in the 2020 fiscal year aligns with the ASEAN Green Bond Standards (October 2018) and the International Capital Market Association Green Bond Principles (July 2018).

Green Bond Portfolio

In August 2020, the BAAC issued two tranches of Green Bonds totaling 6,000 million Baht with the support of the British Embassy Bangkok under the ASEAN Low Carbon Energy Programme in providing an external reviewer (Ernst & Young LLP Singapore) to review both of the pre-issuance and the post-issuance of the bonds, as well as the support from the Public Debt Management Office (PDMO) under the Ministry of Finance in the bidding process of underwriters. As a result, the success of the aforementioned issuance made BAAC achieve to become the first Specialized Financial Institution (SFI) in Thailand that issues green bonds under the Security and Exchange Commission's (SEC) criteria for green bond filing and issuance. The details of the bonds are as follows:

Bond Issuance Date	Maturity Date	ThaiBMA Symbol	ISIN	Currency	Coupon (p.a.)	Principal Amount (million THB)
19 August 2020	19 August 2025	BAAC258A	TH0651035808	THB	1.76	4,500
19 August 2020	19 August 2030	BAAC308A	TH065103A808	THB	2.76	1,500

Environmental Conservation Credit Projects (Eligible Green Projects)

The proceeds raised through Green Bond will be used exclusively to finance and/or refinance the eligible credit projects for environmental conservation as follows:

Project Name	**Go Green: Forest Credit Project by Green Bonds**
Project Category	Forestry Category
Environmental Conservation Type:	Environmentally sustainable management of living natural resources and land use.
Principle and Rationale:	1. In a meeting of BAAC board of directors no. 3/2563 on 15 February 2020 approved for the BAAC to establish the Go Green: Forest Credit project to support the national strategies on promoting the sustainability of national biodiversity, environmental quality and natural resources and the bank's strategic plan toward becoming a sustainable bank while providing bank clients with a secure income and improved quality of life by matching funds with the Green Bond. 2. According to the BAAC board of directors' meeting minutes no. 11/2568 dated 4 July 2025, The board approved an extension of the project period. The project commenced since the board of directors' approval on 4 July 2025, and the loan must be approved by 31 March 2030 under the credit limit of 5,000 million Baht.
Project Purposes	1. To provide working and/or investment capital for the cultivation of economically valuable tree and create a model for forestation according to project specifications. 2. To provide working and/or investment capital in the support of the cultivation of economically valuable such as the cultivation of saplings and/or seedlings for sale. 3. To create a source for greenhouse gas sequestration in order to achieve environmental balance by increasing the number of trees capable of absorbing carbon dioxide. 4. To restore or increase the cultivation areas of economically-valuable trees for producing sufficient quantities of wood for utilization in the country. 5. To support policies for eradicating inequality and forest encroachment and to make greater agricultural use of empty plots of land.
Source(s) of Capital:	1. Bank capital sources. 2. Green Bond proceeds.
Project Duration	Loan disbursement from 1 April 2020 to 31 March 2030.
Project Target	1. 20,000 million Baht total lending. (1 April 2020 to 31 March 2025) 2. 5,000 million Baht total lending. (4 July 2025 to 31 March 2030)
Cumulative disbursement from Green Bond Proceeds as of 31 August 2026 :	292.29 million Baht.
Environmental Impacts (Number of New Trees)	1,036,170 trees.

Amount of Carbon Dioxide Sequestered[1/] (CO_2e)	50,191.38 tons of carbon dioxide equivalents.
Production Area:	13,130.97 rai.
Project Name	**Green Credit Project by Green Bonds**
Project Category	Environmental Conservation Category (Forestry Excluded)
Environmental Conservation Type:	1. Environmentally sustainable management of living natural resources and land use. 2. Renewable energy. 3. Pollution prevention and control. 4. Sustainable water and wastewater management.
Principle and Rationale:	1. With the current changes in the lifestyles of the people with a consumer trend in favor of consumption of products that are safe for health and that are environmentally friendly, it became necessary for farmers to develop production processes with quality in line with international standards while reducing the use of chemicals to generate sufficient income to cover living expenses, thus making it necessary to adjust production and product consumption models to be consistent with the aforementioned guidelines. 2. The BAAC board of directors had approved to extend the period of credit project to 31 March 2030 according to the meeting minutes no. 12/2568 dated 29 July 2025.
Project Purposes	1. To promote the production of organic or safe foods (food safety). 2. To promote the use of alternative, renewable or clean energy. 3. To promote natural resources and environmental conservation. 4. To develop the capabilities of the agricultural sector to enhance them for competition while immunizing the agricultural sector in favor of sustainable self-reliance. 5. To meet the needs of consumers who prioritize health and hygiene care while returning value to society to achieve stability, prosperity and sustainability.
Source(s) of Capital:	1. Bank capital sources. 2. Green Bond proceeds.
Project Duration	Loan disbursement from 1 January 2018 to 31 March 2030.
Project Target	35,000 million Baht total lending.
Cumulative disbursement from Green Bond Proceeds as of 31 August 2026 :	18,112.48 million Baht.
Environmental Impacts	
Objective 1	**Production of organic or safe foods (food safety).**
Project Indicator (Production Volume)	1,044,555.68 tons.
Project Indicator (Production Area)	180,190.40 rai.

Objective 2	**Use of alternative / renewable / clean energy.**
Project Indicator (Amount of Electricity Generated)	4,945.40 MW.
Project Indicator (Number of Facilities/ Factories/ Projects/Work Plans)	1,908 facilities/factories/projects/work plans.
Objective 3	**Natural resource and environmental conservation.**
Project Indicator (Number of Facilities/Factories, Projects/Work Plans)	603 facilities/factories/projects/work plans.
Project Indicator (Production Area)	13,056.65 rai.

Allocation of the Green Bond Proceeds

Data as of 31 August 2026

Credit Fund	Allocation of the Proceeds[1/] (million THB)	Cumulative Lending Amount[2/]			Outstanding Balance			Available Proceeds[3/]	
		No. of Loan Contracts	Amount (million THB)	(%)	No. of Loan Contracts	Amount (million THB)	(%)	(million THB)	(%)
1. Go Green: Forest Credit Project	400.00	1,237	292.29	73.07	520	128.56	32.14	271.44	67.86
2. Green Credit Project									
2.1 Production of organic or safe food products.	4,400.00	7,038	15,801.99	359.14	1,815	2,099.50	47.72	2,300.50	52.28
2.2 Use of alternative / renewable / clean energy.	650.00	1,918	817.13	125.71	860	166.76	25.66	483.24	74.34
2.3 Natural resource and environmental conservation.	550.00	1,168	1,493.36	271.52	240	172.55	31.37	377.45	68.63
Total	**6,000.00**	**11,361**	**18,404.77**	**306.75**	**3,435**	**2,567.37**	**42.79**	**3,432.63**	**57.21**

Remarks: [1/] The total green bond proceeds of 6,000 million Baht, of which 4,500 million Baht has matured and 1,500 million Baht remains outstanding. The allocation of the green bond proceeds may be adjusted as appropriate to the situation and future loan disbursement. According to the board of directors' meeting minutes no. 12/2568 dated 29 July 2025, BAAC can use the bank's fund for lending the 2 eligible credit projects while waiting the green bond issuance process.

[2/] The performance of green bond proceeds disbursement has excluded the clients who are not in line with the bank's criteria.

[3/] The available green bond proceeds (if any) is held in cash, cash-equivalent transactions and money market investment.

Environmental Benefits

Data as of 31 August 2026

Credit Project	Project Environmental Impact Performance[2/]						
	Accumulated Project Credit Disbursement (million THB)	Production Area (rai)	No. of Trees	Carbon Sequestration (tons of carbon equivalents)[1/]	Production Volume (tons)	Amount of Electricity Generated (MW)	No. of Production Plots/Facilities/ Factories
1. Go Green: Forest Credit Project	292.29	13,130.97	1,036,170	50,191.38	-	-	-
2. Green Credit Project							
2.1 Production of organic or safe food products.	15,801.99	180,190.40	-	-	1,044,555.68	-	-
2.2 Use of alternative / renewable / clean energy.	817.13	27,093.29	-	-	-	4,945.40	1,908
2.3 Natural resource and environmental conservation.	1,493.36	13,056.65	-	-	-	-	603
Total	**18,404.77**	**233,471.31**	**1,036,170**	**50,191.38**	**1,044,555.68**	**4,945.40**	**2,511**

Remarks: [1/] CO2e Sequestration Formula (T-VER Project by the Thai Greenhouse Gas Management Organization): Carbon Sequestration Amount (Carbon Dioxide Tons-Equivalent) = Number of Trees x Number of Years of Operation (from the year of planting) x 9.5 Kilocarbon Dioxide x 10^{-3}

[2/] The performance of green bond proceeds disbursement has excluded the clients who are not in line with the bank's criteria.

Appendix

[1/] Carbon Sequestration

Carbon sequestration capabilities depend on the growth rate of trees, by which environmental factors influence the growth of trees. If the trees are planted in a suitable area, the trees will grow and be able to sequester a large number of greenhouse gases. The estimates of greenhouse gas sequestration by trees as compiled from related research under the assumption that "trees grow at the same rate each year" are summarized in the following table:

Table of Carbon Sequestration in the Overall Biomass by Tree Type/Category					
Tree Type/Category	**Area Potential**	**Carbon Sequestration**			
		(1)	**(2)**	**(3)**	**(4)**
Teak	High	0.59	3.67	2.16	13.44
	Medium	0.47	2.94	1.72	10.77
	Low	0.37	2.32	1.36	8.49
Eucalyptus	High	1.66	10.37	6.09	38.03
	Medium	1.30	8.13	4.77	29.82
	Low	0.86	5.38	3.15	19.73
Acacia Mangium	High	1.66	10.39	6.09	38.09
	Medium	1.20	7.54	4.40	27.64
	Low	1.09	6.82	4.00	25.00
Acacia Auriculiformis	High	1.20	8.64	4.40	31.68
	Medium	0.95	5.92	3.48	21.71
	Low	0.62	3.91	2.27	14.32
Leucaena Leucocephala	High	1.77	11.32	6.49	41.51
	Medium	1.31	8.40	4.80	30.82
	Low	0.21	1.37	0.77	5.02
Rhizophora Mucronata	Not specified	0.75	4.71	2.75	17.25
Natural rubber	Not specified	1.15	7.20	4.22	26.39
Oil palm	Not specified	0.68	4.28	2.49	15.69
Forest trees (slow-growing trees)	Not specified	0.26	1.61	0.95	5.91
Edible fence trees	Not specified	0.40	2.50	1.47	9.17
Roadside trees	Not specified	0.33	2.05	1.21	7.52

Remarks: (1) Unit in tons of carbon/rai/year.
(2) Unit in tons of carbon/hectare/year.
(3) Unit in tons of carbon/rai/year.
(4) Unit in tons of carbon/hectare/year.
Sequestration calculated from tree-planting density of 100 trees/rai.

The amount of greenhouse gas sequestration can be calculated from the relationship of the total growth and height of trees by using an equation developed by researchers called an "allometric equation". The result from the equation represents the biomass of trees.

The biomass of trees calculated can be used to estimate the amount of carbon in the trees by multiplying with the "carbon content" of the trees and converting the unit to "tons of carbon dioxide equivalents per year", which is the unit used to represent the amount of greenhouse gas.

The Thailand Greenhouse Gas Management Organization (Public Organization) or TGO is the primary agency with responsibilities in the promotion and support for activities aimed at reducing greenhouse gas emissions and has created a tool for evaluating carbon sequestration above ground and underground by trees in the project areas. It can be used in projects requiring greenhouse gas sequestration estimates for forestry-related projects and/or projects requiring carbon sequestration estimates for trees planted or growing naturally inside project areas. The latest version of the calculation tool can be downloaded at Link : Standard T-VER Calculation Tool

The BAAC has established credit projects that use proceeds from Green Bonds in the forestry category named the "Go Green: Forest Credit" project and has created a project performance report on environmental impacts, whereby the amount of carbon sequestered has been specified to be calculated by using the carbon sequestration formula according to the standards for the voluntary greenhouse gas emission reduction program (T-VER) of the TGO **in Item 4, Option 1** of the T-VER-S-TOOL-01-01 Version 02 Calculation for Carbon Sequestration in tree (No. 2).

Calculation Formula

Amount of Carbon Sequestration (tons of carbon dioxide equivalents)
= Number of Trees x Number of Years of Operation x 9.5 Kilos of Carbon Dioxide x 10^{-3}

References

1. Estimation of carbon stocks and change in carbon stocks of trees and shrubs in A/R CDM project activities (AR-TOOL14 Version 04.2)
2. 2006 IPCC Guidelines for National Greenhouse Gas Inventories: Volume 4 Agriculture, Forestry and Other Land Use
3. 2019 IPCC Guidelines for National Greenhouse Gas Inventories: Volume 4 Agriculture, Forestry and Other Land Use
4. A/R Methodology Tool “Calculation of the number of sample plots for measurements within A/R CDM project activities”
5. Handbook on Plant Species Potential for Promotion under the Forestry-Sector Clean Development Mechanism (CDM) Project, TGO.
6. Reference Manual for Voluntary Greenhouse Gas Reduction Project Development under Thailand’s Standards: Forestry and Agriculture Sector, TGO.

Reporting

The BAAC will report the allocation of Green Bond Proceeds and report the impact on the environment from the implementation of the credit projects every year, until the maturity of the bond.



ธนาคารพัฒนาชนบทที่ยั่งยืน