

Highlight

Highlights of OR's Sustainability Management and Activities in 2023



Governance
Risk and
Compliance



Innovation and
Technology for All



Community
Development and
Social Collaboration



Climate Action

Highlight

Governance Risk and Compliance



Driving Business

Governance, Risk Management and Compliance (GRC) is an important tool to drive the business while strengthening the foundation for the business to operate steadily and sustainably. OR recognizes that good governance and systematic supervision are essential to mitigate financial and reputational negative impacts to the business. Therefore, OR places great emphasis on an effective GRC management structure. OR's business operations consist of various units including Mobility, Lifestyle, Global, and Innovation businesses. As a result, OR has established a management structures covering all 3 issues (GRC issues). This is to prepare for changes that may occur in the future, and to supervise operations in accordance with the law and build confidence in business operations for all groups of stakeholders.





Opportunities and Challenges

Good management in Governance, Risk Management and Compliance (GRC) is the key to response various stakeholder's expectations and also promoting the transparency of business operation. Today's business operation is more challenging, in term of market competition, crises, and transitions. GRC is, therefore, considered an important tool for OR's business management by ensure that business operations can reduce the risk from non-compliance cases and efficient in risk management.

Operating Strategy

The key initiatives for GRC issues such as establishing the committees whose oversee the GRC management such as Corporate Governance Department, Compliance Alliance committee, Enterprise Risk management committee etc. In addition, there are the Good Corporate Governance policy, Risk Management, Compliance of Laws and Regulations, Anti-Fraud and Corruption as well as whistleblowing regarding corruption and the Company's regulations compliance. In addition, OR strives for the integration of Environmental Social and Governance (ESG) concept into business conduct and operations, aiming to enable the Board of Directors, the Management, and employees to comply with as a guideline to support the Company with Good Corporate Governance, excellent management, business ethics, transparency and verifiability.

In addition, OR has established Executive KPIs (CEO KPIs) on issues related to governance, risk and compliance, via Leadership KPIs, with details of related indicator as follows:

The ability to lead the company is recognized and is the best practice of Thailand's leading organizations in operating with GRC considerations (10%).

BUSINESS ETHICS



Long-tern Target

1

Zero non-compliance

2023 Targets

Case of fraud or intentional non-compliance with law is zero (0) by 2023

Targets and Performances

Number of reported complaints

Number of complaints under ongoing investigation in the year reported

The number of case where wrongdoing was found

	2020	2021	2022	2023
Number of reported complaints	15	14	18	13
Number of complaints under ongoing investigation in the year reported	3	1	1	1
The number of case where wrongdoing was found	3	1	1	2

หมายเหตุ:

1. Information for the year 2020 is from OR's Internal Audit Department. Information for the year 2022 is from the Corporate Governance Department.
2. From OR's continued operations to support good corporate governance throughout 2023, it was found that OR's business operations had no cases of law violations. As a result, there are no incidents or fines arising from operations that violate laws in economic, social, and environmental aspects.

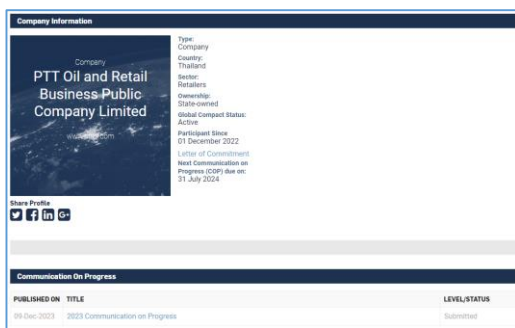




Projects and Outstanding Achievements

Governance

- OR becomes a member of UNGC (United Nations Global Compact Membership) from December 1st, 2022. This makes OR operates in accordance with the 10 principles of UNGC. More details of the Declaration of Intent for Participation can be found in the United Nations Global Compact Communication on Progress (CoP) 2023.
- Excellent CG Scoring in Corporate Governance: The Corporate Governance Report of Thai Listed Companies 2023 (CGR) survey considers four areas: right of shareholders and equitable treatment of shareholders, the role of stakeholders and business development for sustainability disclosure, transparency, and responsibilities of the board, from the Thai Institute of Directors Association (IOD) and the Stock Exchange of Thailand (SET).



(The Declaration of Intent for Participation.)



(Excellence CG Scoring)





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Risk Management

OR defines and emphasizes that all employees adhere to operational guidelines that consider governance, risk, and compliance (GRC). The risk management manual is published throughout the organization on a website accessible to all employees, as well as training sessions are held during the year to make employees aware of the importance of risk management processes and internal control, and to increase knowledge and understanding of risk management and internal control for executives and employees to apply to their operations effectively.

- OR encouraged directors, senior executives, and executives appointed as directors of OR Group and employees attended GRC-related training courses of the Thai Institute of Directors Association (IOD) such as Advanced Audit Committee 2Program (AAPC), Risk Management Program for Corporate Leaders (RCL), Ethical Leadership (ELP), Anti-Corruption in Practice (ACPG), Corruption Risk & Control, and Good Corporate Governance (CG) E-learning
- Training sessions are held during the year to make employees aware of the importance of risk management processes and internal control, and to increase knowledge and understanding of risk management and internal control for executives and employees to apply to their operations effectively.
- Risk Management training is provided for employees across all departments and units to apply in developing Business Unit Risk, Project Risk, analyzing Business Unit Risk, and creating Workflow Process and Process Control Plan.
- Risk Management and Internal Control training is also organized for executives or employees undertaking Secondment roles in companies within the OR group. This includes top executives within the organization, CFOs, Company Director, and members of the Overseas Pool, all of whom undergo the Company Management Program.





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Risk Management

Course	Subject	Outcome
Risk Management and Internal Control (Orientation)	New Employees (175 Persons)	The new employees have knowledge and understanding in risk management and internal control as a foundation for their work.
Risk Management	Employees across all departments and units. (53 Persons)	Employees have gained a deeper understanding of risk management.
Risk Management and Internal Control (Company Management Program)	Executives or employees who are on secondment to companies within the OR group, serving as top executives of the organization, CFOs, company directors, or part of the overseas pool. (32 Persons)	Executives and Employees have gained a deeper understanding of risk management.





โครงการและผลการดำเนินงานที่โดดเด่น

Compliance

1. The Corporate Legal Department was established as a separate entity from the Legal Department in 2023 to provide legal services related to corporate law to OR and OR group. Additionally, it serves as a central hub for regulatory compliance, collecting regulations, assessing risks, supporting various departments in adhering to guidelines, and monitoring, auditing, and reporting to top executives and relevant committees. Moreover, it is responsible for strategic planning and budget management of OR's legal department to align with business strategies effectively and maximize organizational benefits.
2. In July 2023, the Thai Private Sector Collective Action against Corruption (CAC) committee passed a resolution to officially support OR's membership. This is OR's first application for certification.



CAC Certificate Awarding Ceremony on December 7, 2023

Highlight

Innovation and Technology for ALL



Driving the Business

In an era where technology plays a crucial role in driving business, competition as well as growth opportunities are emerging rapidly and exponentially. Various businesses are developing and applying appropriate innovations and technologies to drive their operations to reduce procedures, time, and costs, while also improving opportunities for growth.

For this reason OR has been placing importance on developing innovation and technology that considers society and the environment along with sustainable business operations. This is by ensuring the efficient application of innovations and determining new business operational process along with introducing products that meet the ultimate needs of consumers to conform with the “OR SDG” operational guidelines, making up of:



S: Small

Opportunities for the “small people” through business operations that are carried out in parallel with the improvement to the quality of life as well as the well-being of the community..



D: Diversified

Opportunities for all manners of growth through OR’s capability to become a platform for the distribution of diverse and comprehensive business opportunities with the readiness to grow together..



G: Green

Opportunities for a clean society through the promotion of all types of OR to be Green businesses so as to promote a sustainable low-carbon society..

Goals involving innovation and technology are included with OR corporate goals that are specified in the corporate performance indicators (Corporate KPI) as well as being included in the Chief Executive Officer’s KPI (CEO KPI) with details of the KPI including:



Digital Driven Organization (via Digital Platform and Digital Infrastructure)



New Business Investment

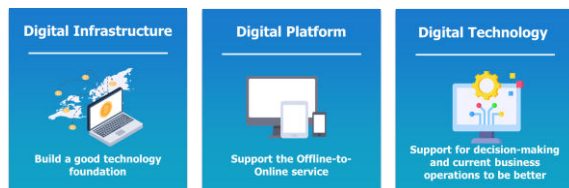


Opportunities and Challenges

Innovation and new technology emerging (Disruptive Technology) and changing consumer and stakeholder behavior play an important role in stimulating every business to adapt and create innovations to meet the needs of stakeholders. It benefits all groups to receive comfort. There are a variety of products and services. In addition, consumers are increasingly paying attention to the value of products and services. Therefore, if a business is unadaptable to this change It may affect the financial status in the future and become a risk in business operations.

Operational Strategy

OR is committed to being a Digital Driven Organization by offering digital competency training courses to employees to promote their development in this area in terms of mindset, knowledge, and skills. Also, in place are plans for various Digital Transformation operations such as constructing and improving Digital Infrastructure for business operations, the development of the Digital Platform to support Online-to-Offline (O2O) services, the use of Digital Technology to support decision-making and to improve current business operations, etc.



OR also explores opportunities, motivates, and accelerates the creation of New Business Investments that utilizes emerging innovations and new technologies, as well as creating prototypes of commercial innovations to test responses of customers as to their needs, to solve social, community and environmental problems, before expanding into new businesses. In addition OR invests in the form of Corporate Venture Capital (CVC), both through venture capital funds and direct investments in startups, with the objective of leveraging OR's access to various technologies and innovations that can be applied to support businesses in the current OR ecosystem or to further develop new businesses for OR in the future. This is in tandem with generating financial returns from investment at a level that allows OR's CVC investment portfolios to maintain revolving funds for financial self-sustainability.





Long-Term Targets

1 Number of consumers whose uses OR's Digital Platform 14 million users within 2030

2 The proportion of merchants using OR's Digital Platform or Digital Solution is 100% by 2030 (compared to the target in 2030)

2024 Targets

Increase the number of consumers who use OR's Digital Platform to reach 0.8 million users

Proportion of merchant using the OR's Digital Platform or Digital Solution is 11.7%

Outstanding Projects and Performances in 2023

xplORe Application – OR's core digital platform

Digital to Revenue is one of OR's key strategies. The xplORe application has been developed as OR's core digital platform to centralize and deliver a seamless customer experience, response to the needs of modern consumers and to pass on the O2O (online-to-offline) transactions – from the online platform to stores of OR's group and partners in the offline world, such as PTT Stations, Fit Auto, Café Amazon, Jiffy, Ohkajhu, etc. OR officially launched the xplORe application in August 2023, first with basic features and integration many OR applications tasked with delivering related experiences on xplORe such as Blue Card, Blue CONNECT, etc. and also plans to constantly develop additional features to attract interest of the platform, including further developing the potential of the existing basic features to achieve higher capabilities. Currently, xplORe is focused on responding the needs of customers in travel-related businesses and food & beverage businesses, as these are the business groups in which OR has expertise. In the future, the scope of services will be further expanded to cover OR's target industry sectors, such as lifestyle, tourism, health, and beauty businesses, etc. In addition, xplORe has set a plan to focus on Data Monetization to jointly drive the Digital to Revenue strategy in OR's big picture to achieve all the goals.

Main features of xplORe

- Deals: Special discount coupons from OR-branded stores and partners
- Passes: Tickets for various activities and entertainment events
- Reservations: Reservations for concert tickets and restaurants from partners
- Searches: Search for PTT Stations along with information on current oil prices
- Missions: Participate in a variety of activities and chances to receive points or special prizes
- Wallet: Electronic wallet with which to make payments at OR-affiliated stores and partner stores that supports payment in Thai QR format
- Rewards: Collect Blue Card points and use them to exchange for special privileges at leading stores, transfer points, win prizes, redeem points to participate in activities or redeem for a wide array of prizes



Results and Benefits of the Project

- 1. Increase customer convenience and create a better OR engagement experience
- 2. Increase the volume of purchases via xplORe that are delivered to OR’s offline stores
- 3. More new customers who subscribe to xplORe, and make payments on both the xplORe platform and at OR’s offline stores
- 4. Leverage a new income generating channel for OR

Key Performance Indicators

1

Number of consumers whose uses Digital Platform (Accumulate)

Performance				2023 Targets	OR 2030 Goals
2020	2021	2022	2023		
N/A*	N/A*	N/A	0.54 million users	8 million users	14 million users

*Start to launch the official application in 2023. Therefore, there is no the performance in 2020-2022



xplORe Application Grand Opening Event





ORZON Ventures is a venture capital fund established in cooperation between OR and “500 Global” with the objective of seeking investment opportunities in startup companies in the field of Mobility & Lifestyle with potentials both in Thailand and ASEAN countries to allow OR access to various technologies and innovations that can be used to support businesses within the current OR ecosystem, or to further develop into new businesses for OR in the future. The other intention is to help build up and promote startup businesses through support from OR with the aim that the partnerships and the development of new businesses would help support the overall entrepreneurial endeavors and the country to grow together sustainably.

This fund employs the “500 Global” team with expertise in startups as fund managers. For additional details on ORZON Ventures, visit <https://www.orzon.ventures/>

In 2023, ORZON Ventures has invested in additional startup businesses, namely:

Asia Pallet Express – APX is a modern transportation platform specializing in LTL (less-than-truckload) services. APX aims to build a connected road transport network in Thailand and the ASEAN region to increase transportation efficiency, reduce CO2 emissions and to reduce the number of trucks on the road in the long term. For additional details, read more at



SLEEK EV – Sleek EV is a leading Thai-Singaporean brand in the production of electric motorcycles that possesses a sustainable business model with affordable product prices under the “Sustainability Must Be Affordable” concept. SLEEK EV has a goal to accelerate the transition to electric vehicles in Southeast Asia, while motorcycles are considered to be vehicles that are easily accessible to consumers that can easily be converted to electricity energy. This will help to speed up the use of EVs to become more universal in Thailand.

For additional details, read more at [Link](#)

- https://www.pttor.com/th/news_detail/ORZON-Ventures-ประกาศลงทุนใน-SLEEK-EV-ตั้งเป้า-ขยายการผลิต-ขับเคลื่อนวงการมอเตอร์ไซด์ไฟฟ้าสู่ระดับภูมิภาค
- [OR จับมือ SLEEK EV ศึกษาโอกาสทางธุรกิจในรถจักรยานยนต์ไฟฟ้า พร้อมพัฒนาความร่วมมือการใช้งานยนต์ไฟฟ้า ตอบโจทย์สังคม สิ่งแวดล้อม \(pttor.com\)](#)





In 2023, OR, National Health Security Office (NHSO), and Clicknic jointly inaugurated the “Orb Orm Clinic” prototype project as a nursing and midwifery clinic in a PTT Station. This is to answer the concept of providing a new form of medical services in combination with the provision of “telemedicine” to further enhance health care services and to increase the accessibility to basic health care in the country. The first “Orb Orm Clinic” was open for service in the PTT Service Station, Nong Khaem Branch, Bangkok.

OR aspires to apply innovation and technology in the development of the country’s public health infrastructure by leveraging the strength of the PTT Station network with locations covering the entire country to raise the level of health care services. This project is also in line with OR’s strategy to expand the scope of the lifestyle business group to businesses related to health & wellness, focusing on serving holders of government-issued Gold Cards which form a large proportion of the country’s population. The program will enable Gold Card holders to be able to receive primary health care services, such as treatments of minor ailments through integrated omni-channel format, combining offline and online systems, with the cooperation of NHSO in overseeing disbursement claims and linking the disbursement information of treatment of Gold Card patients. A team of qualified doctors are also on standby to provide efficient consultations and services to patients via remote Telemedicine & Health Care platform effectively.

The project is a prototype for commercial innovation to test the responses to customer needs while helping to solve social, community, and environmental problems. It is consistent with OR’s business direction that are aimed at creating value and focused on taking care of the people, communities, and society, while also being consistent with OR’s vision of “Empowering All toward Inclusive Growth”. The aspiration is to improve the quality of life and to ensure strong and sustainable growth.

For additional details, please go to [Link](#)



“Orb Orm Clinic” Grand Opening



Facebook page:

โอบอ้อม คลินิกการพยาบาลและการผดุงครรภ์



line:

@clicknic

Highlight

Community Development and Social Collaboration



Driving the Business

For OR, society and communities constitute an important stakeholder group that OR takes seriously in regard to participatory social and community development as reflected in the organization's vision to fulfill the opportunity for shared growth. This commitment is one of the important pillars in OR's SDG strategy under the "S – Small" pillar, which is to create opportunities for the small people through business conduct along with improving the quality of life of people in the community.

In order to drive the implementation of social and community development in a concrete and efficient manner, OR has established corporate performance indicators (corporate KPIs) that measure participatory social and community development performance which is also included as one of the indicators in the Executive KPI, with details as follow:

- Raise the quality of life and build thriving communities (4%)
- Create growth and distribute wealth to stakeholders (4%)

For more information on Social and Community Development strategies, see "Community and Social Development" ([Please Click](#))





Challenges and Opportunities

If OR is unable to maintain the social license to operate, the Company may face challenges in the operation of its businesses, such as possible protests by communities around its operating areas, leading to business disruption, as well as challenges in attracting new employees, customers, and investors



Strategy

OR drives social project implementation with the CSR approach towards CSV by integrating the social and community development factor into corporate vision and strategy. This is to create projects that have a positive concurrent impact on society and business, such as the “Café Amazon for Chance” project, which sources coffee beans from communities, and “Thai Det” project with the focus on achieving goals according to the OR SDG. OR has implemented a system to survey opinions and expectations of communities and society, in order to design projects with an emphasis on cooperation between the company and the community, and the effective utilization of the company’s resources, such as financial, or the expertise of the OR employees, to achieve the highest social score results. In addition, concrete measures have been taken to evaluate good operating practices that should be further expanded, including improvements that should be leveraged.

See additional information in the “Participatory Community and Social Development” [\[Please Click\]](#)

Long-Term Targets

1 Living Community – Number of communities surrounding OR business operations that have had their quality of life improved, both within the business areas and around the business areas

2 Brand Strength – Brand Health Check score for stakeholders in the social and community group

3 Number of Café Amazon for Chance branches

Indicator				
2020	2021	2022	2023	
N/A	12,228	14,441	15,017	
*communities				
57.4 Point	71.5 Point	57.1 Point	57.1 Point	
12	15	60	279	
*branches				

Long-Term Target

>17,000 communities, or 13 million people within 2030

Score should be 70 or above by 2030

500 branches within 2026



Projects and Outstanding Achievements

OR is committed to driving projects for society that address the needs and concerns of stakeholders, implementing initiatives that provide equal opportunity for all to participate. Two exemplary social projects undertaken by OR, which were used as case studies in 2023, are the Community Coffee Sourcing (CCS) Project and the Thai Det project. The target groups include community enterprises and farmers with commercially viable local products. OR plays a significant role in strengthening community enterprises in various dimensions, such as increasing product value, marketing, raising product standards, and conducting socially and environmentally responsible business practices. These two projects have been active since 2017 (CCS) and 2018 (Thaidet), providing over five years of impact assessment data. Therefore, to illustrate the outcomes and impacts of OR's social projects, a social return on investment (SROI) assessment is necessary to evaluate changes in economic, social, and environmental dimensions in monetary terms. This assessment was conducted by consultants from Thammasat University Research and Consultancy Institute. Results for both case study projects are described below.

Community Coffee Sourcing Project (CCS)

About the project:

The Community Coffee Sourcing (CCS) project commenced in September 2017, with the signing of a memorandum of understanding (MOU) between Sarn Palang Social Enterprise Limited and farmer cooperatives on trade of parchment coffee from cultivation and production methods that support environmental conservation. The MOU sets out OR's commitment to purchase coffee from farmers to use in coffee production at OR's café Amazon stores. Participating farmers get to access additional benefits and various training courses tailored to their needs, covering coffee cultivation, maintenance, harvesting, and processing. Apart from enhancing the local farmers' capabilities in coffee cultivation and sales, the CCS Project also provided an important alternative source of coffee beans for Café Amazon's business. Currently, CCS project coffee beans constitute 10-15% of all coffee beans used by Café Amazon stores.

Presently, the CCS Project has 330 participants from 19 farmer groups, covering approximately 1,114 rais of coffee cultivation land. An estimated 400 Ton of coffee have been supplied to the Company. The social and environmental impacts and returns on investment from the CCS project indicate a net present value (NPV) of 60 million Baht and a social return on investment (SROI) index of 1.48. Considering only the business aspect, the economic impact, represented by NPV or net benefit, amounts to 26 Baht, with a return on investment (ROI) index of 1.21. This assessment demonstrates that OR's investment in the CCS project has yielded significant social and environmental benefits.





Outputs:

- 19 farmer groups generated income by selling coffee to Sarn Palang Social Enterprise Limited.
- 896 farmers were trained on cultivation, maintenance, harvesting, and processing of coffee beans, through 12 training courses that were conducted 26 times.

Outputs:

- Coffee farmers have a stable market for their produce as a result of the MOU for coffee seed procurement between Sarn Palang Social Enterprise Limited and farmer groups, ensuring stable market access and income stability. Over the years, participating farmer groups have earned a total project income of 163 million baht.
- Community enterprises gained market bargaining power. The Baan Samsong Coffee Producers have gained a 30% bargaining power for outside market, allowing them to sell coffee to middlemen at higher prices than those offered by Sarn Palang Social Enterprise Limited, at 15 baht per kilogram.
- Household expenses have been reduced through coffee cultivation alongside forest and fruit tree planting, enabling farmers to decrease expenditure on purchasing vegetables and fruits for consumption.
- Return migration to the community has occurred due to improved quality of life among farmer groups, leading to individuals returning to their communities from urban or external work to engage in local livelihoods, thereby reducing social issues stemming from family separation.
- Slash-and-burn agricultural practices have decreased as coffee cultivation has been promoted in the Baan Phalang community, with approximately 30% of total land transitioning from corn cultivation (which involves burning) to coffee cultivation, contributing to natural resource and environmental conservation in the area.
- Increased awareness of forest conservation has arisen from the coffee procurement process, with Sarn Palang Social Enterprise Limited providing additional benefits to farmers practicing natural resource and environmental conservation, as stipulated in the MOU regarding price differentials.
- The preservation of watershed forest ecosystems has been sustained as coffee farmers exhibit behaviors that conserve natural resources and the environment, ensuring the continued richness of ecosystem services in watershed areas.
- Reduced chemical usage in coffee cultivation is evident among coffee farmers in Baan Phalang, who have altered their cultivation practices to minimize chemical usage, resulting in improved environmental and ecosystem health in the area.





Benefit for stakeholders:

- Increased income stability for farmer groups
- Increased food security within communities
- Strengthened community cohesion and bonds
- Return migration to the community reduces social issues stemming from family separation, fostering peace and tranquility within the community
- Elevated quality of life, leading to sustainable community development.
- Increased capacity for sustainable agriculture amongst farmers
- Reduced forest fires and PM2.5 air pollution
- Sustainable use of the watershed forest ecosystem, biodiversity, and natural environment

Benefit for the Company:

- - The Company created social enterprise business benefits by generating income from coffee bean sales throughout the project, totalling approximately 26 million baht (net benefit value as of the base year 2017).





Thai Det Project

About the project:

The "Thai Det" Project began in the year 2018, initiated by the collaboration of various governmental agencies with a shared commitment to support and drive the grassroots economy towards improving the quality of life, fostering robust and sustainable growth. Through enhancing the business capabilities of community enterprises/SMEs in production, marketing, and trade, OR plays a significant role by providing space within PTT Station and Café Amazon branches nationwide as distribution channels for community products, making it easier for community entrepreneurs nationwide to access markets and consumers. Simultaneously, this Project supports the business objectives of OR in branding PTT Stations and café Amazon stores, and enhancing customer satisfaction, making it a project that meets the business objectives of PTT Station and Café Amazon while developing the local economy.

Nonetheless, upon assessing the economic and social impacts of the project in the year 2023, it was found that the breakeven point has not yet been reached, due to the considerable investment in product promotion, which amounted to 40 million baht in the year 2023. The results from advertising necessitate a period of at least three years to generate awareness among consumers. Therefore, considering the economic and social impacts expected to occur in the next 3 years after product promotion, significant returns on investment will be realized.

Based on this study, recommendations for driving the project forward include a focus on creating opportunities for community enterprises and SMEs that are not yet strong in marketing. Collaboration and networking among entrepreneurs should be promoted, emphasizing product development and the importance of environmental impact in business operations.

Outputs:

- A total of 338 community enterprises/small and medium-sized enterprises (SMEs) participating in the project, including those with a variety of products in the categories of food, beverages, clothing, accessories, and household items



Outcomes:

- Community enterprises/small and medium-sized enterprises (SMEs) have expanded their marketing channels for selling products, resulting in increased product sales. Revenue from selling products through the "Thailand Det" project amounts to 29.8 million baht.
 - Revenue from product sales made through Thai Det stores/OR activities totals 15.1 million baht.
 - Revenue from product sales made through Café Amazon stores amounts to 14.7 million baht.
- Improvements in product quality have been made towards standardized production systems, adding value to local raw materials and producing higher-value products.
- Expansion of production capacity has led to increased employment opportunities, such as hiring local community labor and elderly workers.
- There is an increase in purchasing local raw materials from the community.
- Expansion of the production group network to other communities or nearby areas.
- Consumers have easier access to local products, and there is a variety of products to choose from.

Benefit for stakeholders:

- Community enterprises/small and medium-sized enterprises (SMEs) have increased their income, resulting in income stability.
- Local products have been elevated to be widely recognized.
- Opportunities have been created to further promote local products.
- A local economic circulation system has been established in the community/society.
- Community cohesion has been fostered, strengthening the community.
- The quality of life in the community has been elevated, leading to sustainability in the community.





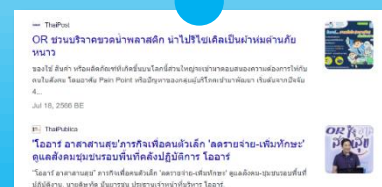
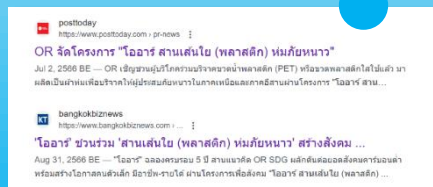
OR Plastic Blankets for Winter Warmth Project

About the project:

The OR Plastic Blankets for Winter Warmth Project was conceived from the recognition of an opportunity to use the strength and business assets of OR and PTT Global Chemical Company Limited (GC), which possessed expertise and resources to convert plastics for reuse to further benefit the society and the environment. This Project began with a campaign for employees of companies in the PTT Group, along with the public, to donate discarded plastic bottles at donation points located at 20 PTT Stations, as well as at donation points at the PTT offices and schools participating in the OR Plastic Blankets for Winter Warmth Project School Camp project, for a total of 26 locations. Upon receiving discarded plastic bottles, OR collaborated with GC to convert these bottles into fibers which are then forwarded to the community enterprises to weave into blankets. OR then donated the blankets to underprivileged people suffering from the cold weather in the Northern and Northeastern regions. This Project is considered to be beneficial all throughout the entire process of the operation – from instilling waste separation mindset in donors, to generating income for community enterprises weaving the blankets, to promoting a better quality of life for people suffering from the chilly weather, while at the same time reducing the plastic waste in the ecosystem.

Outcomes and benefits for stakeholders:

- Instilled waste separation and PET bottle recycling habits, with a total of 357,026 PET bottles received from donors (as of October 2023 / Project ended 30 November 2023)
- The community enterprise, with 63 members, earned a combined income of 3.26 million baht.
- Promoted the better quality of life for people affected by the chilly weather with the donation of 16,000 blankets
- Reduced plastic waste in the environment, equivalent to 7.1 tons of carbon dioxide equivalents in avoided GHG emissions.



OR encouraged Donations of used plastic bottles through disseminating posters within the Group and externally communications.



The Project was enthusiastically received with cooperation from many agencies, such as Thai Obayashi and Srinakharinwirot University.





Yak Lak Yim School Camp Project

Rationale

The world today considers the issue of climate change to be very important. Thailand is no exception. Many organizations, both public and private, have formulated policies that are not only concerned with the economic dimension, but also taking society, communities and the environment into serious consideration. PTT Oil and Retail Business Public Company Limited (OR), in addition to fostering growth in oil and retail business operations, has also formulated the vision and mission to conduct business while taking care of society, communities and the environment in a sustainable manner according to the organization's OR 2030 Goals.

Project Objectives:

1. To instill behavior and awareness of appropriate waste management among youth who will form an essential catalyst for further development at the community, society and country levels.
2. To support the development of activities and systematic waste collection, and to use the reduction in the amount of greenhouse gas emissions as part of the efficiency measurement.
3. To promote participation with schools and communities in creating social innovation for sustainable environmental development.

Since the project was first implemented in 2022, OR has selected the first batch of schools and put into motion the development of their teachers and students. Since that first batch of schools, OR has expedited the project along with all the activities at 12 schools in nine provinces across the country. In 2023, OR opened applications for teachers to join the selection process in the second batch, with more than 1,000 schools all over the country applying to participate in the project. A total of 33 schools from four regions passed the selection criteria by the committee. They consisted of 10 schools from the Central region, 11 schools from the Northeastern region, six schools from the Southern region and six schools from the Northern region. The total number of participants from the first and second batches totalled 90 teachers.





In the first batch of schools that have passed the selection process with most concentrating on waste reduction policies and activities on educational platform, the top three awardees were:

1. Winner: Ban Fon Witthaya Community School, Lampang Province
2. 1st runner-up: Ban Bang Lamung School, Chonburi Province
3. 2nd runner-up: Ban Kut Peng Community School, Ubon Ratchathani Province

In the second batch of schools with outstanding waste management processes, judged through the precise criteria for measuring the amount of greenhouse gas reduction from their activities together with creative and practical inventions, the top three awardees were:

1. Winner: Ban Na Song Mueang School, Mukdahan Province
2. 1st runner-up: Ban Huai Nok Kok School, Tak Province
3. 2nd runner-up: Ban Dong Som School, Kamphaeng Phet Province

The winning schools and the 1st runners-up and 2nd runners-up from both batches, each received a plaque along with monetary prizes of 50,000 baht, 30,000 baht, and 20,000 baht, respectively. In addition, each of all 45 participating schools also received 10,000 baht funding for the respective project to be used for planning, and creating guidelines for waste management in schools. They also participated in seminars conducted by experts and experienced officials from the Department of Climate Change and Environment, Ministry of Natural Resources and Environment. Also, in 2024, they will be given the opportunity to submit their works as entries to the Low Emission Support Scheme (LESS) Award 2024 project with eligibility to receive a certificate of honor for helping to reduce, or to store, greenhouse gases through the evaluation from the Greenhouse Gas Management Organization (Public Organization).



Highlight

Climate Action

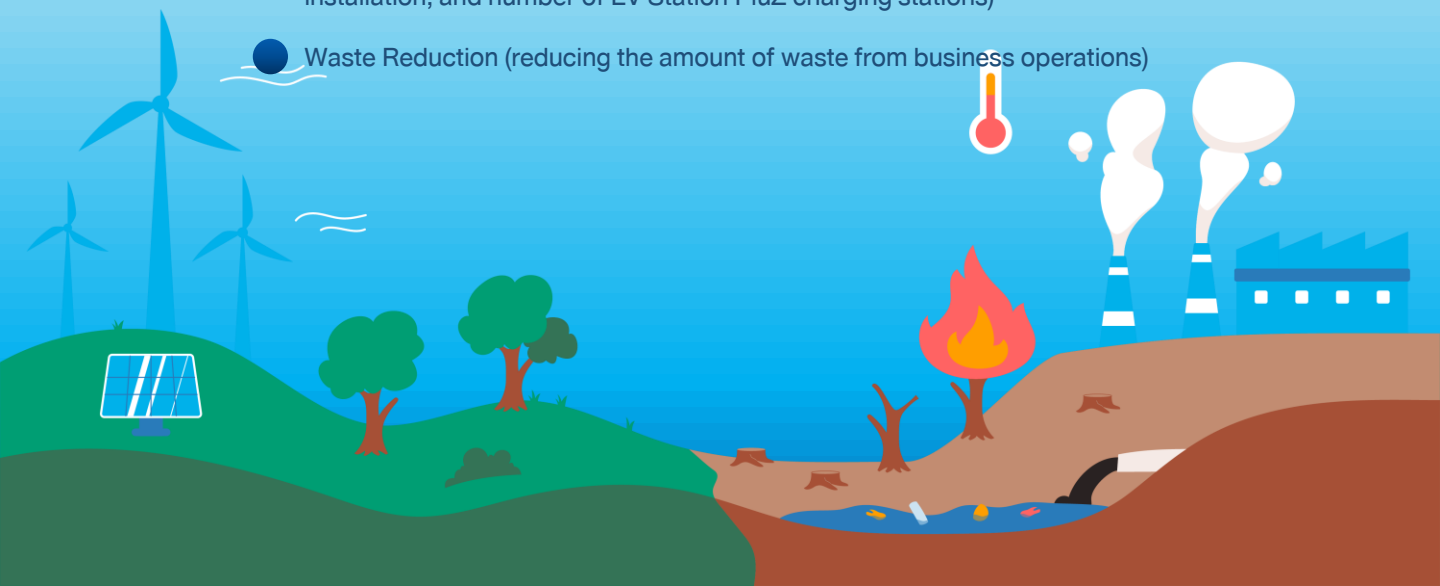


Driving Business

Global warming and climate change problems are drastic and affecting to the way of life of humans and other living things. Thus, the global including Thailand put the emphasis on those issues. In doing so, requesting cooperation and intensive law and regulation are applied for pushing the emphasis on those problems. OR, as the oil and retail business, is aware of the importance of such problems. Therefore, the strategy and operational plan for OR SDG (Small, Diversified, Green) or creating a sustainable future in OR's style has been established in order to effectively achieve the OR 2030 Goals. By creating opportunities for a clean society and promoting green business for a sustainable environmental future, with a commitment to support a sustainable low-carbon society and achieve carbon neutrality by 2030 and net zero emissions by 2050. OR aims to be a part of the solution and reduce the impact of climate change from its business operations.

In addition, OR has established Corporate KPIs on issues related to responding to climate change, which are included in the Executive KPIs, with details of related indicators as follows:

- Carbon Neutral Pathway (amount of greenhouse gas emissions, including the amount of carbon credits obtained from project operations)
- Operational Eco-Efficiency (proportion of clean energy use, solar rooftop installation, and number of EV Station PluZ charging stations)
- Waste Reduction (reducing the amount of waste from business operations)





Opportunities and Challenges

OR, as an oil and retail business, is the flagship company of the PTT Group, seeking new opportunities in business, as well as inventing and developing the quality of products and services. Therefore, the Company shall adapt to keep up with the transition to a low-carbon society, consistent with Thai and international policies, to jointly reduce greenhouse gas emissions, whether it is in terms of increasing the use of renewable energy or exploring alternatives with lower greenhouse gas-emitting technologies, such as electric vehicles, and influencing consumer behavior to choose Low Carbon Coffee. All of these aspects pose both challenges and opportunities for OR to expand its business while elevating the brand's identity to attract environmentally-conscious investors who support sustainable businesses.

Operation strategy

OR is formulating a Climate Strategy and establishing a clear framework for overseeing climate change, as well as the assessment of risks and opportunities related to climate change issues. This includes conducting a Climate Scenario Analysis based on the guidelines of the Task Force on Climate-related Financial Disclosure (TCFD). The aim is to understand the impacts and opportunities for business operations arising from climate change issues. This covers both Physical Risk and Transition Risk. The Climate Strategy's ultimate goal is to progress towards the Net Zero Emissions target, which involves referencing the principles outlined by the Science-Based Target Initiative (SBTi).

Governance

Appointed the governance framework

Identifying climate-related risks and opportunity and assessing financial impact

Identified risks and opportunities, including assess the financial impact with can impact to the business

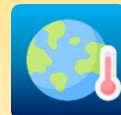
Action to increase the resilience of OR's businesses strategy

Establish business operations guidelines to prepare for risks and opportunities resulting from climate change

Risk Management

Matric and Target





Key Performance Indicator (KPI)

1

Reduce greenhouse gas emissions (Scope 1 and Scope 2) from business activities more than one-third by 2030 (compared to 2022 as a base year).

2

Reduce the proportion of conventional fuel use intensity more than one-third by 2030 (compared to 2022).

3

Expand the EV Station PluZ to achieve 7,000 DC connector by 2030

2023 Targets

The amount of direct and indirect greenhouse gas emissions (Scope 1 and Scope 2) in 2023 must not exceed 28,900 tons of Carbon Dioxide equivalent.

- Installation of Solar Panels in 2023 to have a cumulative production capacity of 14.165 MWp
- Energy consumption proportion does not exceed the specified target

Expand the EV Station PluZ charging station network in 2023, to 1,702 DC connector





Outstanding projects and performance

Solar Panel Project

According to OR 2030 Goals -Healthy Environment, OR push the effort for an increasing in the proportion of renewable energy usage within business establishments, such as the installation of solar rooftops in areas for instance, PTT Stations OASYS (factory group within the Lifestyle Business Center), petroleum/oil/gas terminal, and Café Amazon branches, etc. The cumulative number of installations is 156 locations, with plans to expand to other branches continuously. Furthermore, OR is also encouraging PTT Station dealers, especially those within the value chain of OR, to install solar rooftops within PTT Stations. OR has collaborated with financial institutions to lead credit programs and service providers in the solar rooftop sector for these dealers. This effort aims to help drive Thailand towards a sustainable low carbon society. In 2023, PTT Station dealers received credits for the installation of solar rooftops, which covered 14 branches. This initiative is expected to promote and support the reduction of scope 3 greenhouse gas emissions. Moreover, Commercially, OR also encouraged other private sector to use renewable energy by establishing solar rooftops about 25 branches

Key Performance Indicator (KPI)

1 Accumulated use of solar energy in OR establishments: Solar Rooftop establishment (MWp)

2 Accumulated use of solar energy in franchises and dealers: Solar Rooftop Establishment (MWp)

3 Commercial Establishment (MWp)

Performance			
2563	2564	2565	2566

1.058	1.449	1.449	12.783
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0.072	0.072	0.072	0.938
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-	-	1.209	15.804
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Goal 2023	Goal 2023
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14.165	20.044
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1.620	Continuous encouragement
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0	Continuous encouragement
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PTT Green Station - PTT Station Flagship, Vibhavadi 62

OR launched PTT Station flagship branch at Vibhavadi 62 in May 2023. The branch is designed under the "Green" concept to be a future prototype of Green Station that expresses itself through OR's business network ecosystem.

Having space for large retail stores of approximately 4,000 - 5,000 square meters, an increase from general PTT gas stations that have space for retail stores of approximately 500 - 1,000 square meters is a distinctive feature of the PTT Station Flagship. The station houses a wide range of retail stores under OR's Lifestyle business brand.

Another important highlight of G-GREEN is that, it is a pilot area using 100% renewable energy comprise with the installation of a solar rooftop with 578 kWp and the installation of G-BOX or a battery energy storage system (BESS) with the capacity of 160 kWh that will further develop G-Cell products which use the future semi-solid technology to increase efficiency in energy management together with electric vehicle charging stations (EV Stations), which is a joint development between OR and Nuovo Plus. Furthermore, the station also purchases renewable energy to use within its area in the form of Renewable Energy Certificate (REC) that represents the environmental attributes of the generation of a one-megawatt hour (MWh) of energy produced by renewable sources.

In addition, there are other important operations involved to help support and promote the reduction of greenhouse gas emissions (Scope 3) within the PTT Station flagship Vibhavadi 62, including the use of upcycling products, such as benches in the PTT Station, which are produced from a mixture of used lubricants collected from FIT Auto. The station also houses comprehensive waste management, such as collecting used cooking oil from Texas Chicken branches to be recycled to produce biodiesel (B100), collecting food waste from retail stores into an automatic food waste composting machine, to turn food scrap into an organic fertilizer to be put to further use, collecting waste that can be recycled from the "Yak Lak Yim" project and retail stores for proper management through the YOUTURN platform. In addition, Café Amazon, located in the PTT Station flagship Vibhavadi 62, was designed as a Café Amazon Concept Store, using renewable materials to their full potential and value as the branch's interior decorations, adhering to the circular economy principle. The branch was also designed for the most efficient use of energy. This results in Café Amazon receiving the Leadership in Energy and Environmental Design (LEED) certification.



PTT Station Flagship, Vibhavadi 62



Two million rai reforestation project with PTT Group



OR joins forces with the PTT Group along with the government sector: the Royal Forest Department, the Department of National Parks, Wildlife and Plant Conservation, and the Department of Marine and Coastal Resources to sign a memorandum of understanding on a collaborative project to plant 2 million rai of forests. This project is a collaboration between the public and private sectors, both in theory and in practice. It includes supporting research and sharing academic information, planting new forests and rehabilitating old forests, protected forests, national reserved forests, national parks, wildlife sanctuaries, community forests, and mangrove forests. OR has planted 1,500 rais of new forests and reinforced old forests with the Royal Forest Department, and maintained 8,100 rais of community forests with the Mae Fah Luang Foundation, to increase carbon dioxide absorption and storage. Furthermore, the project supports the goals of Carbon Neutrality in 2030 and Net Zero Emissions in 2050. Additionally, this aligns with the sustainable future direction through OR SDG.



**OR และบริษัทในกลุ่ม ปตท. จับมือภาครัฐและภาคีเครือข่าย
เร่งปลูกป่าเพิ่ม 2 ล้านไร่ มุ่งบรรลุเป้า
Net Zero Emissions ปี 2050**





Collaboration project to develop and invest in the production of sustainable aviation fuel (Sustainable Aviation Fuel: SAF)

OR cooperates with companies in the PTT group and Thai Airways to sign a memorandum of understanding (MOU) on the use of sustainable aviation fuel (SAF) to study, develop and invest in the production of sustainable aviation fuel (SAF). The sustainable aviation fuel (SAF) was initially filled for Thai Airway pilot flight Phuket-Bangkok Route, at Phuket Airport, by December 2023, to demonstrate concrete actions and environmental awareness, consequently driving business towards Net Zero Emissions by 2050. This extends to stakeholders in the value chain and aligns with the OR SDG concept in the area of "G" or "GREEN" that aims to reduce greenhouse gas (GHG) emissions, covering all stages of business operations, increase the proportion of clean energy and the efficiency of the energy use in the establishments, and creating a healthy environment to effectively meet the OR 2030 goals.

