

# EMPOWERING ALL TOWARD INCLUSIVE GROWTH



**OPR**

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**We believe that a business of the future  
is one that takes good care of people  
and the environment.**



We believe that business success can equate to improvements to living standards for individuals and society, and that caring for the environment is something we should all be doing.

OR is therefore committed to Empowering All toward Inclusive Growth to ensure a better world today and in the future.

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# EMPOWERING ALL TOWARD INCLUSIVE GROWTH

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**"Build a sustainable future through OR SDG  
to create opportunities in multiple dimensions and  
effectively meet OR 2030 goals."**

### **S – SMALL: Opportunities for Communities**

OR will operate its businesses while simultaneously elevating communities' standard of living.

### **D – DIVERSIFIED: More Products and Services**

OR will ensure to provide a variety of products and services that fulfill all consumers' needs while expanding an inclusive growth platform for everyone.

### **G – GREEN: Low Carbon Business Areas**

OR will promote all of its businesses to become green to support the creation of a more sustainable low-carbon society and to achieve carbon neutrality by 2030 and Net Zero Carbon emissions by 2050.





## 2030 GOALS



**OR's goals involve empowering all towards inclusive growth through unique and innovative strategies that consider not only our business growth but also our impacts on communities and the environment. This means combining the 3Ps of people, planet, and performance into a dynamic business approach, striving to be a model organization.**

**Achieving the OR 2030 goals requires a 3-dimensional approach to sustainable growth.**



## PEOPLE



## LIVING COMMUNITY

Raise the standard of living for communities covering both business areas and surrounding areas, totaling

**15,000 communities,**  
or the equivalent of over **12 million lives.**

## PLANET

## HEALTHY ENVIRONMENT

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, reduce the amount of waste produced from the entire business operation from upstream through value creation

by more than  
**one-third.**

## PERFORMANCE

## ECONOMIC PROSPERITY

Build growth and distribute wealth to customers, shareholders, MSMEs, employees, and communities of



**over**  
**1,000,000 people.**



ptt station

EV STATION

# SEAMLESS MOBILITY

Strengthen energy solutions  
for seamless mobility





Café  
**Amazon**

Jiffy

# ALL LIFESTYLES

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Strive to be a One-stop Solution  
for All Lifestyles

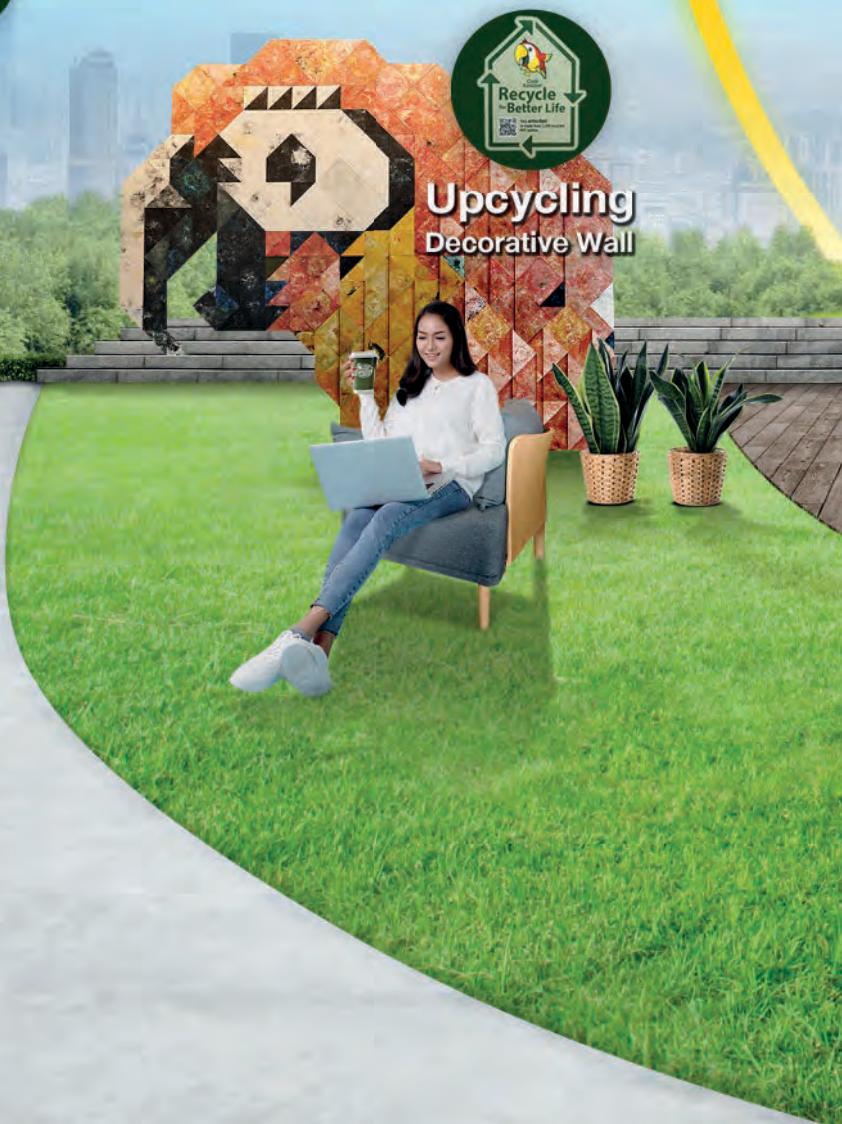




# GLOBAL MARKET

Scale Portfolio  
for the Global Market





# OR INNOVATION

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Solve Societal Problems  
for OR Innovation



# About OR

As a flagship of the PTT Group, **PTT Oil and Retail Business Public Company Limited (OR)** focuses on integrating energy and retail businesses operations to achieve inclusive growth opportunities for all stakeholders while leveraging our take on **OR SDG**—namely, **small (S), diversified (D), and green (G)**. By offering opportunities to small operators, we generate growth for our corporation and uplift the standard of living in local communities. Through a diversified portfolio, we provide opportunities for high-potential operators to benefit from the marketing power of our physical and digital inclusive growth platforms, while we benefit from their unique strengths. Additionally, we seize all opportunities to go green for the environment and encourage every business to become greener, fueling the journey to a lower-carbon future. We strive to achieve carbon neutrality by 2030, and net zero carbon emissions by 2050.



# Vision

**“Empowering All toward Inclusive Growth”**

# Mission

The above outlines how we hope to achieve “Inclusive Growth in Action,” which will incorporate the following four aspects of our mission:



## Seamless Mobility

Strengthen energy solutions for seamless mobility



## Global Market

Scale our portfolio for the global market



## All Lifestyles

Strive to be a one-stop solution for all lifestyles



## OR Innovation

Solve societal problems for OR Innovation

# 2030 Goals

Our 2030 goal is to generate inclusive growth opportunities for the people, the planet, and our performance.



## Living Community

We aim to raise the standard of living for 15,000 communities, or the equivalent of 12 million people, through improvements to our premises and surrounding communities.



## Healthy Environment

We aim to make our current operations one-third greener than where we were in 2018 by transitioning to green energy, reducing greenhouse gas emissions, lowering operational waste, and increasing our use of eco-friendly materials. Moreover, we are committed to achieving Carbon Neutrality by 2030 and Net Zero Carbon by 2050.



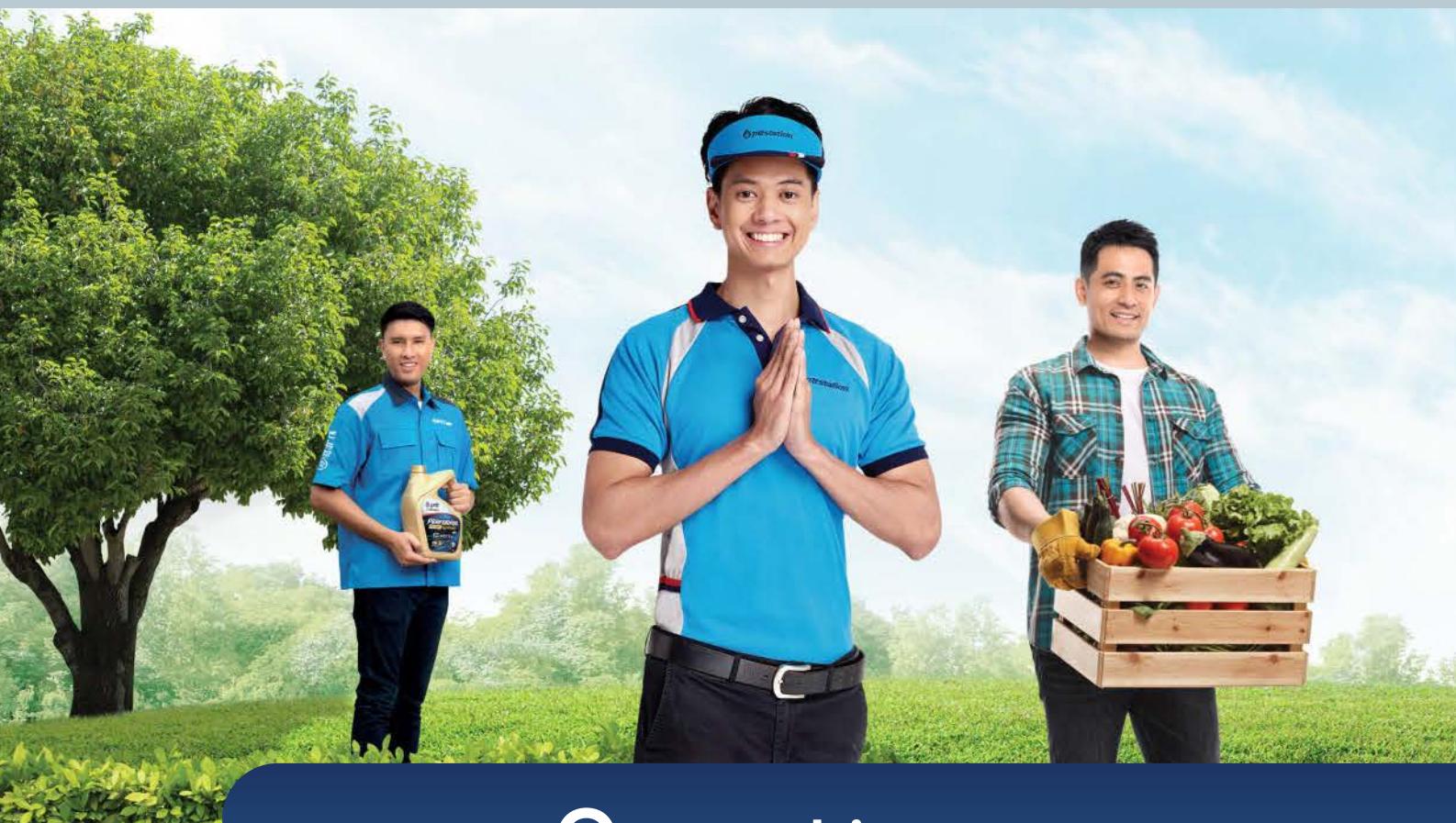
## Economic Prosperity

We aim to sustain growth and distribute wealth to more than 1,000,000 individuals, including business partners, shareholders, small and medium enterprises, employees, and community members.



## THE OR DNA

is our organizational culture. We foster in our staff to have a sense of ownership aiming for mutual success and strengthen relationships with our internal and external stakeholders. All of this leads to sustainable and inclusive growth.



# Ownership

**Having a sense of ownership and commitment  
to results through continuous innovation and  
responding to the needs of society.**

### **1. Empowered:**

OR believe in employees' potential and encourage them to initiate challenging tasks. In addition, they are open to opinions and counsel the employees as well as delegate and empower them to make their own decisions as suitable for the circumstances as well as to accept and learn from their mistakes in order to prevent repeated failure.

### **2. Innovative Entrepreneurial Committing to Results:**

OR people and executives have a sense of ownership and dedicated to work and apply technologies to work to enhance efficiency and serve consumer needs, seek new opportunities for business expansion, and develop commercial innovations that address stakeholder needs and solve vital social and environmental issues to produce outcomes with professionalism and creativity, aligned with OR's business direction.



## Relationship

**Having a good and strong relationships  
with business partners  
to ensure inclusive growth.**

### **3. Dependable:**

OR people are dependable and capable for fostering in others a sense of trust and confidence in their professionalism, sincerity, and integrity and insist on doing the right thing even confront of pressure and consequences.

### **4. Considerate:**

OR people are considerate and seek to maintain and foster relationships with all internal and external stakeholders to achieve mutual success.

### **5. Down-to-Earth:**

OR people are humble, friendly, approachable, down-to-earth, and ready to listen and respond to stakeholder expectations and needs.

## OR's business operations

# Seamless Mobility



PTT Station  
**2,161 Stations**



EV Station PluZ  
**302 EV Charging Stations**  
**548 DC Fast Chargers**



FIT Auto **85 Branches**



Patrons daily  
**over 3,300,000 Person/day**

To address the increasing need for energy, OR has committed to seamless mobility by going beyond the oil ecosystem, in which we have held the top domestic market share in service stations and sales volumes of fuels and LPG. We aim to create an energy solution ecosystem to cater to all consumer needs.

**PTT Station:** OR envisions network growth to all areas across the country to meet its consumers' needs, whether related to transport fuels, EVs, retail shops, or various other services. We aim to present PTT Stations as a physical platform for the growth of businesses related to mobility and lifestyles, coupled with the application of geo-analytics tools to help us choose high-potential locations with communities accommodating them. We want PTT Stations to represent business collaboration with partners to ensure expected growth. Our present network consists of over 2,161 PTT Stations throughout Thailand, frequented by over 3.3 million patrons daily. In addition, we demonstrate our leadership skills in transport fuels by valuing the development of fuel quality, and we have plans to expand the markets for premium-grade fuels moving forward.

**EV Station PluZ:** Our support of EV operations has led us to take significant steps through consumer behavior research to develop an EV ecosystem, along with creating new skills for business growth. As of 2022, 302 EV Station Pluz were installed. OR operates and provides services both within and outside PTT Stations in 131 locations in total. That our network services main roads and highways with tourist attractions and key commercial areas across the country. We also plan to scale up EV-related businesses to complete the service circuit. Furthermore, OR has developed its own EV Station PluZ application to help EV users locate charging docks, book their place in the queue, control the charging device, make an online payment, and access their service history. All of this would help improve the overall EV user experience.





**Solar Rooftops:** OR has installed solar rooftops inside and outside PTT Stations to form new businesses with commercial partners that includes designing and installation services, maintenance, and sale of electricity to reduce greenhouse gas emissions and lower electricity costs for our entrepreneurs.

**Energy Solution Provider:** OR is a market leader in the sale of aviation fuels, fuel oil for marine vessels and industrial sector. We are ready to offer guidance on proper product choices, developing new products, and integrated services. We also strive to provide new green products and businesses, including LNG and premium-grade fuel oil, enhancing relations with customers and pursuing opportunities for partnerships to diversify our operations across the supply chain. Engagement with various business types are included, such as:

- **Aviation:** Most of these sales are Jet A-1 fuel sold to airlines. We continuously scout new opportunities in high-potential markets, including Europe.
- **Marine Bunker:** We sell most of our diesel and fuel oil to marine bunkers through networks covering domestic and foreign ports. We continuously pursue opportunities for expanding our product sales points for these groups in foreign countries.
- **Industrial Sector:** The main products sold by OR to this group E.g. diesel, LPG, fuel oil, and lubricants.

#### LPG for Household and Transportation Sector:

OR distributes household LPG in high-quality, international-standard cylinders to consumers through its comprehensive network of LPG Filling plants and LPG shops. OR also commands LPG cylinder refurbishing plants as part of the maintenance under the Ministry of Industry's (MOI's) standard specified by the Thai Industrial Standards Institute (TISI). Additionally, we develop sales channels through LPG shops in service stations and online LPG marketing to enable more direct links with consumers. OR also sells LPG for the transport sector through its LPG station network.





### **Integrated Lubricant Operations Under the PTT Lubricants Trademark:**

OR sells lubricants designed for gasoline and diesel engines, motorcycles, trucks, marine and fishery machinery, and agricultural and industrial machinery. OR is expanding its industrial lubricant offerings domestically and abroad, with the PTT Lubricants Solution team on hand to develop products and provide integrated training. This team also offers technical services to customers before and after sales to maintain our market-leading position in Thailand and to allow for expansion internationally, including seeking investment opportunities for developing our foreign markets through business acquisitions or partnerships. To further enhance our caliber for supply chain management, we have opened an Automated Lubricants Distribution Center that can accommodate significant domestic and foreign growth.

**FIT Auto:** This automotive service center provides scheduled maintenance services, spare parts installation, and fluid replacements using PTT Lubricants products, while the services are expanding to meet the needs of the increasingly large EV market. Such expansion means we now have 85 branches throughout the country, inside and outside PTT Stations. We are

also developing a franchise business model to boost FIT Auto operations further and seek offline and online opportunities to increase the provision of integrated services to address their mobility and lifestyle needs.

### **Petroleum Depot Network and Distribution of High-Potential Products:**

We have expertise in depot management and petroleum product transport systems. Our petroleum product depots, oil depots, LPG depots, jet fuel depots, and other product depots now total 55 nationwide. In addition, we command comprehensive and diverse systems of product storage and distribution to consumers, with links to pipeline transport, marine transport, land transport, and railway systems. OR is therefore able to efficiently optimize and manage its supply chain to support seamless mobility in all areas of its operations.

**FIXX:** OR has established the Care for Car Limited Company to develop the FIXX mobile application and provide various products and services to improve the vehicle maintenance customer experience. We aim to be a market leader in this field, offering a comprehensive range of vehicle maintenance services focused on encouraging drivers to take the care of their vehicles in the hands of our experienced professionals.



# All Lifestyles



Café Amazon  
**3,895** Branches  
currently ranks sixth globally



Convenience Stores  
**2,176** Branches



Café Amazon  
**2022 Sales**  
**357** Million Cups



Business Partners  
More Than **400** Brands

OR is committed to catering to the diverse range of consumer lifestyles by expanding its business scope to become a part of everyone's lifestyles, embracing both the food and beverage (F&B) and one-stop solution ecosystems to match the dynamic trends of consumer behavior.

## 1. Food and Beverage Ecosystem

**Café Amazon:** Our world-class coffee brand currently ranks sixth globally in terms of 3,895 outlets under lifestyle business and sold 357 million cups in 2022. Café Amazon engages in an integrated coffee business utilizing value-creation to enable growth in parallel with communities, society, and the environment across its business chain. These operations range from promoting Thai farmers to exquisite coffee bean crops, the selection of which involves a subsequent roasting process using a reliable formula. The brand now has a large-scale, advanced coffee roasting plant that distributes to Café Amazon outlets across the country.

Café Amazon has a clear marketing stance. We are a green oasis where customers can rest and recuperate during their journey. Achieving this requires attention to the following four key factors:

1. Ambience: Every location feels like a lush tropical forest.
2. Taste: As a Thai coffee brand, we cater to Thai consumers' preferences.
3. Location: Outlets are located both inside and outside PTT Stations. Our nationwide network now includes outlets in department stores, community malls, government agencies, organizations, educational institutions, MRT stations and BTS stations, and community spaces.
4. Value for money: We are affordable to consumers from all strata of society.





In response to the increasing trend of spending more time at home, we have added a range of convenient products and services available in Café Amazon outlets for use at home. Examples include a variety of beverages, such as teas, hot chocolate, fruit juices, drip coffee, and cold-brew coffee—all carefully chosen—alongside delicious snacks and bakery items. We have also expanded our distribution channels, including online sales, department stores, supermarkets (modern trade), Café Amazon's mobile application, and home deliveries.

2022 was a milestone year for us, as we opened our first processing plant in Chiang Mai. Here we can purchase the finest arabica coffee beans from suppliers, process the coffee beans, and train local farmers in the methods used to achieve the highest quality yields. All of which will ultimately improve and promote the Thai coffee farming industry.

**Other F&B businesses:** In addition to our master franchise license for Texas Chicken quick service restaurants in Thailand, we also own Pearly Tea. Additionally, OR has continued to invest in its F&B portfolio to ensure a diverse range of services can be offered to our customers. In 2022, OR invested in several businesses, as follows:

- A joint venture with Boonrawd Trading to establish Drink Enterprise Company Limited, which aims to enter to ready to drink market of ready-made beverage products.
- Investment in Dusit Foods Company Limited to provide a boost to our F&B offerings both at home and abroad.





## 2. Other Retail Businesses

**Convenience Stores:** OR runs more than 2,176 convenience store branches under its own Jiffy brand and the 7-Eleven brand under a cooperative agreement between OR and CP All. These stores generate sales of F&B products in addition to various other goods for the convenience of PTT Station patrons.

**Rental Space Management:** PTT Stations represent a physical platform for growing businesses related to mobility and lifestyles. OR has designed them as hubs for fulfilling community needs and as locations to enable sustainable growth (Living Communities). Besides Café Amazon, Jiffy, and 7-Eleven outlets found at PTT Stations, we also offer space leasing to 400 business partner brands from assorted operational types, including food outlets, laundry shops, and shipping services. We also support community and small enterprises to put Thaidet—iconic local products—on sale at our stations, while we have allocated space outside PTT Stations to offer additional services and products for local customers.

**Health and Tourism Operations:** We recognize the potential of investing in health, wellness, and tourism businesses, which have been brought to the forefront by the COVID-19 pandemic. Greater value is being placed on healthcare, prudence, and healthy activities on an individual level. Therefore, OR has a plan to invest in these sectors, so that we may play a key role in the lives of our customers, regardless of their age or gender. Examples of how this is being achieved are as follows:

- Investment in KNEX Corporation Limited, a business offering industrial washing machines, as well as self-service laundry stores under the Otteri Wash & Dry Brand in response to recent consumer habits.
- Investment in Gowabi (Thailand) Company Limited, a digital platform connecting consumers to a comprehensive range of healthcare and esthetic services.
- Investment in Traveloka Private Company Limited, a platform offering tourism and lifestyle services.



# Global Market



**Full scale Business  
in 11 Key Countries**



**PTT Station, Which currently has  
390 Stations  
Café Amazon, with  
358 Branches  
available and total sales of more than  
23 Million Cups**

**Global Market Access Through Business Growth:**  
OR has introduced successful PTT station business management models, with 390 stations currently in operation, representing a physical platform blending our energy and retail businesses. Such examples are Café Amazon, which has 385 branches in total with a total sales of 23 million cups in 2022, and FIT auto. The model is modified to suit a given country's lifestyles and behaviors (localization), while OR also pursues joint investment with high-potential business partners and local entrepreneurs for inclusive growth with aim to expand business more than 100 countries by 2030. OR's standard is to be maintained as doing so can create value for businesses and the local economy while upgrading the quality of life for said communities. This also involves environmental consideration, including advocacy of social equality through the support of local hiring and initiatives aimed at socially unprivileged groups. Examples include the "Café Amazon for Chance Project" and the "Solar Rooftop Project". Including the Philippines, Cambodia, and Laos. We have recently

entered the Saudi Arabian market, which offers high growth potential, and we expect to see more growth in this region.

**Pursuit of Additional Target Countries:** Overseas business growth represents a critical tool that can secure the future growth of our organization. Therefore, OR continues searching for business opportunities in high-potential areas, which have both a high population and quality of people, a solid economic outlook, and social and cultural parity with Thailand.

**Asset-Light Business Model:** OR pursues new business opportunities in existing areas where OR already has business bases and local knowhow as well as new high-potential areas. We aim to grow side by side with our business partners, communities, allies, and foreign entrepreneurs. We also plan on supporting at least 10 Thai brands in their endeavor to expand their reach overseas.



# OR Innovation



Café Amazon for Chance  
Open for Service  
**63 Branches**



Thaidet  
Support Community  
**More Than  
300 Merchants**



OR is focused on solving socio-environmental problems by leveraging its capability and working alongside high-potential allies to overcome obstacles, create new market opportunities, and look for new and innovative business approaches (OR Innovation). By doing so, OR can achieve inclusive sustainable growth with people and the environment at the core of our operations.

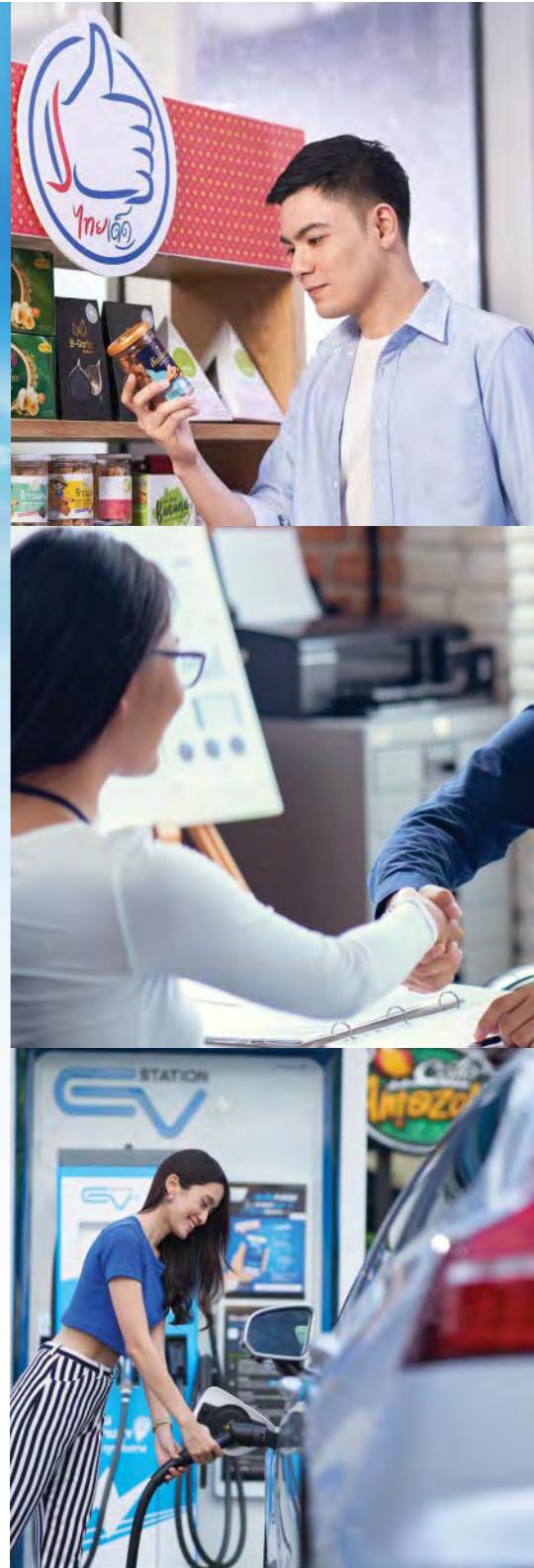
**New Digital Payment Technologies:** This development shapes the consumer experience to improve the speed, accuracy, and safety of payments by providing an utterly touchless option, connecting PTT Stations (a physical platform) with a digital platform, including applications, to accelerate the payment process that ensures the utmost convenience for all customers in the OR Ecosystem.

**OR Innovation:** The Café Amazon for Chance project provides opportunities to the underprivileged while promoting social equality. Coffee bean farming under a natural resource conservation system in Northern and Southern Thailand internationalizes arabica and Robusta coffee bean standards under OR's guidance. Additionally, the Thaidet product offerings on sale throughout the PTT Station network provide business opportunities to community enterprises.

## OR Creating Opportunities

Opportunities through OR SDG  
that cover People, Planet, and Performance

OR strongly believes in partnerships that can lead to opportunities for higher living standards, a healthy environment and sustainable economic growth. Hence, in addition to the mission statements mentioned above, we are committed to operating following its own spin on the sustainable development goals.





# S

**Small:**  
Opportunities for  
Every Community



# G

**Green:**  
Opportunities for  
Clean Societies

S

## Small Opportunities for Every Community

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OR will operate its businesses while simultaneously elevating communities' standard of living.





**Thaidet Project:** Together with our allies, OR supports community-made products and enterprises. We select goods that are iconic provincial products and place them on sale at Thaidet stores and stalls at PTT Stations across the country. Today, over 300 community enterprises have joined this project.

**Development of Sustainable Coffee Production System (North):** OR has partnered with the Royal Project, at the Inthanon Royal Agricultural Station, Jom Thong District, Chiang Mai to develop Arabica coffee production and cultivation technology in order to meet international quality and standards, promote coffee farming, and protect natural resources. Later, the research came to materialized and started disseminating its body of knowledge at the Ler Tor Royal Project Development Center, Mae Ramat District, Tak. In 2022 A field trial was planted in with the new variety of Arabica coffee with the goal according to Good Agriculture Practices (GAP) standard for more than 20 farmers and covering more than 50 rai of coffee plantation area. So far, the development has aided in promoting and growing the new coffee cultivation under a system of resource conservation for more than 40 rai of coffee plantation area.



**National-Level CSR Projects:** We work alongside various communities to improve living standards and provide access to facilities that may otherwise be beyond their reach. Recent examples include the Together Camp which promotes youth skill development in content creation, and the Yak Lak Yim School Camp (Turning garbage into a smile) aimed at promoting sustainable forms of waste management among the younger generations to reduce our combined carbon footprint. However, there are also several CSR long-running OR projects, such as the Kong Phu Cha Youth Camp in Lampang province, which is aimed at preserving the playing of traditional local drums through promotion among the youth in that area.

## Development of Sustainable Coffee Production Systems (South):

OR joins the collaboration with the Southern Border Provinces Administration Center (SBPAC) and the National Farmers Council in the 3 southernmost provinces, to promote Robusta coffee cultivation and to enhance the development of coffee plantation areas that produce high-quality coffee beans with distinct flavors in sufficient quantity to meet market demand. In 2022, the company organized training and knowledge development for participating farmers in Than To district, Yala and Saba Yoi district, Songkhla. Further, in the plantation areas, the development program was established to provide knowledge in Robusta coffee to local youth in order to help them become leading Robusta coffee producers.



**Purchasing Coffee Beans from Thai Farmers:** OR supports Thai farming of high-quality coffee beans under a sustainable natural resource conservation system. To date, this support has seen us purchase over 5,800 tons/year of coffee beans for use in Café Amazon operations.

**Café Amazon for Chance:** This project promotes social equality and supports socially underprivileged groups by helping them find jobs as Café Amazon baristas. Such groups include the elderly, deaf and hard-of-hearing individuals, those with learning difficulties, veterans and their family members. Today, Café Amazon for Chance has 63 branches, with a goal of 500 operational branches by 2026.



# Diversified Opportunities for All Growth

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OR will ensure to provide a variety of products and services that fulfill all consumers' needs while expanding an inclusive growth platform for everyone.





**Digital Platforms:** comprise our Blue Card loyalty program and All-in-One Applications.



**Innovative Technologies Used to Meet Consumer Needs:**

We utilize a range of technologies to respond to the ever-changing needs of our customers effectively, with many of these enabling us to achieve personalized marketing, up-selling and cross-selling of products, and loyalty programs to increase long-term brand engagement, such as our Blue Card program.

**Physical Platforms:** comprise PTT Station, Café Amazon outlets and stores in the B2B network, such as the Okahju brand offering healthy and organic meal options, or the Pluk Phak Praw Rak Mae Company Limited branded products found in some of our PTT Stations and Café Amazon stores.

**Our growth alongside high-potential partners has relied on effectively utilizing a range of platforms to ensure adequate diversification and sustainable expansion. Such a commitment has led to us to making a number of investments in 2022, including:**



Entering to  
the Ready-to-Drink  
Beverages Market.



To increase the business diversity as being a part of consumer's everyday lives and satisfying all types of their lifestyle.



Further Bolstering its food business in Thailand and overseas.



To strengthen food retail business by the import and distribution of food ingredients to restaurant, hotels, and general consumers.



Penetrating to the tourism and lifestyle industry and bring variety to OR's digital platform.



Bringing beauty and wellness services from offline to online.



## Green Opportunities for Clean Societies

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OR will promote all of its businesses to become green to support the creation of a more sustainable low-carbon society and to achieve carbon neutrality by 2030 and net zero carbon emissions by 2050.





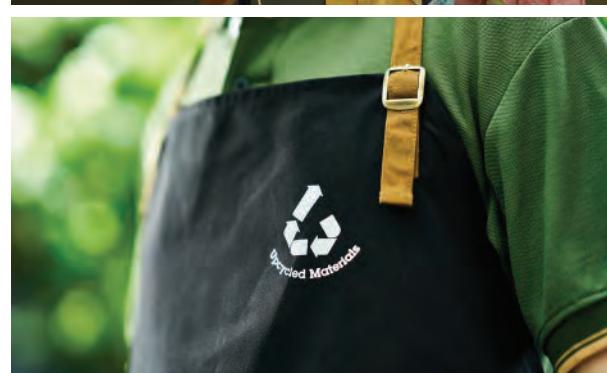
**Solar Rooftop:** OR has installed solar rooftops on its PTT Stations to reduce greenhouse gas emissions, improve air quality, and reduce energy bills. 2022 saw us expand our use of Solar Rooftop throughout the OR network of PTT Stations (warehouse areas) and Café Amazon outlets.

**EV Station PluZ:** OR's advocacy for renewable energy has seen us develop our EV Station PluZ service as consumer lifestyles adapt to the ever-growing trend for EV use. We have established EV Station PluZ locations inside and outside of our PTT Station network throughout the country to promote our EV Ecosystem.



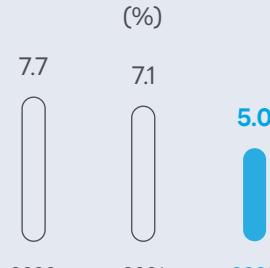
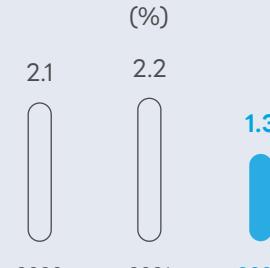
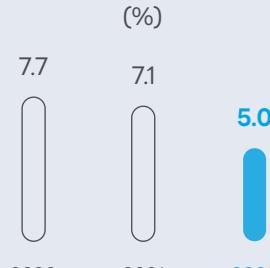
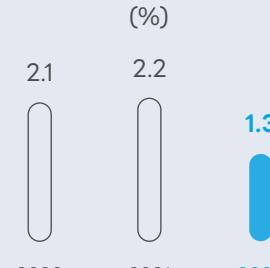
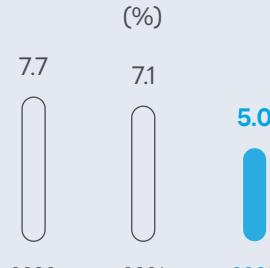
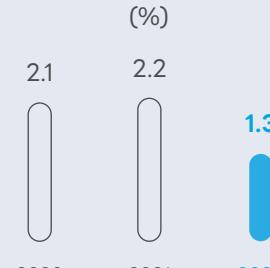
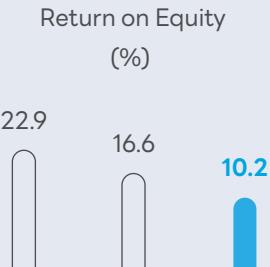
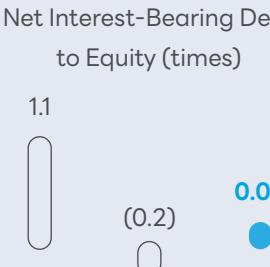
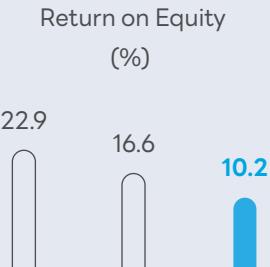
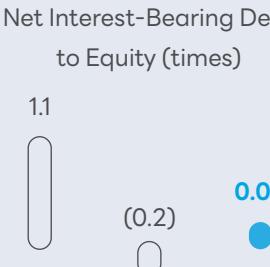
**Café Amazon Circular Living:** OR has contributed to a circular economy through the promotion of green products that can be recycled for use as staff uniforms and furniture in our Café Amazon outlets and Café Amazon roasting plants.

**Café Amazon Go Green:** Café Amazon employs green, biodegradable cups and containers including bio cups for hot drinks, PET cups for cold drinks and biodegradable drinking straws. We now have an upcycling process in place so that some of these items can be turned into shop merchandise and furniture, while our use of paper bags in place of plastic bags is another example of our commitment to a greener future.

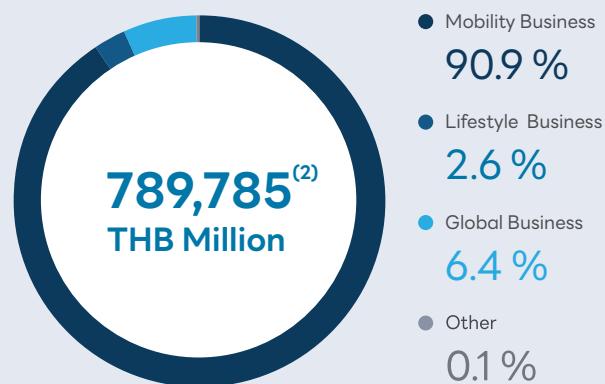


# Financial Highlights

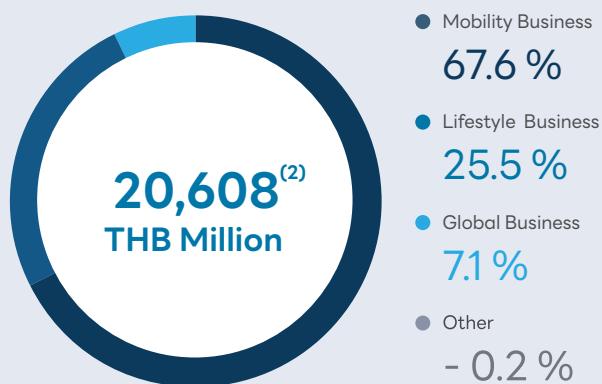
Unit: THB Million

	2020	2021	2022
<b>Statement of Income</b>			
Sales and Service Income	428,804.1	511,799.3	<b>789,785.1</b>
Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)	17,619.0	20,335.3	<b>20,607.9</b>
Profit Attributable to Owners of The Parent	8,791.1	11,474.0	<b>10,370.4</b>
<b>Statements of Financial Position</b>			
Total Assets	144,979.3	207,658.9	<b>225,504.4</b>
Total Liabilities	107,063.3	107,786.7	<b>121,743.6</b>
Non-Controlling Interest	92.5	54.4	<b>59.7</b>
Equity Attributable to Owners of The Parent	37,823.5	99,817.8	<b>103,701.1</b>
<b>Share or Information about Common Shares</b>			
Issued and Paid up Share Capital (Million Shares)	9,000.0	12,000.0	<b>12,000.0</b>
Book Value per Share (THB)	4.20	8.32	<b>8.64</b>
Earnings per Share (THB)	0.98	0.99	<b>0.86</b>
<b>Key Financial Ratios</b>			
Current Ratio (times)	2.4 	7.7 	2.1 
Gross Profit Margin (%)	7.1 	5.0 	1.3 
Net Profit Margin (%)	2.2 	2.2 	1.3 
Return on Equity (%)	22.9 	6.5 	1.1 
Return on Total Assets (%)	16.6 	4.8 	0.04 
Net Interest-Bearing Debt to Equity (times)	2020	2021	2022

## Sales and Services Income<sup>(1)</sup>



## EBITDA<sup>(1)</sup>



### Remarks:

<sup>(1)</sup> Calculated from amount before eliminations

<sup>(2)</sup> Amount after eliminations

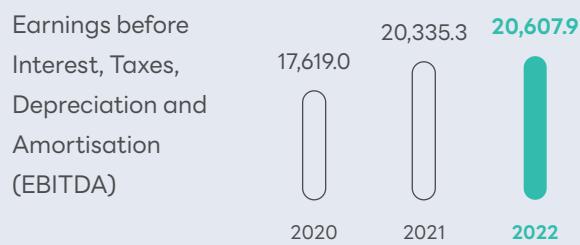
## Statement of Income

Unit: THB Million



## Statements of Financial Position

Unit: THB Million



# Milestones 2022

## Seamless Mobility

March

### Installation of EV station PluZ charging station

at the Thai post office to promote the use of Battery Electric Vehicles (BEV), in collaboration with Mitsubishi Motors and Thailand Post.



### Launched SUPER POWER GASOHOL 95

Premium grade oil for Benzene engines.



July

### Piloted the use of EV bikes

in postal distribution with Thailand Post and Thai Honda.



April

### Opened PTT Station Phutthamonthon Sai 3-Bangkok Branch

The first PTT Station operated under the concept of Green Station.



May

### Opened the first FIT Auto Academy

to train our staff on motor vehicle maintenance and to ensure the continued expansion of our business.



**October**

**Developed and retailed  
first-of-its-kind lubricants**

for industrial sugar producers  
in Thailand, in collaboration  
with KI Sugar Group.



**Launched EV fluids**

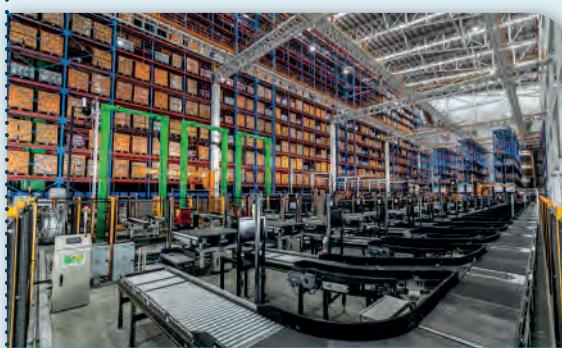
for electrical vehicles use.



**August**

**Opened a PTT  
Lubricants distribution  
center in Chachoengsao**

The first automated storage and  
retrieval system enables OR to  
distribute up to 260,000,000  
liters of products per year.



**November**

**Opened the first hydrogen fueling  
point, located in Chonburi, for fuel  
cell electric vehicles in Thailand**

in collaboration with PTT, Toyota, and BIG.





# All Lifestyles

March

## Opened the first Café Amazon coffee processing plant in Chiang Mai

to purchase and process green coffee beans. Additionally, this plant also provides training to coffee growers on the techniques and skills needed to produce high quality coffee, ultimately benefitting the whole Thai agricultural sector.



June

## Invested in the Café Amazon Ready to Drink range

alongside Boonrawd Trading Co., Ltd. to diversify the food and beverages offerings for consumers.



April

## Opened the first “Your Space” branch

offering a multi-brand experience at our PTT Station Vibhavadi, Bangkok.



August

## Invested in the Otteri Wash & Dry brand

alongside KNX to strengthen OR's commitment to services for all lifestyles.



## September

### Invested in Dusit Foods to bolster OR's food business

presence domestically and internationally.

### Opened the first Texas Chicken Express branch

at Huai Kwang MRT Station, Bangkok.

### Opened 100<sup>th</sup> Texas Chicken branch.



### Opened the first Café Amazon branch in Saudi Arabia



# Global Market

March

## Established Phnom Penh Aviation Fuel Service Co., Ltd. (PPAFS)

in partnership with China National Aviation Fuel International Holdings Ltd. (CNAFIH) of the People's Republic of China and Total Energies Marketing (Cambodia) Co., Ltd. (TEMCo), a subsidiary of Total Energies from France, to expand its business capability in aviation fuel service.



April

## Worked alongside the EFG Group to expand our food and beverage operations

which included opening Pizza Company and Dairy Queen stores in PTT stations in Cambodia.



April

**Opened the first Café Amazon  
in a UNESCO World Heritage site in Luang Prabang, Laos**

furnished in accordance with local traditions and architecture.





# OR Innovation

## ORZON Ventures invested in 10 start-ups

Pomelo, CAR SOME, freshket, GoWabi, PROTOMATE, Hungry Hub, Hangry, Dez Pax, travelio and belanjaparts to further expand Mobility and Lifestyle offerings.



May

## Invested in the freshket platform

a comprehensive food supply chain service used extensively in the HoReCa industry, as well as by general consumers.



April

## Invested in the SeaX Fund II (Thai Startup)

an investment fund with a focus on start-ups in the field of deep technology throughout the globe.



August

## Invested in the GoWabi digital platform

which connects users to lifestyle and esthetic services that most suit their needs.



**September**

**Invested in LINE MAN x Wongnai**

to expand the On-Demand Delivery business and cater to consumers' needs.



**Invested in  
the Traveloka platform**

which offers a full range of tourism and lifestyle services.



**December**

**Launched the FIXX application**

which offers users access to a comprehensive range of vehicle maintenance services.





## Others

July

### Celebrating the 20<sup>th</sup> Anniversary of Café Amazon



November

### Involved in APEC 2022 as a key communication partner.

Assisting as an official key communication partner in APEC 2022, and joining a project, Care the Bear, in collaboration with the Ministry of Foreign Affairs and the Stock Exchange of Thailand to organize the low-carbon APEC Summit through plastic waste management at the meeting venues. The plastic waste was upcycled into sports shirts and given to students at schools near OR facilities.





# OR Awards 2022

## BRANDING

1



2



3



4



1.

### World Branding Awards: PTT Station

The 6<sup>th</sup> consecutive year winner for Brand of the Year in Petrol / Gas Station Category, from World Branding Forum

2.

### World Branding Awards: Café Amazon

The 6<sup>th</sup> consecutive year winner for Brand of the Year in Retailer - Coffee Category, from World Branding Forum

3.

### Thailand's Most Admired Brand: PTT Station

The 19<sup>th</sup> consecutive year winner in Petrol Station Category, from Brand Age

4.

### Thailand's Most Admired Brand: PTT Lubricants

The 13<sup>th</sup> consecutive year winner as the best brand in Automotive Category, engine lubricant group, from Brand Age



## 5.

**Thailand's Most Admired Brand:**

**Market Leader Brand Award: PTT Station**

The brand with the highest market share in the industry, from Brand Age

## 6.

**Thailand's Most Admired Brand: Innovation Brand Award: PTT Lubricants**

The brand with constant innovation and creativity introduced to the market, from Brand Age

## 7.

**No.1 Brand Thailand: PTT Station**

The 11<sup>th</sup> consecutive year winner for Thailand's most popular brand in Fuel Station Category, from Marketeer

## 8.

**No.1 Brand Thailand: Café Amazon**

The 11<sup>th</sup> consecutive year winner for Thailand's most popular brand in Coffee Shop Category, from Marketeer

## 9.

**No.1 Brand Thailand: PTT Lubricants**

The 11<sup>th</sup> consecutive year winner for Thailand's most popular brand in Engine Oil Car Category, from Marketeer

## 10.

**The Most Powerful Brands of Thailand: Café Amazon**

Thailand's most powerful brand in coffee business, from the Faculty of Commerce and Accounting, Chulalongkorn University

## RETAIL MARKETING



11

12

## PERFORMANCE EXCELLENCE

13

14

11.

### Merchant Popular

#### The Most Popular Fried Chicken Restaurant of the Year: Texas Chicken

Popular brand for fried chicken, from Robinhood Application

12.

### Office Hits Awards: Café Amazon

The brand most loved by office people, popular beverages among office workers during day time, and a place for blissful breaks to recharge their energy, from "What's in at the office" page by Ookbee Co., Ltd.

13.

### Deal of the Year Awards

Recognition of OR's outstanding performance in capital market driving by having the highest IPO deal booked for retail purchases of more than 530,000 transactions, the biggest deal in the energy sector, from the Stock Exchange of Thailand (SET)

14.

### Outstanding Deal Awards

Outstanding performance from IPO fundraising at a scale of more than 3,000 million baht, which OR was also able to raise 53,000 million baht, from the Stock Exchange of Thailand (SET)

## PERFORMANCE EXCELLENCE

15



16



17



15.

### Rising Star Sustainability Excellence

Sustainable business operation and determination to steer the organization towards steady growth according to ESG guidelines, from the Stock Exchange of Thailand (SET)

17.

### Thailand Top Company Awards

Outstanding performance and business operations in retail and wholesale industry category for 3 consecutive years, from BUSINESS+ magazine and the University of the Thai Chamber of Commerce

16.

### Awards for listed companies with sustainable stocks (THSI)

Companies with sustainable stocks (THSI) in Resources Industry Category, from the Stock Exchange of Thailand (SET)

## PERFORMANCE EXCELLENCE



18



19



20

**18.**

### Outstanding Model Organization Award in Safety, Occupational Health and Working Environment

- Surat Thani Petroleum Terminal has been awarded for 26 consecutive years, the longest winning in Thailand.
- Lampang Petroleum Terminal has been awarded for 23 consecutive years.
- Phitsanulok Oil Terminal and Chiang Mai Oil Terminal have been awarded for 22 consecutive years.
- Prakanong Oil Terminal, Phuket Oil Terminal, and Nakhon Sawan Oil Terminal have been awarded for 21 consecutive years.
- Den Chai Oil Terminal has been awarded for 20 consecutive years from the Department of Labor Protection and Welfare, the Ministry of Labour.

**19.**

### Techsauce Awards: The Sauciest Company

Forward-looking, visionary organization with constant mission for new business opportunities, technology-focused with strong innovation strategy, making a positive impact on society, from Techsauce Global Summit 2022

**20.**

### Honorary Award for Gender Equality Promotion Organization

An exemplary organization to promote gender equality, from the Ministry of Social Development and Human Security

21



22



23

**APEC 2022  
THAILAND**  
APEC Communication Partners

24

**APEC 2022  
THAILAND**  
MOBILITY AND LOGISTICS PARTNER  
PTT OIL AND RETAIL BUSINESS  
PUBLIC COMPANY LIMITED  
MINISTRY OF FOREIGN AFFAIRS  
3 DECEMBER 2022

## 21.

### Outstanding Award for Sustainable Model Organization in the Thai Capital Market who supports the disabled

Organizations that promote and support the employment of people with disabilities, from the Securities and Exchange Commission and the Ministry of Labor

## 22.

### Civilization Promotion Organization of the Year: Thailand Friendly Design Awards

Outstanding organization that promotes civilization, from the Foundation for Civilized Architecture for All

## 23.

### APEC Communication Partners

Communications and public relations partner of the APEC 2022 Asia-Pacific Economic Cooperation Conference, from the Ministry of Foreign Affairs

## 24.

### APEC Mobility and Logistics Partner

Mobility and Logistics partner of the APEC 2022 Asia-Pacific Economic Corporation Conference, from the Ministry of Foreign Affairs

## PERFORMANCE EXCELLENCE



25



26



27

**25.**

### Sustainability Excellence Award

An organization with a vision and approach to sustainability, developing its business and technology towards sustainability, specifically the EV Ecosystem, from Informa Markets

**26.**

### Future Mobility Aspiration through Bio-Circular-Green Economy within APEC

Outstanding organization that supports energy transition and sustainable business practices, from Electric Vehicle Association of Thailand and Informa Markets

**27.**

### Golden Heart Award:

#### Outstanding Contribution to COVID-19 Relief

Outstanding organization in providing COVID-19 relief assistance, from the Association of Confederation of Establishments for Health and the Elderly



28



29



30

## 28.

### Silver Award The International Sudomo Quality Medal

Fuel Oil Premium grade which enhance the efficiency of complete combustion, reducing emissions, and increasing the capabilities of entrepreneurs and industrial businesses, from Perhimpunan Manajemen Mutu Indonesia (PMMI IQMA)

## 29.

### PR Awards Asia: Silver Award in Corporate Social Responsibility

Outstanding and most successful Campaign & PR Week from “OR is opportunities” campaign

## 30.

### Astrid Awards “HONORS”: TOGETHER Journal

Outstanding Design Communications award from TOGETHER journal by MerComm

# Message from the Board of Directors

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Mr. Auttapol Rerkpiboon  
Chairman

Mr. Disathat Pangarachun  
Chief Executive Officer



## OR operates its business in line with SDG in OR's way, taking the environment into account and growing alongside society and communities sustainably.



**Throughout 2022** the economy continued to recover despite the impacts of COVID-19 and the economic scars it left on businesses and consumers alike. Although borders and airspace were open once more, only a limited number of foreign visitors could return. Thailand's economic recovery has been fragile and concentrated, further exacerbating the country's income gap and opposing its sustainable growth. Despite signs of recovery in 2022, following the opening of Thailand's borders and airspace, Thailand continued to face back-bending challenges, including the rising costs of energy and raw materials and severe weather patterns induced by climate change. Business operations have had to take social and environmental issues into account more than ever before. All of these factors must be weighted to prepare for inevitable change.

### Vision for Sustainable Growth

At OR, we are convinced that a business of the future should grow alongside its consumers and the environment, hence our vision of "**Empowering All toward Inclusive Growth**". We believe that everyone deserves opportunities for growth, success, and a better quality of life in a bountiful environment. As a company, OR inclusively empowers all with opportunities for growth that can be passed on to loved ones today, tomorrow, and beyond.

### Mission Toward Exponential Growth

To tangibly foster "Inclusive Growth in Action", we leverage our capabilities, including service stations and retail shops, digital innovation development, trusting customer base, and our business expertise. We have mapped out the following four pillars of our mission:

**(1) Seamless Mobility:** We aim to transition from an oil

ecosystem to an energy-solution ecosystem to sustain future energy consumption and ensure seamless mobility through PTT stations. These physical platforms allow us to meet every traveler's needs as we push for systematic EV collaboration within the PTT Group. We are also using our customer database to design an appropriate ecosystem while we acquire new skills that will allow OR's business to continue to grow (ecosystem design);

**(2) All Lifestyles:** We strive to grow our businesses beyond food and beverage to meet all lifestyle needs, responding to constantly changing consumer behavior trends and shifting demands. We are developing our existing human resources while recruiting experts from outside to drive new businesses (professional management);

**(3) Global Market:** For our international market growth, we focus on adapting business models that have been successful in Thailand to suit each new country in which we invest. We are building domestic and international partnerships to identify expansion



opportunities and create value-added to bring about success and acceptance in the global market (strategic alliance); and **(4) OR Innovation:** We leverage our capability along with that of our partners to overcome social and environmental challenges, creating our very own innovation while respecting the principles of social and environmental development (people and planet) to ensure sustainable growth.

### Inclusive Growth in Action

At OR, we believe that inclusivity provides opportunities. In addition to being guided by the four pillars of our mission, we strive to operate in compliance with the United Nation's Sustainable Development Goals (SDGs) in the following manners:

**(1) Small(S): OR's operations elevate the quality of life at a microeconomic scale.** For instance, we work with PTT station partners (dealers) to support co-operative societies by assisting them with product development and marketing. We also sell these products at PTT stations, increasing their income in a sustainable manner.

Likewise, our Café Amazon purchases coffee beans from Thai growers nationwide, including Robusta beans from the south and arabica beans from the north. Our Café Amazon has also hired and trained baristas across Thailand, creating 19,300 jobs. Additionally, the Café Amazon for Chance program enables us to hire Deaf individuals, senior citizens, and veterans as baristas and provide them with steady income.

**(2) Diversified(D): OR and capable partners jointly invest in a wide range of businesses, leveraging each other's strengths to foster inclusive growth.** Our physical Inclusive Growth platforms include PTT stations, Café Amazon shops, and B2B partners such as Ohkajhu or Pluk Phak Praw Rak Mae Co., Ltd. inside PTT stations and Café Amazon locations. Our digital Inclusive Growth platforms include the Blue Card member database and our all-in-one application.

**(3) Green(G): OR encourages every business to become green in support of a low-carbon society.** The ultimate goal is to achieve carbon neutrality by



2030 and net zero by 2050. To realize this goal, we push for an EV ecosystem through the synergy of PTT Group companies and our own expansion of EV Station PluZ inside and outside PTT stations on all major highways and in commercial districts nationwide. We have developed the EV Station PluZ application, in which EV drivers can find charging stations, book a timeslot, and control charging. Payments are made online, and charging history is also available. All of these features make driving an EV easy in every way. Moreover, we have expanded the installation of a solar roof inside and outside OR operating areas, including OR warehouses, PTT Stations, and Café Amazon locations. Our Café Amazon Circular Economy project upcycles products used in Café Amazon shops and roaster by turning them into uniforms for our baristas across Thailand. We are exploring other possibilities as well. Meanwhile, our Café Amazon Go Green campaign focuses on using eco-friendly and biodegradable products, such as bio straws, bio cups for hot beverages, and PET cups for cold beverages, the last of which can be upcycled

into other products and furniture. We have also switched from plastic bags to paper bags.

On behalf of OR's Board of Directors and executive team, we would like to express our gratitude toward all stakeholders for their continued trust and support. We will keep working diligently to increase competitiveness, investment, and good governance to allow OR to become one of the key providers of opportunities. By joining forces with our partners under the concept of Inclusive Growth in Action, our business will grow exponentially but sustainably alongside our consumers and our environment, realizing the "**Empowering All toward Inclusive Growth**" vision.

# Report of the Audit Committee



**Dr. Kobsak Pootrakool**  
**Chairman of the Audit Committee**



The Audit Committee of PTT Oil and Retail Business Public Company Limited (OR) consists of three independent directors, namely Dr. Kobsak Pootrakool, as Chairman of the Audit Committee, Dr. Chaichana Mitrpant and Mr. Rawit Hanutsaha, as the Committee members. All members have qualifications as stipulated by the regulations of the Ministry of Finance on the Audit Committee and the Internal Audit Department and have extensive experience in accounting, information technology, and marketing, with Ms. Worrapanit Sittibusaya, Vice President of Internal Audit Department, as Secretary of the Audit Committee.

The Audit Committee executes its duties independently as assigned by the OR's Board of Directors and in accordance with OR's Charter of the Audit Committee, which agrees with the best practices of the State Enterprise Policy Office, the Ministry of Finance and The Securities and Exchange Commission. The Committee reviews, advocates, and assures OR's compliance with governance and applicable regulations as well as adequate and effective risk management and internal control. In 2022, the Committee convened a total of 12 meetings with the objectives of reviewing the adequacy and efficiency of the internal control system, the effectiveness of its performance and risk management, the reliability of financial and administrative reports, and legal and regulatory compliance relating OR and its affiliated companies. The details of the Committee's meeting attendance are as follows.

Audit Committee Members	Position	Attendance / Meetings
<b>Assoc. Prof. Dr. Pipop Udon (Independent Director)</b>	Chairman of the Audit Committee	3/3
<b>Dr. Chaichana Mitrpant (Independent Director)</b>	Audit Committee Member	3/3
<b>Mr. Yanyong Detpiratmongkol (Independent Director)</b>	Audit Committee Member	3/3
<b>Mr. Rawit Hanutsaha (Independent Director)</b>	Audit Committee Member	2/3

**2) April 7, 2022 to May 30, 2022**

Audit Committee Members	Position	Attendance / Meetings
Dr. Kobsak Pootrakool (Independent Director)	Chairman of the Audit Committee	2/2
Dr. Chaichana Mitrpant (Independent Director)	Audit Committee Member	2/2
Mr. Yanyong Detpiratmongkol (Independent Director)	Audit Committee Member	2/2
Mr. Rawit Hanutsaha (Independent Director)	Audit Committee Member	2/2

**3) May 31, 2022 to December 20, 2022**

Audit Committee Members	Position	Attendance / Meetings
Dr. Kobsak Pootrakool (Independent Director)	Chairman of the Audit Committee	7/7
Dr. Chaichana Mitrpant (Independent Director)	Audit Committee Member	7/7
Mr. Rawit Hanutsaha (Independent Director)	Audit Committee Member	6/7

**4) December 21, 2022 to December 31, 2022**

Audit Committee Members	Position	Attendance / Meetings
Dr. Kobsak Pootrakool (Independent Director)	Chairman of the Audit Committee	
Dr. Chaichana Mitrpant (Independent Director)	Audit Committee Member	
Mr. Chintapun Dansubutra (Independent Director)	Audit Committee Member	No meeting convened
Mr. Supat Metheworapote (Independent Director)	Audit Committee Member	

The key activities undertaken by the Committee can be summarized as follows:

### **1. Review of Financial Statements:**

The Audit Committee reviewed OR's quarterly, annual and consolidated financial statements, including any related transactions that might have led to conflicts of interest, together with the management, Internal Audit Department, and external auditor. The Committee's inquiries to the external auditor included the accuracy and completeness of financial statements, the adjustment of key account entries affecting the statements, the adequacy and suitability of account recording, audit scope, the accuracy of information disclosure, and the independence of the auditor. Any observations and suggestions from the auditor were also noted. All these elements ensured that the preparation of the financial statements abided by legal requirements and generally accepted accounting standards and principles and was undertaken in a reliable and timely fashion, and that the content of the financial statements was beneficial to stakeholders.

Moreover, meetings between the Committee and external auditor were held without the participation of the management to discuss audit planning, independence in duty performance, cooperation between the auditor and the Internal Audit Department, and the auditor's opinion, emphasizing accurate, complete, and sufficient disclosure of information.

### **2. Review of Internal Control Process, Governance, and Risk Management Effectiveness:**

The Committee, together with the Internal Audit Department, reviewed the effectiveness and efficiency

of the risk management process, risk management policy, internal control, as well as legal and regulatory compliance of OR and its affiliates by conducting an audit performance review quarterly and providing consultation, including giving advice and suggestions to OR and its affiliates on internal control and risk management in processes vital to business operations. The Committee also reviewed reports of fraud and/or non-compliance with laws and OR's regulations in 2022 and internal control assessment review reports as well as advised on internal control management reports under the Ministry of Finance's Internal Audit Standards for Government Agencies, B.E. 2561 (2018) regulations. In 2022, the outcome of the internal control assessment demonstrated adequacy and continuity of compliance. It revealed existing risks, thus allowing for improvements to prevent or reduce such risks in 2023.

### **3. Governance of Internal Audit Activities:**

The Audit Committee reviewed internal auditing to assess the effectiveness of the Internal Control Department, taking into consideration its missions, scope of duties, responsibilities, and independence. The Committee also approved the annual audit plan for 2023 and the long-term audit plan (2023-2025) and reviewed annual budgets, the adequacy and suitability of resources, and the KPIs of the Internal Audit Department. In addition, the Committee approved the annual self-assessment outcome of the Internal Audit Department and granted it an Excellent rating on the 2022 satisfaction survey, as well as endorsed the operational development plan of the Department, supervised internal control quality assurance, and reviewed the performance of the head of the Internal Audit Department.

#### **4. Quality Assurance of the Audit Committee:**

The Audit Committee implemented an action plan based on the outcome of the 2021 assessment and conducted Assessment of the Committee (entire Committee), Assessment of Individual Directors (self-assessment), Individual Assessment of Other Directors (cross-assessment) for 2022 following the best practices of the State Enterprise Policy Officer (SEPO) and the Stock Exchange of Thailand (SET), to ensure its operational efficiency and the achievement of the set goals. The assessment results were at Excellent level. The Committee also formulated an action plan to enhance the performance of the Audit Committee.

#### **5. Review of Auditor's Appointment and Remuneration for 2023:**

The Audit Committee considered and endorsed the appointment of EY Office Company Limited (EY) as OR's auditor to perform an audit on financial data in the first, second, and third quarters of 2023 and on the financial statements of 2023. The Committee also proposed the audit fees for 2023 to the Board of Directors for concurrence, to be subsequently approved at the annual general meeting of shareholders.

#### **6. Review of the Audit Committee and the Internal Audit Charters for 2022:**

The Audit Committee approved a review of OR's regulations on the Audit Committee and the Internal Audit Department and the requirements for internal audit to ensure alignment with the scope of responsibility and best practices and consistency with other relevant regulations, notifications, and handbooks.

In summary, the Audit Committee executed its duties and responsibilities as specified in the charter with knowledge, skill, due professional care, and independence, while providing opinions and recommendations for the benefit of all stakeholders. The Committee ensures that OR's financial statements are accurate, reliable, and in alignment with generally accepted accounting standards and assures that OR has operated in compliance with applicable laws and business obligations, has put in place a good governance system as well as adequate and uninterrupted risk management and internal control in accordance with relevant regulations of the Ministry of Finance, and has continuously improved its operations to ensure quality and compatibility with the business circumstances.

# Report of the Nomination and Remuneration Committee



**Mr. Poomsak Aranyakasemsuk**  
**Member of the Nomination and**  
**Remuneration Committee**



The Board of Directors of PTT Oil and Retail Business Public Company Limited (OR) has appointed the Nomination and Remuneration Committee, consisting of five Company directors, with the Chairman of the Committee being an independent director. The Committee is charged with nominating qualified directors and top executive candidates according to the process and criteria defined by OR, selecting OR's directors for positions on sub-committees, and screening candidates for an executive vice president or equivalent position to be proposed to the Board of Directors for approval. The Committee is also responsible for considering remuneration schemes and criteria for directors and submitting them to the Board of Directors and shareholder meetings as required by the law.

On December 31, 2022, the Nomination and Remuneration Committee comprised four directors in total as follows:

1. Mr. Poomsak Aranyakasemsuk  
(Non-Executive Director)
2. Miss. Dujduan Hettrakul  
(Independent Director)
3. Mr. Supat Metheeworapote  
(Independent Director)
4. Mr. Terdkiat Prommool  
(Non-Executive Director)

With the addition by the resolution of the OR Board of Directors on November 23, 2022, of Mr. Terdkiat Prommool as an additional non-executive director, effective December 26, 2022, upon the approval of the State Enterprise Policy Office (SEPO). As such, the Committee is composed of at least three directors, at least one of whom is independent. This is in line with OR's Nomination and Remuneration Committee Charter. However, as of December 31, 2022, the position of Chairman of the Nomination and Remuneration Committee is vacant.

The Committee fulfilled the duties assigned by OR's Board of Directors with prudence, caution, transparency, and fairness and convened a total of 12 meetings. Its key activities in 2022 can be summarized as follows:

## **1. Nomination of Candidates for Director Replacement Due to Retirement by Rotation and Resignation**

The Committee nominated qualified candidates for directorship in compliance with the Corporate Governance Code for Listed Companies issued by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), and the Qualification Standards for Directors and Officials of State Enterprises Act B.E. 2518 (including amendments), and strictly proceeded

according to the process and criteria stipulated by OR's Corporate Governance Handbook. The candidate list was then proposed to the Board of Directors, or a shareholder meeting as required by the law. The Directors' Pool of the State Enterprise Policy Office informed the nomination and considered the Board Skill Matrix to ensure alignment with OR's nature of business. The qualifications included education, expertise, skills, experience, and specialization related to OR's enterprises, as well as independence as stipulated by the laws and OR's requirements to ensure that the Company appointed directors with skills, knowledge, and expertise suitable for OR's business and effective operation management.

## **2. Appointment of Sub-Committees**

The Committee considered and approved the nomination and selection of OR directors to serve as members in various sub-committees following best practices and with the Board Skill Matrix as a basis and proposed the candidate list to OR's Board of Directors to ensure that the performance of duties of each sub-committee is comprehensive and efficient.

## **3. Determination of Directors' Remuneration and Bonus**

The Committee determined remuneration for the Board of Directors and sub-committees for 2022 and the allocation of bonus payments to the directors for their contributions in the year 2021, based on the Company's operating results and business size in comparison with other listed companies or leading companies in the same industry or of a similar size to ensure suitability, fairness, and reasonableness. The remuneration was then proposed to the Board of Directors for consideration and subsequently presented to the annual general meeting of shareholders for approval.

## **4. Review of Board Assessment Forms and Board Performance Assessment**

The Committee reviewed the criteria, procedures, and forms for the performance assessment of individual directors and the Board as a whole, as well as the performance assessment of sub-committees to comply with international corporate governance rules and principles. The Committee also arranged for an external

consultant to verify all issues related to the performance evaluation of all directors against the following criteria:

- 1) The Corporate Governance Code for Listed Companies 2017 of the Securities and Exchange Commission (SEC) regarding the requirements and details for the evaluation of directors
- 2) The Stock Exchange of Thailand (SET)'s Corporate Governance Practices, revised January 2021, regarding self-assessment of the Board of Directors of a listed company
- 3) The criteria for information disclosure specified in the Thai Institute of Directors Association (IOD)'s 2023 Manual of Corporate Governance Report of Thai Listed Companies (CGR) regarding assessment criteria for listed companies under the category of "Directors' Responsibility for "Self-Assessment"
- 4) Corporate Governance, Ethical Standards, and Code of Business Ethics Handbook 2021 Edition regarding the assessment of directors
- 5) OR Board Charter
- 6) OR Nomination and Remuneration Committee Charter
- 7) The Dow Jones Sustainability Indices (DJSI)

## **5. Review of the Nomination and Remuneration Committee Charter**

The Committee revised the Nomination and Remuneration Committee charter to ensure its currency, suitability for the scope of roles and responsibilities, consistency with standards for listed companies, and good corporate governance principles. Reference was made to the Stock Exchange of Thailand (SET)'s Corporate Governance Practices, revised in January 2021, particularly to the good practices of the Nomination Committee and of the Remuneration Committee, and these principles were considered in conjunction with 1) directors' opinions and the resolutions of OR's Board of Directors meetings, 2) organizational restructuring, 3) the charters of the Board of Directors of PTT Group and those of listed companies in the same industry (resource industry group, energy and utilities sector and industrial group, retail business sector), and 4) laws governing business operations of companies

with state enterprise status. Thus, the Committee resolved to revise Section 3, namely "Scope, Duties, and Responsibilities" of the Nomination and Remuneration Committee's charter for 2022, such as the changing of titles of top executive positions, nomination of top executives for companies listed on the Stock Exchange of Thailand with state enterprise status, guidelines for determining the remuneration of the Chief Executive Officer, and management of employees at the levels of director and Senior Executive Vice President or equivalent and higher.

## **6. Determination of Criteria and Guidelines for CEO Assessment**

The Committee approved the performance assessment criteria and guidelines for the Chief Executive Officer (CEO) according to the established key performance indicators (KPIs). For 2023, KPIs and assessment weights are set at 60% for corporate-level indicators, 30% for leadership SPIs, and 10% for behavior KPIs. Directors and related third parties will undertake a 360-degree assessment of Competency, Attitude, and Behavior, and subordinates under the missive of the State Enterprise Policy Office No. Gor Kor. 0803.3/Wor. 856, dated July 22, 2021, regarding guidelines for evaluating top executives of state enterprises with a 360-degree assessment method. The criteria mentioned above are to be used as a basis for performance assessment and salary increases, to be presented to the OR Board of Directors for approval.

## **7. Candidate Scoring for Senior Executive Vice President Positions**

The Committee approved the qualification requirements of candidates for the position of Senior Executive Vice President to ensure that appointees have the appropriate qualifications for said position and established the following principles and guidelines for candidate scoring: 1) Performance: 30 points; 2) Competencies: 25 points; 3) Experience: 25 points; and 4) Candidate Qualification: 20 points. This will contribute towards bolstering OR's competitiveness, ability to balance the needs of all stakeholders, and sustainable growth.

### **Remark:**

The previous title for Senior Executive Vice President in Thai was effective until September 30, 2022, and has henceforth changed to the new title, effective from October 1, 2022, onwards.

## **8. Appointment of the President**

The Committee approved the appointment of the President in accordance with the resolution of the 3/2022 Board of Directors Meeting on August 29, 2022, to approve the organizational restructuring of OR, effective October 1, 2022, to ensure clarity in management roles and continuity in OR's internal and business operations.

## **9. Appointment, Transfer, and Promotion of Senior Management Positions**

The Committee approved the appointment, transfer, and promotion of high-ranking executives to determine the criteria and procedures for the recruitment, selection, and nomination of suitable persons to assume high-ranking executive positions to ensure OR's business continuity and operational efficiency.

## **10. Transfer of Secondment Employees Back to PTT**

The Committee approved the transfer of secondment employees back to PTT to comply with the human resource management policy stipulated in PTT Group Policy and PTT Way of Conduct for further approval by OR's Board of Directors. This was undertaken to ensure OR's operational efficiency, fulfillment of the vision and mission, and business continuity.

# Report of the Enterprise Risk Management Committee

*C. Mitrpant*

**Dr. Chaichana Mitrpant**  
**Chairman of the Enterprise Risk Management Committee**



OR recognizes the significance of effective risk management in its ability to achieve established goals and sustainable growth and instill trust and confidence in shareholders and all groups of stakeholders. The Enterprise Risk Management Committee comprises qualified experts with knowledge and experience in diverse areas. As of December 31, 2022, the Committee consisted of five directors as follows:

1. Dr. Chaichana Mitrpant (Independent Director)  
Chairman
2. Dr. Buranin Rattanasombat  
Member
3. Dr. Kobsak Pootrakool<sup>(1)</sup> (Independent Director)  
Member
4. Mr. Chintapun Dansubutra<sup>(2)</sup> (Independent Director)  
Member
5. Mr. Disathat Panyarachun<sup>(3)</sup>  
Member

The Enterprise Risk Management Committee is charged with establishing policies and risk management frameworks, overseeing risk management to ensure alignment with the Company's strategies and targets, as well as offering suggestions for the betterment of risk management efficiency concerning strategy, operation and business, information technology, finance, and compliance.

In 2022, the Enterprise Risk Management Committee convened a total of 6 meetings. The key activities undertaken in the discharge of its duties can be summarized as follows:

- 1. The Committee reviewed the internal enterprise risk management system,** revising the Enterprise Risk Management Committee Charter following the Dow Jones Sustainability Index (DJSI) – Corporate Sustainability Assessment and extending the Committee's authority to encompass the supervision of the cybersecurity and information technology security strategy.

**Remarks:**

<sup>(1)</sup> OR Board Meeting No. 1/2022 on April 7, 2022 resolved to appoint Dr. Kobsak Pootrakool as member of the Enterprise Risk Management Committee, replacing Assoc. Prof. Pipop Udom.

<sup>(2)</sup> OR Board Meeting No. 12/2022 on December 21, 2022, resolved to appoint Mr. Chintapun Dansubutra as member of the Enterprise Risk Management Committee, replacing Dr. Twarath Sutabutr.

<sup>(3)</sup> OR Board Meeting No. 12/2022 on December 21, 2022, resolved to appoint Mr. Disathat Panyarachun as member of the Enterprise Risk Management Committee, replacing Ms. Jiraphon Kawswat.

## **2. The Committee advised on and approved the establishment of an annual corporate risk profile**

that is consistent with the Company's strategic directions and business plans, conducted risk assessment throughout the year to accommodate changes in circumstance, determined key risk indicators, and monitored the results of enterprise risk management quarterly.

## **3. The Committee provided recommendations on the management of key risks, which can be summarized as follows:**

### **3.1 Strategic Risks**

- Considered, screened, and advised on new or large investment projects that pose significant risks to the organization, such as investment in online travel agency (OTA) businesses.
- Provided suggestions on risk management and strategy implementation for foreign-affiliated companies, such as risk management for conducting business in Lao PDR and preparations for opportunity seeking once the situation in Myanmar normalizes.

### **3.2 Operational and Business Risks**

- Advised the Company on maintaining the quality of products and services.
- Closely monitored accidents and catastrophic incidents and provided advice on raising awareness among employees and contractors.
- Monitored price and cost risk management quarterly.

### **3.3 IT Risks**

- Monitored the Cyber Security Roadmap report on a quarterly basis.
- Monitored information technology access control reports quarterly.

### **3.4 Financial Risks**

- Monitored foreign exchange risk management on a quarterly basis.
- Advised the company on monitoring its liquidity risk.

In summary, the activities above demonstrate that the Enterprise Risk Management Committee has attached great significance to its duties, plays a vital role in fostering confidence in the Company's ability to carry out its strategies and achieve its goals to ultimately create added value for the organization and shareholders sustainably.

# Report of the Corporate Governance and Sustainability Committee

*Duangkamol Chartprasert*

**Asst. Prof. Dr. Duangkamol Chartprasert  
Chairman of the Corporate Governance  
and Sustainability Committee**



OR recognizes the importance of conducting business on the basis of good corporate governance, with a business ethic that is committed to transparency, accountability, integrity, fighting all forms of corruption, and consideration for all stakeholders. Good corporate governance is the foundation which will promote efficient business operations, allowing the business to grow sustainably. In addition, OR strives to integrate environmental, social, and governance (ESG) approaches into its operations to enhance efficiency and foster confidence among stakeholders across all sectors for the benefit of sustainable mutual growth.

The Board of Directors on November 23, 2022 resolved to amend the name of the Corporate Governance Committee to the Corporate Governance and Sustainability Committee, which at present consists of five qualified members, namely Asst. Prof. Dr. Duangkamol Chartprasert as Chairman of the Committee (independent director), Ms. Dujduan Hetrakul (independent director), Mr. Rawit Hanutsaha (independent director), Mr. Tawatchai Cheevanon (independent director), Mr. Komol Buaket (director), serving as directors of the Committee, with the Corporate Governance Department Manager acting as secretary to the Committee.

In 2022, the Corporate Governance and Sustainability Committee convened a total of 6 meetings, with the following directors in attendance.

<b>Members of the Corporate Governance and Sustainability Committee</b>	<b>Position</b>	<b>Attendance / Total Meetings (times)</b>
<b>Asst. Prof. Dr. Duangkamol Chartprasert (Independent Director)</b>	Chairman	6/6
<b>Mr. Chintapun Dansubutra<sup>(1)</sup> (Independent Director)</b>	Director	6/6
<b>Mr. Supat Metheeworapote<sup>(1)</sup> (Independent Director)</b>	Director	6/6
<b>Mr. Disathat Panyarachun<sup>(2)</sup> (Executive Director)</b>	Director	3/3
<b>Ms. Dujduan Hettrakul<sup>(3)</sup> (Independent Director)</b>	Director	-
<b>Mr. Rawit Hanutsaha<sup>(3)</sup> (Independent Director)</b>	Director	-
<b>Mr. Tawatchai Cheevanon<sup>(3)</sup> (Independent Director)</b>	Director	-
<b>Mr. Komol Buaket<sup>(3)</sup> (Non-Executive Director)</b>	Director	-

**Remarks:**

<sup>(1)</sup> Transferred to another sub-committee by resolution of the Board of Directors, effective December 21, 2022.

<sup>(2)</sup> Resigned as a director, effective October 18, 2022.

<sup>(3)</sup> Appointed as a director of the Corporate Governance and Sustainability Committee by the resolution of the Board of Directors, effective December 21, 2022, and for Mr. Tawatchai Cheevanon and Mr. Komol Buaket, effective upon approval by the State Enterprise Policy Committee on December 26, 2022.

The Corporate Governance and Sustainability Committee's activities in performing its duties can be summarized as follows:

### 1. Corporate Governance

- The Committee instituted an annual review of the key points of the Corporate Governance Handbook, Ethical Standards, Code of Business Ethics, Good Corporate Governance Policy, and Anti-Fraud and Corruption Policy, revising the roles and responsibilities and the business ethics of the Board of Directors, executives, and employees for transparency and accountability. The Committee also continuously revised corporate governance practices to ensure their currency and compliance with the laws, OR's regulations, the corporate governance principles of the Stock Exchange of Thailand and the Securities and Exchange Commission, as well as the criteria, guidelines, and

standards of leading companies both in Thailand and overseas.

- The Committee reviewed and endorsed the 2022 annual action plans for corporate governance activities, complaint handling, anti-corruption efforts, and compliance with the law and OR's regulations. The Committee also set annual targets, which were passed on to operations at all levels, as well as continuously provided support and suggestions and monitored the operations to ensure the efficient achievement of the objectives.
- The Committee reviewed and endorsed the 2022 corporate governance performance report as well as the CG Code compliance report, for which the principles developed by the Securities and Exchange Commission (SEC) were applied, to be disclosed in OR's 2022 annual report. With the intention and determination to operate under

the principles of good corporate governance, OR received a rating of “Excellent” from the Corporate Governance Report of Thai Listed Company (CGR) survey project conducted by the Thai Institute of Directors Association for the second consecutive year in 2022.

- The Committee provided support and suggestions regarding the announcement of intent to join the Private Sector Collective Action Coalition against Corruption (CAC).
- The Committee provided suggestions on the formulation of a group-level corporate governance policy and established OR Group Way of Conduct, which brings together guidelines, practices, and processes related to the policies of OR and its affiliates to ensure consistency and uniformity in implementation.
- The Committee required directors and executives to disclose any interests held by them and their related parties so that any transaction potentially constituting a conflict of interest could be reviewed.

## **2. Sustainability**

- The Committee instituted sustainability policies and guidelines to ensure that the Company’s operations take environmental, social, and governance (ESG) aspects into account in a way that is consistent with the principles and best practices set by national and international standards.

- The Committee reviewed and endorsed the Sustainability Management (SM) action plan for the year 2022, continuously provided support and suggestions and monitored operations to ensure the efficient achievement of the objectives. Stemming from its commitment to implementation, OR has received both international and national recognition, such as being invited to participate in the Dow Jones Sustainability Indices (DJSI) by S&P Global Ratings in the retailing industry group, receiving the 2022 Rising Star Sustainability Award from the Stock Exchange of Thailand (SET) in the category of Sustainability Excellence, being listed a Thailand Sustainability Investment (THIS) company for the year 2022 in the resource industry group, as well as being named the Sustainability Model Organization in the Thai capital market in the Outstanding Support for People with Disabilities category for the year 2022. All of these successes affirm OR’s emphasis on sustainable business operations and determination to develop the organization towards sustainable growth in per ESG guidelines and create value for all stakeholders, society, communities, and the environment.

## **3. Review of the Charter of the Corporate Governance and Sustainability Committee**

- The Committee conducted an annual review of the Corporate Governance and Sustainability Committee Charter to ensure its currency and consistency with the practices and standards for listed companies.

# Director



## Mr. Auttapol Rerkpiboon

Director

Chairman of Director

(Non-Executive Director)

**Age** 57 years old

### Appointed Date

- First term: March 9, 2018 (The date that OR converted to public company limited)
- Second term: April 3, 2019 (re-appointed)
- Third term: April, 7 2022 (re-appointed)

### Education

- Bachelor of Engineering (Civil Engineering), Chulalongkorn University
- Master of Economics Program, National Institute of Development Administration
- Diploma of Petroleum Management, College of Petroleum Studies, Oxford, England (British Council Scholarship)

### Certifications

- Director Certification Program (DCP 173/2013), Thai Institute of Directors (IOD)
- Company Secretary Program (CSP 14/2005), Thai Institute of Directors (IOD)
- Executive Development Program (EDP), (Class of 1<sup>st</sup>), Thai Listed Companies Association (TLCA)
- The National Defence Course (Class of 58<sup>th</sup>), National Defence College
- Advanced Certificate Course in Politics and Governance in Democratic System for Executives, (Class of 14<sup>th</sup>), King Prajadhipok's Institute
- Capital Market Academy Leadership Program, (Class of 20<sup>th</sup>), Capital Market Academy (CMA)
- Senior Executive Program in Energy Science (Class 12), Thailand Energy Academy

- Executive Program on Rule of Law and Development (RoLD) (Class 2), Thailand Institute of Justice (Public Organization)
- NIDA-Wharton Executive Leadership Program 2009, The Wharton School of the University of Pennsylvania, USA
- PTT Executive Leadership, General Electric, GE, New York, USA
- Rule of Law for Democracy (Class 8), College of the Constitutional Court

### Working Experiences in the 5 Preceding Years

**May 13, 2020 - Present**

President and Chief Executive Officer,  
PTT Public Company Limited

**June 30, 2021 - December 31, 2021**

Managing Director, Thai Red Cross Society 2021,  
Thai Red Cross Society

**September 29, 2020 - December 22, 2020**

Advisor, Committee of Red Cross Lottery Tickets Supporting  
the Thai Red Cross Society 2020

**June 8, 2020 - July 20, 2021**

Chairman, Power of Learning Foundation

**December 12, 2018 - May 12, 2020**

Chairman, PTT Tank Terminal Company Limited

**May 1, 2018 - July 16, 2020**

President, Marketing Association of Thailand

**April 11, 2018 - July 31, 2020**

Director/ Chairman of the Risk Management Committee/  
Member of the Nomination and Remuneration Committee,  
Thai Oil Public Company Limited

**October 6, 2017 - September 29, 2020**

Director,  
The Royal Automobile Association of Thailand under Royal Patronage

**October 1, 2017 - May 12, 2020**

Chief Operating Officer, Downstream Petroleum Business Group (October 1, 2017 - September 30, 2018 Acting Senior Executive Vice President, Downstream Business Group Alignment, PTT), PTT Public Company Limited

**October 1, 2015 - October 1, 2018**

Director/ Director to the Corporate Governance Committee/ Director to the Risk Management Committee, PTT Global Chemical Public Company Limited

**November 2015 - September 2017**

Chairman, PTT Retail Management Company Limited

**October 1, 2015 - September 30, 2017**

Senior Executive Vice President - Oil Business Unit, PTT Public Company Limited

### **Relevant Important Positions in Non-Listed Company / Other Organizations (In the Previous Year)**

**May 13, 2020 - Present**

Director/ Secretary to the Board/ President and Chief Executive Officer, PTT Public Company Limited

**August 1, 2020 - Present**

Director, PTT Exploration and Production Public Company Limited

**December 22, 2015 - Present**

Chairman, PTT Oil and Retail Business Public Company Limited

### **Other Experiences / Other Activities (In the Previous Year)**

**November 19, 2022 - Present**

Chairman, Council Board Thailand Carbon Neutral Network

**October 17, 2022 - Present**

Director, Steering Committee Friends in need of ("PA") 2022

**October 10 , 2022 - October 23, 2022**

Chairman, Steering Committee King Chulalongkorn Day 2022, Chulalongkorn University Alumni Association

**September 20, 2022 - Present**

Member of the Raising Funds Committee for Building and Construction Maintenance, Suan Luang Rama IX Foundation

**June 16, 2022 - Present**

Committee Member, The General Prem Tinsulananda Historical Park

**May 30, 2022 - Present**

Advisor, IEEE Power & Energy Society

**May 6, 2022 - Present**

Director, Steering Committee According to Royal Initiative Projects, the Vetiver Grass Project

**April 25, 2022 - Present**

Advisory Board, Sirinart Rajini Mangrove Ecosystem Learning Center

**April 19, 2022 - Present**

Honorary Advisor, The Economic Reporters Association

**March 2020 - Present**

Expert Committee of NIDA Council, The National Institute of Development Administration (NIDA)

**November 9, 2021 - Present**

Promoting Social Cooperation Committee, Princess Maha Chakri Award Foundation

**March 25, 2021 - Present**

Director, Thai Foundation

**October 9, 2020 - Present**

Committee Member, Suan Luang Rama IX Foundation

**October 2, 2020 - Present**

Advisory Board, The Institute of Energy for Industry

**August 31, 2020 - Present**

Expert Committee of Vidyasirimedhi Institute Council, Vidyasirimedhi Institute of Science and Technology (VISTEC)

**August 24, 2020 - Present**

Chairman, Power for Sustainable Future Foundation

**June 8, 2020 - Present**

Chairman, Power of Innovation Foundation

**May 29, 2020 - Present**

Member of Trustee, Petroleum Institute of Thailand

**May 13, 2020 - Present**

Vice Chairman, Thailand Energy Academy

**May 2020 - Present**

Committee Member, OUR Khung BangKachao

**May 13, 2020 - Present**

Committee Member, Green Globe Institute

**2019 - Present**

Honorary Advisor, The National Institute of Development Administration Alumni Association under the Royal Patronage (NIDA)

**July 27, 2018 - Present**

Committee Member, Payment Systems Committee (PSC), Bank of Thailand

**2018 - Present**

Honorary Advisor, Thai-Laos Business Council

**November 6, 2016 - Present**

Vice President, Swimming Association Thailand

### **Shareholding interests in the Company:**

0.000028% (held by himself: 0.000020%

and held by spouse: 0.000008%)

Himself: 2,363 Shares

Spouse: 1,005 Shares

### **Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :**

None



### **Dr. Kobsak Pootrakool**

**Independent Director**

**Chairman of the Audit Committee**

**Member of the Enterprise Risk Management Committee**

**(Non-Executive Director)**

**Age** 54 years old

#### **Appointed Date**

- First term: April 7, 2022

#### **Education**

- Bachelor's Degree in Mathematics and Economics, Williams College, USA
- Doctor of Philosophy in Economics, Massachusetts Institute of Technology, USA

#### **Certifications**

- Director Certification Program (DAP 196/2022), Thai Institute of Directors (IOD)

#### **Working Experiences in the 5 Preceding Years**

##### **2020 - Present**

Director and Senior Executive Vice President and Corporate Secretary,  
Bangkok Bank Public Company Limited

##### **2020 - 2022**

Senior Executive Vice President,  
Bangkok Bank Public Company Limited

##### **2019 - 2020**

Secretary and Director, Economic Minister's Committee

##### **2019 - 2020**

Deputy Secretary General to the Prime Minister,  
The Secretariat of the Prime Minister

##### **2017 - 2019**

Minister attached to the Prime Minister's Office,  
Office of the Prime Minister

##### **2015 - 2017**

Vice Minister, Office of the Prime Minister

#### **Relevant Important Positions in Non-Listed Company / Other Organizations (In the Previous Year)**

##### **April 2021 - Present**

Independent Director, Chairman of the Audit Committee and Member of the Enterprise Risk Management Committee, PTT Oil and Retail Business Public Company Limited

#### **Other Experiences / Other Activities (In the Previous Year)**

##### **2022 - Present**

Chairman, Federation of Thai Capital Market Organization (FETCO)

##### **2022 - Present**

Chairman, Community Organizations Development Institute

##### **2022 - Present**

Executive Chairman,  
The Office of SMEs Promotion (OSMEP)

##### **2021 - Present**

Board Member, National Vaccine Institute

#### **Shareholding interests in the Company :**

None

#### **Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :**

None



## Prof. Dr. Bundhit Eua-Arporn

**Independent Director**

**Chairman of the Nomination and Remuneration Committee**

**Member of the Audit Committee**

**(Non-Executive Director)**

**Age** 57 years old

### Appointed Date

- First term: January 10, 2023

### Education

- Bachelor of Engineering, Chulalongkorn University
- Master of Engineering, Chulalongkorn University
- Ph.D. in Engineering, Imperial College of Science Technology and Medicine, London, U.K.

### Certifications

- Director Certification Program (DCP 110/2009),  
Thai Institute of Directors (IOD)
- Temasek Foundation-NUS Programme for Leadership in  
University Management
- Senior Executive Program in Energy Science (Class of 6),  
Thailand Energy Academy (TEA)
- Poom Palung Pandin Program (Class 3),  
Chulalongkorn University

### Working Experiences in the 5 Preceding Years

#### 2021 - Present

Chairman, the Basic Education Commission,  
Ministry of Education

#### 2016 - Present

President, Chulalongkorn University

#### 2017 - January 10, 2022

Director,  
PTT Exploration and Production Public Company Limited

#### 2021 - 2022

Chairman, Council of University, President of Thailand

### Relevant Important Positions in Non-Listed Company / Other Organizations (In the Previous Year)

#### January 2023 - Present

Independent Director, Chairman of the Nomination and Remuneration Committee and Member of the Audit Committee,  
PTT Oil and Retail Business Public Company Limited

#### 2021 - Present

Director, Bangkok Bank Public Company Limited

#### 2016 - Present

Director, Banpu Power Public Company Limited

### Other Experiences / Other Activities (In the Previous Year)

None

### Shareholding interests in the Company :

None

### Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :

None



## Dr. Chaichana Mitrpant

Independent Director

Chairman of the Enterprise Risk Management Committee

Member of the Audit Committee

(Non-Executive Director)

**Age** 49 years old

### Appointed Date

- First term: September 21, 2018
- Second term: April 3, 2019 (re-appointed)
- Third Term: April 7, 2022 (re-appointed)

### Education

- Bachelor of Engineering, Rice University, Houston, Texas, USA
- Master of Engineering, University of Michigan, Ann Arbor, Michigan, USA
- Ph.D. in Engineering, University Duisburg-Essen, Essen, NRW, Germany

### Certifications

- Director Refreshment Program Boardroom for Business Breakthrough (DRP 1/2021), Thai Institute of Directors (IOD)
- Advanced Audit Committee Program (AACP 33/2019), Thai Institute Of Directors (IOD)
- Risk Management Program for Corporate Leaders (RCL 18/2019), Thai Institute Of Directors (IOD)
- Director Certification Program (DCP 199/2015), Thai Institute Of Directors (IOD)
- Senior Executive Program in Energy Science (Class of 15), Thailand Energy Academy
- Certified Information Systems Security Professional (CISSP)
- Executive Development Program 2556 (EDP) (Class of 9), Ministry of Finance
- National Security Management for Senior Executives (Class of 7), National Intelligence Agency
- Advanced Certificate Course in Politics and Governance in Democratic System for Executives, (Class of 20<sup>th</sup>), King Prajadhipok's Institute

- ASEAN-Japan Cybersecurity Capacity Building Centre (AJCCBC)
- Info-Communications Promotion Month Certificate from Ministry of International Affairs and Communications (MIC)

### Working Experiences in the 5 Preceding Years

2017 - 2020

Director, The Metropolitan Waterworks Authority (MWA)

2013 - 2020

Deputy Director, Electronic Transactions Development Agency (Public Organization) ETDA, Ministry of Digital Economy and Society

2017 - 2019

Director, The Bangkok Mass Transit Authority (BMTA)

### Relevant Important Positions in Non-Listed Company / Other Organizations (In the Previous Year)

May 2019 - Present

Chairman of the Enterprise Risk Management, PTT Oil and Retail Business Public Company Limited

2018 - Present

Independent Director and Member of the Audit Committee, PTT Oil and Retail Business Public Company Limited

### Other Experiences / Other Activities (In the Previous Year)

July 17, 2020 - Present

Director, Electronic Transactions Development Agency (Public Organization) ETDA, Ministry of Digital Economy and Society

### Shareholding interests in the Company :

None

### Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :

None



**Asst. Prof. Dr. Duangkamol Chartprasert**  
**Independent Director**  
**Chairman of the Corporate Governance and**  
**Sustainability Committee**  
**(Non-Executive Director)**

**Age** 60 years old

**Appointed Date**

- First term: September 21, 2018
- Second term: April 7, 2021 (re-appointed)

**Education**

- Bachelor of Arts (First class Honor),  
Chulalongkorn University
- M.S. in Agricultural Journalism  
University of Wisconsin–Madison, USA
- Ph.D. in Mass Communication  
University of Wisconsin–Madison, USA

**Certifications**

- Ethical Leadership Program (ELP 24/2021),  
Thai Institute of Directors (IOD)
- Director Refreshment Program Boardroom for Business  
Breakthrough (DRP 1/2021),  
Thai Institute of Directors (IOD)
- IT Governance and Cyber Resilience Program (ITG 14/2020),  
Thai Institute of Directors (IOD)
- Financial Statements for Directors (FSD 43/2020),  
Thai Institute of Directors (IOD)
- Director Certification Program (DCP 272/2019),  
Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP 155/2018),  
Thai Institute of Directors (IOD)
- Senior Executive Program in Energy Science (Class of 15),  
Thailand Energy Academy

**Working Experiences in the 5 Preceding Years**

**2017 - 2018**

Member of Chulalongkorn University Council,  
Chulalongkorn University

**2012 - 2016**

Dean of the Faculty of Communication Arts,  
Chulalongkorn University

**Relevant Important Positions in Non-Listed Company/  
Other Organizations (In the Previous Year)**

**23 December 2020 - Present**

Chairman of the Corporate Governance and  
Sustainability Committee,  
PTT Oil and Retail Business Public Company Limited

**21 September 2018 - Present**

Independent Director,  
PTT Oil and Retail Business Public Company Limited

**Other Experiences / Other Activities  
(In the Previous Year)**

**2020 - 2022**

Chairman of the Doctor of Philosophy (Communication  
Arts) Committee, Faculty of Communication Arts,  
Chulalongkorn University

**2017 - 2022**

Director of the Cultural Management Program,  
Chulalongkorn University

**1991 - 2022**

Professor, Faculty of Communication Arts,  
Chulalongkorn University

**Shareholding interests in the Company :**

None

**Family Relationship among Directors, Executives  
or Major shareholders of the Company or  
a Subsidiary :**

None



## **Mr. Chintapun Dansubutra**

**Independent Director**

**Member of the Audit Committee**

**Member of the Enterprise Risk Management Committee  
(Non-Executive Director)**

**Age** 52 years old

### **Appointed Date**

- First term: January 26, 2022

### **Education**

- Bachelor Of Laws, Chulalongkorn University
- LL.M. University of Kent at Canterbury

### **Certifications**

- Director Certification Program (DCP 323/2022),  
Thai Institute of Directors (IOD)
- High-level Executive Development Program,  
The Royal Thai Police
- Certificate on Foundation of Central Bank Law, IMF Institute
- Potential Leadership Development Program, GRIPS
- Certificate on Political Parties and Democratic System  
(Class 6), King Prajadhipok's Institute

### **Working Experiences in the 5 Preceding Years**

#### **2020 - Present**

Director of Law Reform Division, Office of the Council of State

#### **2021**

Director of Program Development Section, Administrative Lawyer, Development Institute, Office of the Council of State

#### **2019 - 2020**

Director of Secretary General's Affairs Group,  
Office of the Public Sector, Development Commission (OPDC)

#### **2018 - 2019**

Legal Advisor, Bank of Thailand

#### **2014 - 2018**

Krisdika Counsel, Finance and Treasury Laws Divisions,  
Office of the Council of State

### **Relevant Important Positions in Non-Listed Company/ Other Organizations (In the Previous Year)**

#### **December 2022 - Present**

Member of the Audit Committee, Member of  
the Enterprise Risk Management Committee,  
PTT Oil and Retail Business Public Company Limited

#### **January 2022 - Present**

Independent Director,  
PTT Oil and Retail Business Public Company Limited

#### **January 2022 - December 2022**

Member of the Corporate Governance and  
Sustainability Committee,  
PTT Oil and Retail Business Public Company Limited

### **Shareholding interests in the Company :**

None

### **Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :**

Partner in-law with Mr. Tawatchai Cheevanon



### Mr. Tawatchai Cheevanon

**Independent Director**

**Member of the Corporate Governance and Sustainability Committee  
(Non-Executive Director)**

**Age** 54 years old

#### **Appointed Date**

- First term: December 26, 2022

#### **Education**

- Bachelor of Business Administration, Assumption University
- Master of Business Administration, Seattle University, USA

#### **Certifications**

- Ten X: Transformational Executive Network for Exponential Growth, The Thai Chamber of Commerce, The University of the Thai Chamber of Commerce (UTCC) and DeOne Academy, 2022
- The National Defence Course (Class of 63<sup>th</sup>), National Defence College
- Master Deal Maker Program, University of Pennsylvania, USA
- Director Certification Program (DCP 100/2008), Thai Institute of Directors (IOD)
- Banking Institutes Program, Sydney, Australia
- IBM Client Executive Program (CEP), Harvard University, USA

#### **Working Experiences in the 5 Preceding Years**

##### **28 October 2022 - Present**

Senior Executive Vice President - Head of Global Transaction Banking Group, Acting Head, of Technology Group,  
Krung Thai Bank Public Company Limited

##### **2 March 2020 - 27 October 2022**

Senior Executive Vice President - Head of Global Transaction Banking Group,  
Krung Thai Bank Public Company Limited

##### **2 January 2019 - 1 March 2020**

First Executive Vice President - Head of Global Transaction Banking Group,  
Krung Thai Bank Public Company Limited

##### **2019 - 2020**

Director, Krung Thai IBJ Leasing Company Limited

#### **2017 - 2018**

Director and Managing Director,  
Daingern Dotcom Company Limited

#### **2015 - 2018**

Director and Managing Director,  
ASN Broker Public Company Limited

#### **2015 - 2018**

Director and Managing Director,  
ASN Life Broker Company Limited

#### **Relevant Important Positions in Non-Listed Company/ Other Organizations (In the Previous Year)**

##### **December 2022 - Present**

Independent Director and Member of the Corporate Governance and Sustainability Committee,  
PTT Oil and Retail Business Public Company Limited

#### **Other Experiences / Other Activities (In the Previous Year)**

##### **2020- Present**

Committee Member, College of Innovation, Thammasat University

##### **2019 - Present**

Chairman of the Board,  
KTB Computer Service Company Limited

##### **2019 - Present**

Director, BCI (Thailand) Company Limited

##### **2019 - Present**

Director, Innospace (Thailand) Company Limited

##### **2016 - Present**

Chairman of Board, Cycling Cloud Company Limited

#### **Shareholding interests in the Company :**

None

#### **Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :**

Partner in-law with Mr. Chintapun Dansubutra



### **Mr. Rawit Hanutsaha**

**Independent Director**

**Member of the Corporate Governance and  
Sustainability Committee  
(Non-Executive Director)**

**Age** 43 years old

#### **Appointed Date**

- First term: April 7, 2021

#### **Education**

- Bachelor of Engineering Program (Electrical Engineering), Chulalongkorn University
- Master of Business Administration, Vanderbilt University, USA

#### **Certifications**

- Director Certification Program (DCP 314/2022), Thai Institute of Directors (IOD)
- Director Refreshment Program Boardroom for Business Breakthrough (RFP 1/2021), Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP 152/2018), Thai Institute of Directors (IOD)

#### **Working Experiences in the 5 Preceding Years**

**2020 - September 2021**

Director, The Curator Club Company Limited

#### **Relevant Important Positions in Non-Listed Company/ Other Organizations (In the Previous Year)**

**December 2022 - Present**

Member of the Corporate Governance and Sustainability Committee,  
PTT Oil and Retail Business Public Company Limited

**April 2021 - 20 December 2022**

Independent Director and Member of the Audit Committee,  
PTT Oil and Retail Business Public Company Limited

#### **Other Experiences / Other Activities (In the Previous Year)**

**2019 - Present**

Director, Mission to The Moon Company Limited

**2016 - Present**

Director/ Managing Director, Sasi Lab Company Limited

**2016 - Present**

Director/ Managing Director,  
Srichand United Dispensary Company Limited

#### **Shareholding interests in the Company :**

None

#### **Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :**

None



## Mr. Supat Metheeworapote

Independent Director

Member of the Nomination and Remuneration Committee

Member of the Audit Committee

(Non-Executive Director)

**Age** 40 years old

### Appointed Date

- First term: December 23, 2020
- Second term: April 7, 2021 (re-appointed)

### Education

- Bachelor of Arts (Economics) (First Class Honor), Chulalongkorn University
- Master of Finance and Business Economics (Merit), Manchester Business School, University of Manchester

### Certifications

- Director Refreshment Program Boardroom for Business Breakthrough (DRP 1/2021), Thai Institute of Directors (IOD)
- Director Certification Program (DCP 294/2020), Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP 171/2020), Thai Institute of Directors (IOD)
- The Civil Service Executive Development Program (Class of 96), Office of the Civil Service Commission (OCSC)
- High Performance and Potential System 2011 (HiPPS) (Class of 7)
- Team Leading and Management (Class of 6), Organization Development and Management Institution
- Public Management and Leadership Training Program (PMLTP), National Graduate Institute for Policy Studies (GRIPS)

### Working Experiences in the 5 Preceding Years

#### 2022 - Present

Director of Division of Cabinet Submission Analysis,  
The Secretariat of the Cabinet

#### 2018 - 2022

Plan and Policy Analyst, Senior Professional Level, acting  
Director of Department of Cabinet Submission Analysis,  
The Secretariat of the Cabinet

#### 2013 - 2017

Policy and Plan Analyst Professional,  
The Secretariat of the Cabinet

### Relevant Important Positions in Non-Listed Company/ Other Organizations (In the Previous Year)

#### December 2022 - Present

Member of the Audit Committee,  
PTT Oil and Retail Business Public Company Limited

#### October 2021 - Present

Member of the Nomination and Remuneration Committee,  
PTT Oil and Retail Business Public Company Limited

#### January 2021 - December 2022

Member of the Corporate Governance Committee,  
PTT Oil and Retail Business Public Company Limited

#### December 2020 - Present

Independent Director,  
PTT Oil and Retail Business Public Company Limited

### Other Experiences / Other Activities (In the Previous Year)

#### 2020 - Present

Director, Thai Credit Guarantee Corporation (TCG)

### Shareholding interests in the Company :

0.000006%  
(held by spouse: 0.000006%)  
682 Shares (held by spouse)

### Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :

None



## Miss Dujduan Hettrakul

Independent Director

Member of the Nomination and Remuneration Committee

Member of the Corporate Governance and

Sustainability Committee

(Non-Executive Director)

**Age** 39 years old

### Appointed Date

- First term: September 21, 2018
- Second term: March 30, 2020 (re-appointed)

### Education

- Bachelor of Business Administration, Faculty of Commerce and Accountancy, Chulalongkorn University
- Master of Business Administration (MBA) focused in Marketing and Strategic Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Certificate of Publishing and Media Industry, New York University

### Certifications

- Director Leadership Certification Program (DLCP 4/2022), Thai Institute of Directors (IOD)
- Risk Management Program for Corporate Leaders (RCL 22/2021), Thai Institute of Directors (IOD)
- Director Certification Program (DCP 295/2020), Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP 155/2018), Thai Institute of Directors (IOD)

### Working Experiences in the 5 Preceding Years

2009 - 2018

Director, Maeban Publishing Company Limited

2009 - 2018

Director, Maeban Company Limited

### Relevant Important Positions in Non-Listed Company / Other Organizations (In the Previous Year)

December 2022 - Present

Member of the Corporate Governance and Sustainability Committee,  
PTT Oil and Retail Business Public Company Limited

October 2021 - Present

Member of the Nomination and Remuneration Committee,  
PTT Oil and Retail Business Public Company Limited

September 2018 - Present

Independent Director,  
PTT Oil and Retail Business Public Company Limited

### Other Experiences / Other Activities (In the Previous Year)

2019 - Present

Director,  
The Publishers and Booksellers Association of Thailand

2016 - Present

Director, Usasawat Company Limited

### Shareholding interests in the Company :

None

### Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :

None



## Mr. Poomsak Aranyakasemsuk

Director

Member of the Nomination and Remuneration Committee  
(Non-Executive Director)

**Age** 58 years old

### Appointed Date

- First term: March 9, 2018 (The date that OR converted to public company limited)
- Second term: April 25, 2018 (re-appointed)
- Third term: April 7, 2021 (re-appointed)

### Education

- Bachelor of Economics, Ramkhamhaeng University, Thailand
- Master of Public Administration Program (Public Administration), National Institute of Development Administration, Thailand
- Master of Business Studies (Finance) Massey University, New Zealand

### Certifications

- Board Nomination and Compensation Program (BNCP 6/2019), Thai Institute of Directors (IOD)
- Director Certification Program (DCP 73/2006), Thai Institute of Directors (IOD)
- Diploma, National Defence College, The National Defence Course (Class 59)
- Executive Development Program, The Wharton School of the University of Pennsylvania, USA
- The Civil Service Executive Development Program: Visionary and Moral Leadership (Class of 73/74), Office of the Civil Service Commission (OCSC)

### Working Experiences in the 5 Preceding Years

**October 2019 - February 2021**

Director General, The Comptroller General's Department, Ministry of Commerce

**2015 - 7 January 2021**

Director, CAT Telecom Public Company Limited

**March 2019 - November 2019**

Director, National Credit Bureau

**2018 - 31 October 2019**

Director, Government Savings Bank

**May 2018 - September 2019**

Director, Public Debt Management office

**2017 - 2018**

Director, Sports Authority of Thailand

**January 2016 - October 2017**

Consultant for the State Enterprise Evaluation, State Enterprise Policy Office (SEPO), Ministry of Finance

### Relevant Important Positions in Non-Listed Company / Other Organizations (In the Previous Year)

**21 October 2018 - Present**

Member of the Nomination and Remuneration Committee, PTT Oil and Retail Business Public Company Limited

**9 March 2018 - Present**

Independent Director, PTT Oil and Retail Business Public Company Limited

### Other Experiences / Other Activities (In the Previous Year)

**February 2021 - Present**

Deputy Permanent Secretary, Ministry of Finance

**2021 - Present**

Chairman, Islamic Bank of Thailand

**November 2019 - Present**

Chairman, National Credit Bureau

### Shareholding interests in the Company :

None

### Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :

None



## Mr. Komol Buaket

### Director

**Member of the Corporate Governance and Sustainability Committee  
(Non-Executive Director)**

**Age** 50 years old

### Appointed Date

- First term: December 26, 2022

### Education

- Bachelor of Engineering (B.E.) in Electrical Engineering, Metropolitan University of Technology
- Master of Engineering (M.Sc.) in Energy Management Technology, King Mongkut's University of Technology Thonburi.
- Ph.D. in Industrial Business Development and Human Resources. King Mongkut's University of Technology North Bangkok.

### Certifications

- Politics of Democratic Government for Senior Executives, 24<sup>th</sup> Class
- Curriculum for Developing Senior Executives, Ministry of Education, 8<sup>th</sup> Class
- Curriculum for Senior Management of City Administration (City Leader), 2<sup>nd</sup> Generation
- Curriculum for the Development of Senior Executive Officers of the Government Administration Class 13
- High Level Energy Management Program, Class 9, Ministry of Energy

### Working Experiences in the 5 Preceding Years

#### 2020 - Present

Inspector General, Ministry of Energy

#### 2020 - 2022

Deputy Director-General of the Department of Energy Development and Energy Conservation, Ministry of Energy

#### 2016 - 2020

Director, Energy Regulatory and Conservation Division, Ministry of Energy

#### 2010 - 2016

Director of the Energy Control Group and the Energy Conservation Steering Group,  
Energy Regulatory and Conservation Division,  
Ministry of Energy

### Relevant Important Positions in Non-Listed Company / Other Organizations (In the Previous Year)

#### December 2022 - Present

Director and Member of the Corporate Governance and Sustainability Committee,  
PTT Oil and Retail Business Public Company Limited

### Other Experiences / Other Activities (In the Previous Year)

None

### Shareholding interests in the Company :

None

### Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :

None



## **Dr. Buranin Rattanasombat**

**Director**

**Member of the Enterprise Risk Management Committee  
(Non-Executive Director)**

**Age** 55 years old

### **Appointed Date**

- First term: October 8, 2021

### **Education**

- Bachelor of Science, Prince of Songkhla University
- Master Of Business Administration, Chulalongkorn University
- Ph.D. (Management), Silpakorn University

### **Certifications**

- Director Leadership Certification Program (DLCP 4/2022), Thai Institute of Directors (IOD)
- Director Certification Program (DCP 174/2013), Thai Institute of Directors (IOD)
- Company Secretary Program (CSP 40/2011), Thai Institute of Directors (IOD)
- Top Executive Program (Class of 30<sup>th</sup>), Capital Market Academy (CMA)
- Public and Private Chief Innovation Leadership, National Innovation Agency

- Security Management and Leadership for Executives Programme (Class of 10<sup>th</sup>), The Association of National Defence College of Thailand Under The Royal Patronage of His Majesty The King. (ANDCT)
- PTT Leadership Development Program (IMD Business School)
- Senior Executive Education Program on Strategy and Innovation, School of Management, MIT
- Leadership Succession Program (LDP8), Institute of Research and Development for Public Enterprises (IRDP)
- CMA-GMS class of 2016 Program, Capital Market Academy
- TLCA Leadership Development Program, International Institute for Management Development (IMD), Switzerland and Thai Listed Companies Association
- Foreign Affairs Executive Programme (Class of 7<sup>th</sup>), Devawongse Varopakarn Institute of Foreign Affairs, Ministry of Foreign Affairs
- PTT Leadership Development Program (Harvard Business School, USA)
- Advanced Certification Course in Public Administration and Law for Executives, King Prajadhipok's Institute
- Executive Development Program, Thai Listed Company Association
- The National Defence Course (Class of 64<sup>th</sup>), National Defence College

## **Working Experiences in the 5 Preceding Years**

**2021**

Chairman of the Board,  
Nutra Regenerative Protein Company Limited

**June 2020 - September 2021**

Senior Executive Vice President, Downstream Business  
Group Alignment, PTT Public Company Limited

**2020 - October 2021**

Director, Thappline Company Limited

**2020 - April 2021**

Member of the Nomination and Remuneration Committee,  
Thai Oil Public Company Limited

**2019 - 2020**

Chairman of the Board, Thappline Company Limited

**2019 - 2020**

Senior Executive Vice President,  
Corporate Strategy, Innovation and Sustainability  
and Chief Transformation Officer (CTO),  
PTT Oil and Retail Business Public Company Limited

**2019 - 2020**

Chairman of the Board, PTT (Cambodia) Limited

**2019**

Senior Executive Vice President, Planning,  
PTT Oil and Retail Business Public Company Limited

**2018 - 2019**

Senior Executive Vice President, Lubricant Business,  
PTT Oil and Retail Business Public Company Limited

**2018 - 2019**

Chairman of the Board,  
PTTOR China (Shanghai) Company Limited

**2017 - 2019**

Director, Thappline Company Limited

**2015 - 2019**

Chairman of the Board, Thai Lube Blending Company Limited

**2015 - 2018**

Executive Vice President, Lubricant Business,  
PTT Public Company Limited

**2017**

Chairman of the Board,  
PTT Oil Myanmar Company Limited

**2012 - 2017**

Director, PTT (LAO) Company Limited

**2015 - 2016**

Director, PTT Retail Management Company Limited

**2014 - 2015**

Executive Vice President, Retail Marketing,  
PTT Public Company Limited

## **Relevant Important Positions in Non-Listed Company/ Other Organizations (In the Previous Year)**

**October 2022 - Present**

Chief New Business and Infrastructure Officer,  
PTT Public Company Limited

**October 2021 - Present**

Director and Member of the Enterprise Risk Management  
Committee,  
PTT Oil and Retail Business Public Company Limited

**October 2021 - September 2022**

Senior Executive Vice President,  
Innovation and New Ventures,  
PTT Public Company Limited

**2021 - Present**

Member of the Risk Management Committee,  
Thai Oil Public Company Limited

**2020 - Present**

Director, Thai Oil Public Company Limited

## **Other Experiences / Other Activities (In the Previous Year)**

**April 2022 - Present**

Director, The Federation of Thai Industries

**April 2022 - Present**

President, The Federation of Thai Industries

**February 2022 - Present**

Chairman, Horizon Plus Company Limited

**January 2022 - Present**

Chairman, Nuovo Plus Company Limited

**2020 - Present**

Chairman, Innobic (Asia) Company Limited

## **Shareholding interests in the Company :**

0.000086%

(held by himself: 0.000049%

and held by spouse: 0.000037%)

Himself: 5,900 Shares

Spouse: 4,400 Shares

## **Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :**

None



### **Mr. Terdkiat Prommool**

**Director**

**Member of the Nomination and Remuneration Committee  
(Non-Executive Director)**

**Age** 57 years old

#### **Appointed Date**

- First term: December 26, 2022

#### **Education**

- Bachelor of Engineering (Chemical Engineering), Chulalongkorn University
- Master of Engineering (Industrial & Manufacturing Systems Engineering), University of Missouri – Columbia USA

#### **Certifications**

- Ethical Leadership Program (ELP 19/2020), Thai Institute of Directors (IOD)
- Director Certification Program (DCP 206/2015), Thai Institute of Directors (IOD)
- Leadership Succession Program (LSP), Class 10, Institute of Research and Development for Public Enterprises

#### **Working Experiences in the 5 Preceding Years**

##### **2020 - 2021**

Senior Executive Vice President, Organization Management and Sustainability, PTT Public Company Limited

##### **2018 - 2020**

Executive Vice President,  
PTT Digital Solutions Company Limited

##### **2015 - 2018**

Executive Vice President, International Trading,  
PTT Public Company Limited

#### **Relevant Important Positions in Non-Listed Company/ Other Organizations (In the Previous Year)**

##### **December 2022 - Present**

Director and Member of the Nomination and Remuneration Committee,  
PTT Oil and Retail Business Public Company Limited

##### **2021 - Present**

Senior Executive Vice President, Corporate Strategy and Sustainability, PTT Public Company Limited

##### **2020 - Present**

Director, Thai Oil Public Company Limited

#### **Other Experiences / Other Activities (In the Previous Year)**

##### **2021 - Present**

Chairman of the Board,  
PTT Digital Solutions Company Limited

##### **2021 - Present**

Chairman of the Management Committee,  
Thailand Energy Academy (TEA)

##### **2021 - Present**

Executive Committee,  
Vidyasirimedhi Institute of Science and Technology (VISTEC)

##### **2020 - Present**

Director, Thai Renewable Energy Association (RE 100)

#### **Shareholding interests in the Company :**

None

#### **Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary :**

None



## Mr. Disathat Panyarachun

**Director**

**Member of the Enterprise Risk Management Committee**

**Secretary to the Board**

**Age** 58 years old

### Appointed Date

- First term: December 1, 2022

### Education

- B.A. in Ed. (Social Science), Silpakorn University
- Master of Political Science (M.P.A.), National University, San Diego, U.S.A.

### Certifications

- Ethical Leadership Program (ELP 19/2020), Thai Institute of Directors (IOD)
- Director Certification Program (DCP 206/2015), Thai Institute of Directors (IOD)
- Executive Development Training Program, The Royal Thai Police
- Senior Executive Program in Energy Science (Class 14), Thailand Energy Academy
- Leadership Development Program III (LDP III), PTT Leadership and Learning Institute (PLLI), PTT Public Company Limited
- The National Defence Course (Class of 63<sup>th</sup>), National Defence College
- Capital Market Academy Leadership Program, (Class of 30<sup>th</sup>), Capital Market Academy (CMA)
- Certification of Oil Futures Program, The Oxford Princeton, U.K.
- Making the CEO's of Thailand, MCOT (Class 2), MCOT Public Company Limited

### Working Experiences in the 5 Preceding Years

**2020 - 2022**

Director to the Risk Management Committee,  
PTT Global Chemical Public Company Limited

**2018 - 2022**

Director, PTT Global Chemical Public Company Limited

**2012 - 2015**

Chairman, PTT International Trading Pte Ltd (PTTT)

**October 22, 2018 - June 22, 2020**

Director to the Corporate Governance Committee,  
PTT Global Chemical Public Company Limited

**2018 - 2021**

Senior Executive Vice President, International Trading  
Business Unit, PTT Public Company Limited

**2016 - 2021**

Chairman, PTT International Trading London Ltd.

**February 1, 2016 - September 30, 2018**

Executive Vice President, International Trading,  
PTT Public Company Limited

**November 1, 2011 - October 19, 2018**

Chairman, PTT International Trading DMCC

**August 1, 2015 - January 31, 2016**

Vice President acting as Executive Vice President  
International Trading,  
PTT Public Company Limited

**2012 - 2015**

Vice President, PTT Public Company Limited working on  
a secondment as Managing Director,  
PTT International Trading Pte Ltd

**Relevant Important Positions in Non-Listed Company/  
Other Organizations (In the Previous Year)**

**December 21, 2022 - Present**

Member of the Enterprise Risk Management Committee,  
PTT Oil and Retail Business Public Company Limited

**December 1, 2022 - Present**

Director, Secretary to the Board and Chief Executive Officer,  
PTT Oil and Retail Business Public Company Limited

**2020 - November 2022**

Director and Member of the Risk Management Committee,  
PTT Global Chemical Public Company Limited

**October 2021 - November 2022**

Director and Member of the Corporate Governance and  
Sustainability Committee,  
PTT Oil and Retail Business Public Company Limited

**Other Experiences / Other Activities  
(In the Previous Year)**

**2012 - 2015**

Chairman, PTT International Trading Pte Ltd (PTTT)

**Shareholding interests in the Company :**

None

**Family Relationship among Directors, Executives  
or Major shareholders of the Company or  
a Subsidiary :**

None

# Executive Team

1.

**Mr. Disathat Panyarachun**

Chief Executive Officer

2.

**Mr. Suchat Ramarch**

President

3.

**Mr. Soonthorn Chursuk**

Senior Executive Vice President,  
Petroleum Terminal Operations

4.

**Mr. Chumpol Siripuchaka**

Senior Executive Vice President  
(Secondment to PTT Retail  
Management Company Limited)

5.

**Miss Rajsuda Rungsiyakull**

Senior Executive Vice President,  
assigned as ORion Project  
Director

6.

**Mr. Wison Suntharachan**

Senior Executive Vice President,  
Corporate Strategy and  
Sustainability



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<b>7.</b>	<b>Mr. Paisan Udomkulwanich</b> Senior Executive Vice President, Lubricants Business	<b>8.</b>	<b>Mr. Wisarn Chawalitanon</b> Senior Executive Vice President, Organization Effectiveness	<b>9.</b>	<b>Mr. Songpon Thepnumsommanus</b> Senior Executive Vice President, Energy Solutions Business		
<b>10.</b>	<b>Miss Wilaiwan Kanjanakanti</b> Senior Executive Vice President, Finance	<b>11.</b>	<b>Mr. Racha U-Thaichan</b> Senior Executive Vice President, Global Business	<b>12.</b>	<b>Mr. Somyot Kongprawet</b> Senior Executive Vice President, Lifestyle Business	<b>13.</b>	<b>Mr. Piman Poolsri</b> Senior Executive Vice President, Oil Retail Business



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# The Situation of Oil Prices and Demand 2022



Unit: USD/Barrel	2021	2022	Variance (YoY)
Dubai	69.2	96.3	39.2%
Gasoline	80.3	115.2	43.5%
Gasoil	76.0	130.6	71.8%
Kerosene	75.1	126.7	68.7%



A report from the International Energy Agency (IEA) retrieved in January 2023 showed that **expected global oil demand in 2022** at 99.8 million barrels per day (MMBD), higher than an earlier forecast in October 2022 of around 0.2 MMBD, which resulted from demand recovery in Non-OECD countries from the relaxation of measures to control of the coronavirus. However, there are pressure factors from the concern over economic recession because of rising interest rates by central banks in many countries due to inflation.

**Dubai crude oil prices situation in 2022.** The average Dubai crude oil price was US\$96.3 per barrel, higher than in 2021 at US\$69.2 per barrel as a continuous recovery in demand, especially in Asian countries. Moreover, it was mainly caused by the conflict situation between Russia and Ukraine affecting concerns about the crude oil supply in the global market because Russia is a major exporter of crude oil in the world. Europe has imposed sanctions on Russian crude oil imports since December 2022, and the G7 has announced a price cap on Russian crude oil to reduce revenue from oil exports. However, this situation also put pressure on crude oil prices due to rising energy prices which led to inflation problems in many countries, especially the USA and Europe. This caused an increase in the interest rate by the central bank to alleviate inflation problems which pressured oil demand. In addition, China continued to maintain Zero-COVID Policy during 2022. Also, travel control measures and lockdowns in many cities affected domestic demand in China.

**Petroleum products prices in 2022,** Singapore refined products prices have increased more than Dubai crude oil prices compared to the previous year. **Gasoline price** averaged at US\$115.2 per barrel, improved from 2021 at US\$80.3 per barrel. This was from the relaxation of travel control measures in many regions, causing

an increase in gasoline demand. Moreover, gasoline supply remained tight in Asia due to lower export quotas from China during the 1<sup>st</sup> - 3<sup>rd</sup> quarter of this year. **Diesel price** in 2022 averaged at US\$130.6 per barrel, which improved from the previous year at US\$76.0 per barrel. This came from continuous economic recovery and concern over the Russian refined products sanction. This situation affected the global diesel supply, which is in line with the low level of diesel inventories in many regions. **Jet/Kerosene price** averaged at US\$126.7 per barrel rose from US\$75.1 per barrel in 2021. It was caused by the continuous opening of many countries as a relaxation of travel measures, affecting the number of international flights to increase steadily. Domestic flights in the USA have increased near pre-coronavirus levels. In addition, the jet fuel supply was pressured by refiners increasing diesel production to replace jet fuel, which support kerosene price.

**Fuel consumption in Thailand 2022,** the Department of Energy Business reported that Thailand's daily consumption averaged 151.2 liters per day, which rose by 13.5% compared to last year. Jet fuel rose by 91.6%, followed by diesel by 15.7%, LPG by 5.9%, and fuel oil by 19.2%. and gasoline 3.9%. While kerosene decreased by 15.9%. As a result of foreign travelers' interest in visiting Thailand, overall oil consumption has increased. Furthermore, Thai were increasingly traveling across provinces, especially at the end of the year for New Year celebrations.

**Diesel** consumption averaged 73.1 million liters per day, rising from the same period last year 15.7% due to the government's policy of maintaining the retail price of diesel at 35 baht per liter, reducing the excise tax rate and subsidy for diesel prices by the oil fuel fund to mitigate the high living cost that is affected by global energy price fluctuations. For high-speed diesel fuel B7,



the major consumption increased to 63.9 million liters per day and standard diesel fuel consumption increased to 6.7 million liters per day. While high-speed diesel consumption decreased by 2.3 million liters per day and B20 diesel fuel consumption averaged 0.2 million liters per day.

**Gasoline** consumption averaged 30.2 million liters per day, which increased by 3.9% from the same period last year. Gasohol 91, 95, and E85 consumption increased to 7.0 million liters per day, 16.3 million liters per day, and 0.8 million liters per day, respectively. While Gasohol, E20, and gasoline consumption dropped to 5.5 million liters per day and 0.5 million liters per day, respectively.

**Commercial aviation fuel consumption (Jet A-1)** averaged 9.0 million liters per day, increasing from the same period last year (+91.6%) because many tourists came to celebrate the New Year, especially in December.

**Liquefied petroleum gas (LPG)** consumption averaged 17.5 million kg per day increasing by 5.9% from the same period last year. The transport sector increased to 2.2 million kg per day (+25.7%), the petrochemical sector increased to 7.5 million kg per day (+3.9%), and the industrial sector rose to 2.0 million kg per day. (+8.6%) and the household sector increased to 5.7 million kg per day (+1.6%).

### Oil Prices & Petroleum Products Outlook

**The trend of crude oil prices and petroleum products prices.** World oil demand in 2023, as reported by the IEA as of January 2023, projected that global oil demand in 2023 at 101.7 MMBD, increase from 2022 by 1.9 MMBD. This forecast is the highest oil demand ever. More than half of the increase is attributed to China, which has announced the easing of its Zero-COVID policy and some of the demand growth comes from non-OECD countries.



**The trend of crude oil prices.** Crude oil prices tend to have an average lower than in 2022 due to concerns about the potential economic slowdown, especially in the USA and European countries. This is resulting from an inflationary situation, leading to the central bank to increase interest rates to alleviate the situation. In addition, industrial activities in Europe tend to be weakening. Global oil supply in 2030 is likely to increase from OPEC+ and the USA which continue to increase production. However, crude oil prices are supported by the USA and Europe continuing to impose sanctions on Russian crude oil imports, as well as the G7 setting a price cap on Russian crude oil trading. This has the potential to affect the supply of crude oil in the market. Moreover, China's border reopening will significantly support oil demand in 2023. **The average crude oil price in 2023 is expected to be US\$80-87 per barrel.**

**Petroleum products' situation** in 2023 is in line with the crude oil price trend. Gasoline expects to be affected by

recession concerns, especially in the USA and Europe. Gasoline supply in Asia is expected to increase from China, which announced the latest round of export quota increases for 2023, which is in line with a high level of Singapore's commercial gasoline inventory. Diesel demand tends to be pressured by concerns about the economic recession in many countries as interest rates hike by the central banks. In addition, diesel exports from China tend to increase as well as gasoline exports due to increased export quota. However, diesel prices may be supported by European sanctions on Russian refined imports in February. In addition, commercial diesel inventory in many regions remains at a low level. Jet fuel/kerosene, demand for air cargo is expected to continue to be affected by the economic slowdown. Nevertheless, jet fuel demand in the travel sector is supported by China's borders reopening, which lead to an increase in both domestic and international travel.

**SECTION**

**1**

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**Nature of Business  
and Performance Results**



# 1. Group Structure and Business Operations

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## 1.1 Policy and Business Overview

PTT Oil and Retail Business Plc. (OR) is the flagship company for the oil and retail businesses of PTT Group. PTT has restructured its business by transferring its oil and retail businesses, including the shares of related companies under its Oil Business Unit to OR on July 1, 2018. OR offered new shares to the public for the first time (Initial Public Offering: IPO) and entered the Stock Exchange of Thailand (SET) on February 11, 2021.

OR operates its overall business under the “Empowering All Toward Inclusive Growth” vision to carry out four missions. These missions are to strengthen the integrated energy business for seamless mobility, to strive one-stop solution for all lifestyles, to scale portfolio and recognition in the global market, and to create new businesses aimed at solving social and environmental issues through innovation—a concept recognized as OR Innovation to establish the Triple Bottom Line for growth together with society, people, and the planet, as well as achieve business performance. An overview of OR’s business is summarized as follows:

## 1. Mobility Business



### Oil Retail Market

No.1 market share in Thailand's oil retail business  
(in terms of number of service stations  
and sales volumes)



**2,161**  
Stations<sup>(1)</sup>



**302** EV Charging Stations  
**548** DC Fast Chargers

### Commercial Market

Commercial  
Customers **Over  
2,600**

LPG service stations

**233**  
Outlets



FIT Auto service centers

**85**  
Outlets

## 2. Lifestyle Business



### Food and Beverage (F&B) Business



**3,895**  
Outlets<sup>(2)</sup>



**107**  
Outlets



**103**  
Outlets

F&B brands OR has invested in include  
Pacamara Coffee Roasters, Ohkajhu,  
Kouen Premium Buffet, Kamu Tea, and Dusit Food.



### Other Retail Business



**2,176**  
Outlets<sup>(3)</sup>

Rental space  
management services for

**Over  
400** Brands

A service retail brand  
OR has invested in is Otteri



## 3. Global Business



### Oil Business



**390**  
Stations<sup>(4)</sup>



**5**  
Service centers

### Retail and Service Business



**358**  
Outlets<sup>(5)</sup>

Convenience  
Store

**68**  
Outlets

## 4. OR Innovation



**97**  
Thaidet outlets



**63** Café Amazon  
for Chance outlets

in **300** Senior Citizen  
in Café Amazon outlets

**332** Café Amazon  
Circular Living Stores

**6.054 MWp** generated  
by Solar Rooftop



Online health & wellness  
and tourism platforms  
OR has invested in include  
GoWabi and traveloka.

Remarks :

<sup>(1)</sup> The total number in Thailand and Myanmar

<sup>(2)</sup> The total number in Thailand, Myanmar, Malaysia, Japan, Oman, and Saudi Arabia

<sup>(3)</sup> The total number of 7-Eleven outlets in Thailand and the number of Jiffy

outlets in Thailand and Laos

<sup>(4)</sup> The total number in the Philippines, Cambodia, and Laos

<sup>(5)</sup> The total number in the Philippines, Cambodia, Laos, China,

and Vietnam



### 1.1.1 Vision, Missions, Goals, and Business Strategies

#### Vision

##### Empowering All toward Inclusive Growth

OR believes that there are always opportunities to grow towards success, to achieve a good standard of living, and to grow together in a healthy environment to which “everyone” is entitled. OR is ready to fulfill these “opportunities” of growth for all and will sustainably pass them along to those we love, today and in the future.

#### Missions

- 1) Strengthen energy solutions for seamless mobility
- 2) Strive to develop a one-stop solution for all lifestyles
- 3) Scale portfolio for the global market
- 4) Solve societal problems with OR innovation

#### Long-Term Objectives and Goals

OR has set long-term goals for 2030 (OR 2030 Goals) in line with the “Empowering All toward Inclusive Growth” vision, which reflects its commitment to the creation of growth opportunities for all across three dimensions, namely the people, environment, and economy through its business operation with three main goals as follows:

- 1) Living Community: to enhance the standard of living for more than 15,000 communities, or the equivalent of over 12 million people, covering business areas and the communities surrounding them.
- 2) Healthy Environment: to reduce greenhouse gas (GHG) emissions across all stage of business operations, increase energy efficiency, increase the use of clean energy in the facilities, and reduce the amount of waste produced from the entire business operations from upstream through value creation by one-third compared to that of 2018. If these goals are attained, OR would achieve carbon neutrality by 2030, which is a strong foundation towards net zero carbon emissions by 2050.
- 3) Economic Prosperity: to create growth and jobs, making wealth distribution to business partners, shareholders, SMEs, employees, and communities of over 1,000,000 people.

In addition, to measure the positive outcomes from the OR 2030 Goals implementation, OR has established a total of 14 indicators (OR Parameters) to be used as guidelines for gauging the outcome based on OR's vision. Each indicator is designed to correspond with the sustainability assessment criteria for securities stipulated by the Dow Jones Sustainability Indices (DJSI) as detailed below.

<b>OR 2030 Goals</b>	<b>OR Parameters</b>	<b>Definition</b>
<b>Living Community</b>	Living Standard & Community Development	Support the livelihoods of stakeholders in the community to achieve proper standards and continuous development.
	Health & Safety	Protect the health and safety of internal and external stakeholders of both direct and indirect business activities.
	Social License to Operate	Build societal trust to earn recognition, cooperation, and support for various activities.
<b>Healthy Environment</b>	Responsible Production & Consumption	Enhance responsible production and consumption, considering value cycle from early production process to post-consumption waste management.
	Energy & Utilities	Consume and develop eco-friendly energy and utilities.
	Climate Change	Focus on reducing GHG emissions to slow down climate change
<b>Economic Prosperity</b>	Wealth Distribution	Enhance the economy and growth through income distribution among people in the community by creating more employment, supporting their products and services, to help develop economically attractive communities.
	Innovation & Technology for All	Promote innovation and technology that meet a wide range of needs and can be applied to business operations, which will ultimately and appropriately raise the standard of living.
	Collaborativeness	Cooperate with stakeholders to grow alongside people within the ecosystem, both in the short and long terms.

### **Business Strategies**

In pursuit of the aforementioned vision, missions, and goals, OR applies the following business strategies:

**(1) Expand the scope of business operations from Oil Ecosystem to Energy Solution Ecosystem to create Seamless Mobility to support future energy trends.**

- OR's Oil Retail Marketing aims to maintain its leadership in the retail market by expanding its PTT Stations network to be accessible nation-wide and accommodate the needs of consumers (fuel users). OR also seeks to develop PTT Stations into living communities to bring about inclusive growth and answer specific needs of each locality and population group to attract local people in the vicinity of PTT Stations and strengthen relations with surrounding communities.

- OR's aims to maintain its leadership in the commercial market by positioning itself as a leading energy solution provider, fostering customer engagement and providing energy consultancy to customers and business partners to strengthen relationships with all parties. Furthermore, OR's Commercial Marketing also seeks to provide diversity of fuel products and clean fuels to meet customers' needs, offering integrated engineering consultancy and services where data analytics tools and other technologies are adopted to analyze, develop, and deliver solutions for a wide range of customers' needs and ensure better services for both customers and business partners. In addition, OR's Commercial Marketing strives to expand and grow overseas markets with high potential.
  - Expand EV Station PluZ network both inside and outside PTT Stations to cover all major routes, tourist destinations and key commercial zones. In conjunction, OR has developed an EV Station PluZ application for the convenience of EV Station PluZ customers. To secure its position as the leading company in the industry, OR works hand in hand with its partners to enhance and develop related businesses such as FIT Auto, expanding EV repair and maintenance services and seeks for more opportunities to provide such services to EV manufacturers, distributors, B2B/fleet, and B2C, along with new products development such as distilled water, gear oil, grease, and brake fluids, to accommodate EVs.
  - Expand its FIT Auto service stations to all high-potential areas nationwide while focusing on personnel capabilities and skills enhancement through FIT Auto Academy in repair and maintenance services for both ICE vehicles and EVs.
  - Employ IT technologies and systems to efficiently support business operations and automate the management and petroleum delivery for PTT Station network, increase manpower efficiency, reduce maintenance costs, and enhance other business opportunities to optimize the facilities usage.
- (2) Expand Food and Beverage business operation scope to a one-stop solution ecosystem in order to deliver integrated solutions for all lifestyles according to ever-shifting and diverse consumer behaviors, trends, and needs.
- Expand the Café Amazon network using the Geographic Information System (GIS) as a decision-making tool for new branches opening in strategic locations to generate higher sales volume and reasonable returns, to maintain as a market leader, and to avoid overlapping of new branch locations. Café Amazon aspires to be among the top five global brands in terms of branch number with domestic and international expansion, as well as simultaneous development of products and services to provide consumers with quality products. The Café Amazon brand image is well-communicated through concept stores (Coffee x Life) and flagship stores.
  - Manage supply chain with utmost efficiency to maintain competitive advantages and increase the economies of scale through various investment expansion across the business chain, such as the construction of central bakery facilities, a dry mill plant, a Café Amazon Roastery, a dry-mix factory, and distribution centers. OR believes these facilities will help maintain product quality and provide sufficient inventory storage to meet customers' demand, as well as reduce costs and enhance new products development, such as Café Amazon Coffee Capsule, ready-to-drink products, and healthy drinks, all of which to keep up with drastic shift of consumers' behavior.
  - Manage commercial areas inside and outside PTT Stations, focusing on finding suitable business partners for various consumer groups in each service station location.
  - Diversify OR's portfolio through joint ventures, mergers, and acquisitions in response to the rapid change in consumer demand. In addition to the F&B business, OR also seeks for other potential business opportunities such as tourism and health and wellness, for example, to provide a full range of alternatives for all lifestyles.



**(3) Expand OR's business base to grow from a regional to global scale and create success and recognition in the global market with a firm support system.**

- Take advantage of OR's brand recognition in both energy and retail businesses to adapt and localize OR's products and services to the local culture and preference of each country, and accelerate the business expansion in countries and markets with high growth rates potential, such as Cambodia.
- Create more opportunities for growth in countries where OR operates its business, focusing on digitalization of business operation with technology, and expand PTT Stations and Café Amazon branches to high-potential areas in those countries.
- Be responsive to various needs in energy market with added-value solutions and products, expanding the EV ecosystem through collaboration with experienced business partners in Cambodia, increase the solar roofs installation across PTT Stations in Lao PDR, and seeking new business opportunities in other regional markets where OR is operating.
- Aim to achieve more business growth by offering new products, services, and business models, such as coffee sourcing and export in Lao PDR, OR CHINA production hub, with materials and premium products used in business operations.
- Look for new business opportunities and invest in joint ventures with high-potential partners in new growing markets, such as Indonesia, Saudi Arabia, and the United Arab Emirates (UAE).

**(4) Leverage OR's current business strengths and capabilities to create business opportunities, with strong determination to solve social, community, and environmental problems with OR Innovation.**

- Strengthen OR's businesses by development and investment in a digital platform to establish an inclusive growth platform across five business groups, namely Mobility, Food and Beverage, Tourism, Health and Wellness, and Platform. Digitalization can enhance and promote growth for SMEs, as well as contribute to business opportunities creation.
- Develop an All-in-One application to cater to all lifestyle needs and offer convenience to consumers in every step of their daily lives through various features connecting to OR's products and services on the physical platform. SMEs is also put on OR's application platform to support and extend connection to other online partners and a more diverse range of services.
- Seek opportunities to invest in corporates, SMEs, and startups, both in Thailand and abroad, leveraging OR's current business strengths and potential.
- Be on the lookout for New S-Curve business opportunities and strengthen OR's existing potential by collaboration with high-potential partners to tackles current problems as well as creating new markets and businesses that focus on solving social and environmental issues by OR Innovation. This way, OR is able to grow sustainably alongside people and the environment. Such activities include the installation of solar rooftops to all OR's facilities for both PTT Stations and depots and other industrial customers.



**(5) Expand outside-in business growth by adopting the Inclusive Partnership Model as a framework for collaboration with partners.**

OR applies the Inclusive Partnership Model to create opportunities and foster efficient collaboration with positive experience between OR and partners. Inclusive partnership can be divided into four key types as follows:

- Type 1 Engage: This refers to community development of partners who share OR's value and believe in inclusive growth for future collaboration possibilities.
- Type 2 Enable: This refers to the use of the Inclusive Growth Platform to boost sales for all partners and increase OR's product and service diversity.
- Type 3 Enlarge: This refers to professional support to partners in a systematic management structure for mutual exponential growth.
- Type 4 Empower: This refers to the optimal agreement and negotiation that enables both OR and its partners to achieve their goals.

**(6) Develop finance, accounting, tax, loan, and insurance processes to efficiently support the Inclusive Growth Model.**

- Establish a strong foundation for business growth by developing personnel capabilities in the spheres of finance, accounting, tax, loan, and insurance to accommodate business expansion. Furthermore, OR develop manuals and standards essential for both domestic and overseas business expansion regarding finance, accounting, tax, loan, insurance processes, and accounting and tax rules and regulations.
- Develop a data system for real-time reporting and analysis that can promptly provide executives with complete and accurate data beneficial to decision making.

## **11.2 Significant Developments Over the Past 3 Years**

### **2020**

- Launched a new gasoline product called XtraForce Benzine.
- PTT Stations began selling diesel aimed at reducing PM 2.5 levels—namely, UltraForce Diesel, UltraForce Diesel B7, and UltraForce Diesel B20. These products contain less than 10 parts per million (ppm) sulfur, 5 times lower than the legal limit of 50 ppm. Their use will reduce pollution problems.
- Unveiled the EVOTEC technology in our PERFORMA lubricants for gasoline engines. Its innovative SMART molecules offer engine protection. These products also comply with the latest API SPAPI, SP, and ILSAC GF-6A standards. OR the first supplier in Thailand to offer products that comply with them.
- Increased investment in quick chargers for use in the PTT Station EV charging station network to ensure our offerings continued to develop in line with the demand for EV services in Thailand.



- Together with the Central Group, OR established the ORC Coffee Passion Group Joint Stock Company to lead our Café Amazon operations in Vietnam.
- Invested in Flash Incorporation Limited ("Flash") to gain a partner in a growing field in anticipation of future demand. Flash is known for its express delivery services and comprehensive e-commerce offerings under its trade name Flash Express.
- Invested in Peaberry Thai Limited to expand our coffee operations, bolstering our access to the raw materials, equipment, and maintenance services

needed by our extensive Café Amazon network. Additionally, this investment opened doors into the specialty coffee sector through our Pacamara Coffee Roasters operations.

- Began a partnership with PTT Global Chemical Public Company Limited to set up the Plastic Reborn initiative, which was used to promote our 'Sort for Smiles' projects already operational in OR's PTT Stations.
- Opened our first Pearly Tea outlets in Laos and Cambodia.

## 2021

- Listed on the Stock Exchange of Thailand and had our first initial public offering (IPO).
- Issued a new company vision, Empowering All toward Inclusive Growth, and a new mission statement.
- Outlined OR's 2030 Goals to ensure alignment with the new company vision and began operating on a triple-bottom-line business model. This includes adherence to the following 3 key aspects: establishing a living community, promoting a healthy environment, and working toward economic prosperity.
- Began operating our first product distribution center in addition to opening beverage production and wholesale bakery facilities to maximize return on our investments, improve the quality of our products, and ensure sustainable growth moving forward.
- Opened an automated lubricants distribution center to significantly improve the distribution network for these products.
- Partnership with PTT Public Company Limited and the Royal Project Foundation, we established the Ler Tor Royal Project. This project developed agricultural knowledge among Thai farmers and promoted sustainable, efficient coffee growing practices. It is therefore viewed as a significant step toward improving the lives of hill tribes and other coffee-growing communities, as the sales of their beans will provide a reliable source of income for years to come.
- Expanded our EV Station PluZ network to include locations inside and outside PTT Stations to ensure EV users had easy access to charging stations throughout Thailand. As of December 31, 2021,

there were 99 EV Station PluZ locations within PTT Stations and 7 locations more outside our station network, offering a comprehensive network along major highways and throughout commercial areas all over Thailand.

- Worked alongside Bangkok Aviation Fuel Services Public Company Limited to invest in the establishment of Global Aero Associates Company Limited (GAA), which helped ensure the smooth running of aviation fuel services at U-Tapao Airport.
- Initiated a joint venture between Modulus Venture Company Limited (our wholly-owned subsidiary) and the Bluebik Group to establish Orbit Digital Company Limited, aiming to optimize digital technology innovations.
- Invested in Pluk Phak Praw Rak Mae Company Limited to expand our F&B portfolio and provide increased options for our Ohkahju organic range consumers.



- Invested in Imsub Global Cuisine Company Limited to expand our F&B portfolio and provide increased options for consumers, with the following 5 brands under its management: Kouen Premium Buffet, Yoong Khao Hom, Mootuhahere, Mata Cuisine, and Ono Sushi.
- Worked with 500 startups to establish Venture Capital under our ORZON Ventures arm of the business to ensure investment in early-stage startups throughout Thailand and the ASEAN region.
- Invested in Kamu Kamu Company Limited, a company offering tea and other beverages under the Kamu Tea brand, to diversify our product ranges and maximize the potential of our F&B operations.

## 2022

- ▼ Invested in Polar Bear Mission Company Limited (“freshket”), a food supply chain service responsible for procuring, importing, and selling high-quality raw ingredients for use by restaurants, hotels, and individual consumers. The company utilizes technology to ensure the utmost efficiency and transparency within its operations, which helps optimize potential and strengthen OR’s retail operations as we seek to respond effectively to technology-centric consumer needs.



- ▼ Released the Super Power fuel range, a premium grade fuel newly developed for sale in PTT Stations, which is available in both gasohol and diesel versions. This fuel's outstanding feature is its Super Booster components, representing the latest fuel technology innovation that reduces engine friction while keeping fuel injectors as clean as they were when new. Both help engines run full-capacity, giving consumers access to an extremely valuable yet affordable premium-grade fuel product.



- ▲ Initiated a joint venture between China National Aviation Fuel International Holdings Limited (CNAF) and Total Energies Marketing (Cambodia) Co., Ltd. (TOTAL)—a subsidiary of the French TotalEnergies firm—to establish Phnom Penh Aviation Fuel Service Co., Ltd. (PPAFS). This venture aims to increase our competitiveness in the international aviation fuel services we provide, as well as help to maintain our strong position within Cambodia's aviation fuel operations.



- ▲ Established Drink Enterprise Company Limited, a joint venture with Boonrawd Trading Company Limited, to penetrate the ready-to-drink market.



- ▲ Opened the first Café Amazon outlet in Saudi Arabia.

▼ Invested in KNEX Corporation Company Limited, a business offering industrial washing machines and dryers, as well as operators of self-service laundry stores under the Otteri Wash & Dry Brand in response to recent consumer habits. This investment has diversified the products and services offered by OR and enabled growth opportunities domestically and internationally.



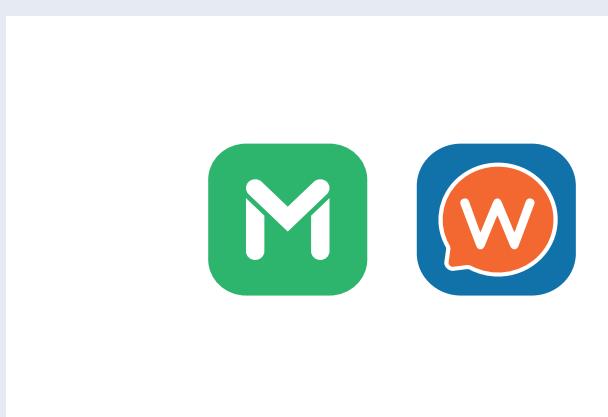
▲ Invested in Traveloka Private Company Limited, a platform offering tourism and lifestyle services, to cement expansion into the tourism sector and ensure a diverse range of lifestyle services from OR in response to varying consumer habits.



▼ Invested in Gowabi (Thailand) Company Limited, a digital platform connecting consumers to a comprehensive range of healthcare and esthetic services. Users of this platform can search for their desired service, read reviews, order e-vouchers, or book services online. All of this results in a seamless connection between offline and online (O2O) services, in addition to helping OR expand the services it has to offer new and exciting consumer groups.



▲ Invested in Dusit Foods Company Limited (DF) to boost our lifestyle offerings by increasing the range of F&B services we provide at home and abroad.



▲ Invested in LINE Man Corporation PTE (Line Man x Wongnai ("LMWN")) to expand our on-demand delivery services to ensure we are meeting the needs of our consumers, who can now easily access these products and services through this application. This is yet another step on OR's journey toward diversification of our F&B offerings.

### 1.1.3 Use of Proceeds

With reference to PTT Oil and Retail Business Public Company Limited ("OR")'s initial public offering ("IPO"), in the amount of 3,000,000,000 shares at 18.00 Baht per share in which OR received net proceeds in the amount of THB 53,497 Million (after the deduction of expenses relating to IPO).

**OR reports the utilization of proceeds as of 31 December 2022 as follows:**

Unit: THB Million

Objectives	Approximate Utilization Plan 2021-2025	Accumulated Use of Proceeds until 31 December 2022
1. Retail fuel service station expansion	13,300	3,099
2. Commercial marketing expansion	3,800	2,461
3. Investment in storage terminals and distribution centers for oil business	8,500	2,212
4. Non-oil retail outlet expansion	9,800	1,933
5. Investment in international business	9,500	1,830
6. Company's working capital and/or the repayment of loans (if any). For the highest advantage to the Company and its subsidiaries	8,597	8,597
<b>Total</b>	<b>53,497<sup>(1)</sup></b>	<b>20,132</b>
<b>Outstanding</b>		<b>33,365</b>

**Note:**

<sup>(1)</sup> With reference to OR's filing, the estimated net offering amount (after deduction of related expenses) was THB 41,079 - 53,209 Million, but the actual net received is THB 53,497 Million. The variance of THB 288 Million was utilized as working capital



#### **1.1.4 OR's Obligations According to the Registration Statement**

On April 2, 2020, OR filed the registration statement for securities offering and the prospectus to the Securities and Exchange Commission (SEC), effective from January 14, 2021. As the registration statement and the prospectus filing was in full compliance with SEC's criteria, OR is not bound by any obligations or conditions to apply for approval from SEC.

#### **1.1.5 Name, Head Office, Business Type, Registration Number, Phone, Fax, Company Website, Number and Type of the Company's Paid-up Capital**

<b>Company Name</b>	PTT Oil and Retail Business Public Company Limited (OR)
<b>Head Office Location</b>	555/2 Energy Complex Building B, 12 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok 10900, Thailand
<b>Business Type</b>	Distribution of petroleum products and retail business of other products and services both domestically and internationally
<b>Registration Number</b>	0107561000013
<b>Phone</b>	+66-2196-5959
<b>Fax</b>	+66-2196-5000
<b>Website</b>	<a href="http://www.pttor.com">www.pttor.com</a>
<b>E-mail</b>	Investor Relations Management Department: <a href="mailto:ir@pttor.com">ir@pttor.com</a> Office of Chief Executive Officer and Corporate Secretary: <a href="mailto:corporatesecretary@pttor.com">corporatesecretary@pttor.com</a>
<b>Registered Capital and Paid-up Capital</b>	As of December 31, 2022, OR's registered capital is THB 120,000,000,000 with 12,000,000,000 ordinary shares at a par value of THB 10 per share. The paid-up capital is THB 120,000,000,000 with 12,000,000,000 ordinary shares.

## 1.2 Nature of Business

### 1.2.1 Revenue Structure

The following tables show the revenue from sales and service derived from OR's and OR Group's businesses, including gross profit (before depreciation and amortisation) and earnings before interest, tax, depreciation and amortisation (EBITDA) in the specified periods as follows:

Unit: THB Million

	As of December 31		
	2020	2021	2022
<b>Mobility Business</b>			
• Revenue (before eliminations)	397,200.0	475,536.7	736,407.5
• Gross profit (before eliminations, depreciation, and amortisation)	23,665.0	26,559.3	26,311.9
• EBITDA (before eliminations)	12,179.9	15,382.4	13,911.1
<b>Lifestyle Business</b>			
• Revenue (before eliminations)	16,894.0	16,964.6	21,082.3
• Gross profit (before eliminations, depreciation, and amortisation)	8,969.8	9,258.3	11,504.2
• EBITDA (before eliminations)	4,495.7	4,189.8	5,238.1
<b>Global Business</b>			
• Revenue (before eliminations)	21,361.0	28,424.5	52,153.6
• Gross profit (before eliminations, depreciation, and amortisation)	1,613.5	1,458.8	2,424.0
• EBITDA (before eliminations)	861.1	742.5	1,469.5
<b>Other Businesses</b>			
• Revenue (before eliminations)	1,090.3	984.0	1,061.4
• Gross profit (before eliminations, depreciation, and amortisation)	19.9	16.5	16.8
• EBITDA (before eliminations)	83.9	32.0	(33.2)
<b>Total Revenue (before eliminations)</b>	<b>436,545.3</b>	<b>521,909.8</b>	<b>810,704.8</b>
<b>Total Gross Profit (before eliminations, depreciation, and amortisation)</b>	<b>34,268.2</b>	<b>37,292.9</b>	<b>40,256.9</b>
<b>Total EBITDA (before eliminations)</b>	<b>17,620.6</b>	<b>20,346.7</b>	<b>20,585.5</b>
<b>Total Revenue (after eliminations)</b>	<b>428,804.1</b>	<b>511,799.3</b>	<b>789,785.1</b>
<b>Total Gross Profit (after eliminations and before depreciation and amortisation)</b>	<b>33,152.6</b>	<b>36,241.0</b>	<b>39,181.3</b>
<b>Total EBITDA (after eliminations)</b>	<b>17,619.0</b>	<b>20,335.3</b>	<b>20,607.9</b>

## 1.2.2 Nature of Business Classified by Business Group

### 1.2.2.1 Mobility Business

The mission of OR's Mobility Business is to promote a robust hybrid energy business for seamless mobility. OR's petroleum products are marketed through oil retail and commercial marketing sectors, with OR's retail oil operations in charge of the sale of fuel products (including gasoline, diesel, and LPG) in addition to lubricant products, which are targeted at motorists and other retail customers through direct sale by company-owned, company-operated (COCO) PTT Stations and indirect sale through dealers of dealer-owned, dealer-operated

(DODO) PTT Stations. OR's commercial marketing unit, however, is responsible for the sale of petroleum and other products to commercial customers both domestically and internationally, including export of lubricant products to more than 40 countries worldwide, as well as FIT Auto service stations, with details of which are as follows:

#### (1) Oil Retail Market

Through our oil retail businesses, OR sells and distributes gasoline and diesel at PTT Stations, while fuel is also sold to independent oil traders, such as those listed under Article 10.

**The table below displays information on major products and types of goods sold under OR's oil retail unit.**

Product	Type of Goods	Details
Gasoline	CleanX Gasoline 95	Gasoline with octane 95
	SuperPower Gasohol 95	Premium gasoline with octane 95 containing 10% ethanol
	CleanX Gasohol 95	Gasoline octane 95 containing 10% ethanol
	CleanX Gasohol 91	Gasoline octane 91 containing 10% ethanol
	CleanX Gasohol E20	Gasoline octane 95 containing 20% ethanol
	CleanX Gasohol E85	Gasoline octane 91 containing 85% ethanol
Diesel	CleanX Diesel	Diesel containing 10% biodiesel
	SuperPower Diesel B7	Premium diesel containing 7% biodiesel
	CleanX Diesel B7	Diesel containing 7% biodiesel
	CleanX Diesel B20	Diesel containing 20% biodiesel
LPG	LPG for Transportation Sector	LPG as a gasoline alternative for the use of motorists
Lubricants	Performa	Lubricant for gasoline engines
	Dynamic	Lubricant for diesel engines
	Challenger	Lubricant for motorcycle engines
Kerosene	Kerosene	Kerosene in containers

#### Remarks:

On December 13, 2022, the Committee of Energy Policy Administration (CEPA) approved measures to mitigate automotive diesel related impacts, effective January 1-March 31, 2023. As a result, the ratios between fatty acid methyl ester to automotive diesel have been fixed as follows:

- B7: between 6.6 and 7% by volume
- Regular: between 6.6. and 10% by volume
- B20: between 6.6 and 20% by volume

For PTT Stations, OR assesses and selects locations systematically, utilizing geo-analytic tools to expand its PTT Station network in high potential areas that provide a physical platform in those communities in response to mobility and lifestyle consumer needs. Our Mobility offerings emphasize hybrid approaches and diverse energy sources to ensure a seamless consumer experience, which is why we have expanded our LGP NGV retail operations. Additionally, as we look to accommodate future energy trends, OR has also installed and test-run EV charging stations, which are now available along major routes throughout Thailand, both at PTT Stations and beyond. We have also developed the EV Station PluZ application to help consumers access various services involved with our EV Station PluZ locations, including route planning based on charging availability, bookings for places in the queue to charge vehicles, resumption and completion of the charging itself, payment, and charging records for that vehicle. Moreover, in response to the increasing demand for clean energy, OR has introduced solar rooftops to PTT Stations, which help reduce costs associated with infrastructure investment and cut carbon dioxide emissions, contributing to the advancement toward a low-carbon society in the future. With regard to lifestyle offerings, OR now provides a unique retail mix at each of its PTT Stations as we understand the need for diverse services and products to attract consumers into these locations from the local community, which will ultimately play a key role in ensuring a strong relationship with them in addition to securing a steady stream of revenue from the area.

## (2) Commercial Market

OR's commercial marketing unit conducts the sale of a variety of quality and reliable products and services. We offer various aviation fuels for a diverse range of usage, with the primary type being our Jet A-1 aviation fuel sold under procurement and sales contracts with various Thai and foreign airlines, as well as airline customers in domestic and overseas airports. In collaboration with Bangkok Aviation Fuel Services Public Company Limited, OR has also jointly established Global Aero Associates Company Limited (GAA) to provide into-plane services for aircraft at U-Tapao Airport.

OR also sells fuel oil and diesel for marine vessels under procurement and sales contracts with marine logistics providers both locally and internationally. Furthermore, major products sold to customers in the industrial sector include diesel, LPG, fuel oil, and other petroleum products, such as asphalt. OR's commercial marketing unit also retails LPG to the transportation sector, mainly via networks of LPG stations located outside PTT Stations and to the household sector principally through LPG household dealers, as well as selling fuel oil and LPG to fuel traders under Article 7. In addition, the commercial marketing unit sells petroleum products to overseas customers and offers lubricant products for gasoline and diesel engines for vehicles (automobiles and motorcycles) as well as industrial lubricants with grades ranging from standard to premium to respond to diverse consumer needs. Also, OR's commercial marketing unit operates FIT Auto service stations, which provide scheduled maintenance service, spare part changing and fluid replacements using PTT lubricants. As of December 31, 2022, OR has 85 fully operational FIT Auto service stations nationwide.

OR's commercial marketing unit has expanded into the clean energy sector, such as through power generated by solar rooftops, which can reduce electricity bills for customers, as well as the sale of LGP.

### 1.2.2.2 Lifestyle Business

The mission of OR's Lifestyle Business is to offer alternatives for all lifestyles through the expansion of retail business both inside and outside of its PTT Stations nationwide. It takes a customer-centric approach to business development, comprising 1. food and beverage businesses, such as Café Amazon branches alongside other restaurants and other retailers that OR either operates and invests in; and 2. other retail business that provide lifestyle offerings, including convenience stores and space management businesses.

## (1) Food and Beverage Business

### (a) Café Amazon

Café Amazon was established in 2002 to promote sale of products in OR's fueling station networks. In 2012, Café Amazon became OR's franchise business under the Café Amazon brand. The business has grown rapidly, with outlets expanded beyond fueling stations to business areas with high footfall, including department stores, university campuses, and office buildings.

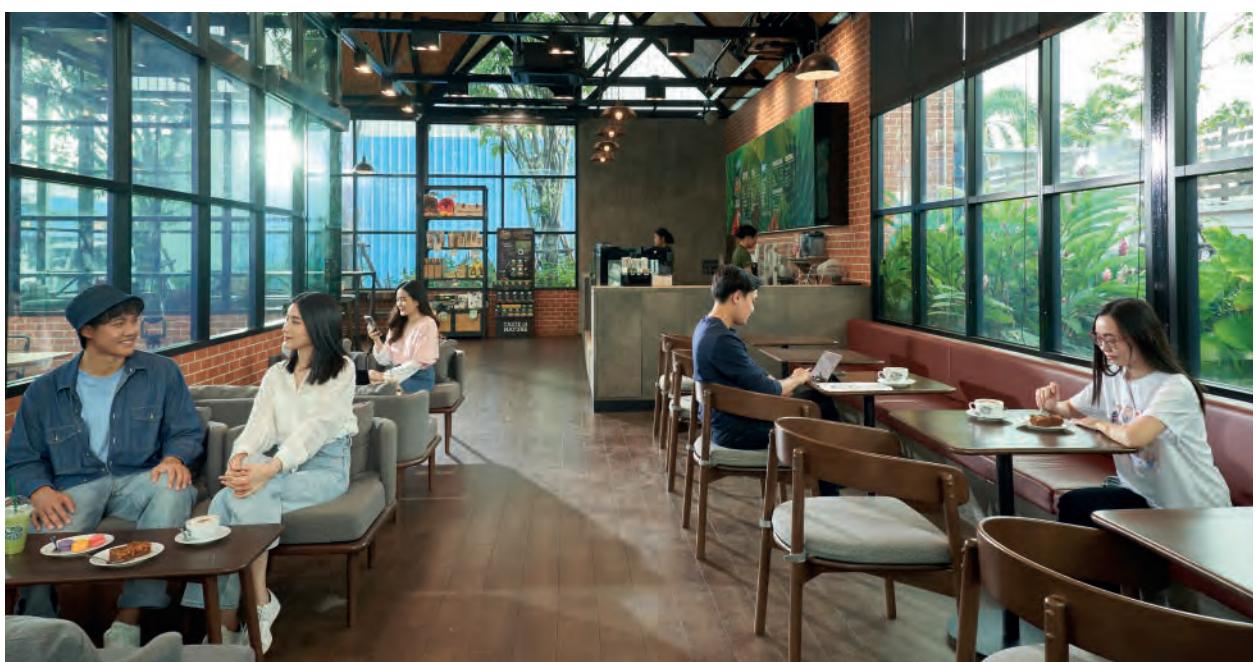
Café Amazon outlets offer premium coffee, including other hot and cold beverages, bakery items and snacks under brands owned by OR and local SMEs. As a brand owner, OR is committed to maintaining the outstanding flavor and quality of its Café Amazon coffee and other products for positive consumer experience.

To maintain consistent quality of the products and services across all outlets, inspection teams have been set up to conduct inspections in Café Amazon outlets on a regular basis.

OR has developed a standard design, layout, and atmosphere for Café Amazon outlets, keeping the overall appearance and ambiance consistent across all outlets. Technology has also been applied to the locations selection for new outlets to determine their potential. This strategy has not only enhanced the success and efficiency of the Café Amazon business

but also allowed new coffee outlets to be opened within defined timeframes and budget, enabling OR to achieve its sales and business performance targets. OR also deploys its own architecture and design team to ensure the interior design aligns with OR's standards and requirements. Once the location for each new outlet is decided, training and set-up teams work together with the quality inspection team to provide training to personnel to ensure the product and service quality meets the standard.

OR has also created new outlet formats to cater to ever-changing consumer needs. These include Café Amazon concept stores that incorporate local design trends while maintaining a healthy environment, as well as the installation of solar rooftops to reduce greenhouse gas emissions as part of the Thailand Voluntary Emission Reduction Program (TVER). Furthermore, Café Amazon for Chance stores integrate the concept of retailers with a social and environmental conscience, offering the underprivileged and senior people an opportunity to work in such positions as a barista at Café Amazon. In addition, OR has also expanded collaboration with companies in which it has invested to develop new products and services, such as grab-and-go healthy food under the Ohkajhu brand, integrated coffee makers and coffee equipment maintenance services by Peaberry Thai Company Limited, and Flash Express parcel drop-off and pickup services at Café Amazon outlets.



In addition, OR generates incomes from Café Amazon outlets in other countries through OR's International Business Group.

Café Amazon operates principally in a franchise system. Revenue is primarily derived from sale to franchised dealers of raw materials and other utensils (such as coffee beans, sweetened condensed milk, evaporated milk, dry mixes, cups, and straws), one-time franchise fees, rights and marketing fees under franchise contracts. For COCO (company-owned, company-operated) outlets, outlets, OR gains revenue from direct sale of products to consumers.

#### **(b) Other Food and Beverage Businesses**

OR also retails food and beverages through food and beverage outlet networks, consisting of a brand where OR is the only license grantee in Thailand, namely Texas Chicken, and an OR-owned brand, namely Pearly Tea.

Texas Chicken, established in 1952, is an American fried chicken brand. The products are made with large and juicy pieces of fresh, unfrozen chicken. The major target consumer groups are children, teenagers, and working-aged individuals, while the secondary target group is young families. As of December 31, 2022, OR operated 107 Texas Chicken outlets in Thailand. In 2015, OR entered into an international multiple-unit franchise and development agreement with Cajun Global LLC to be the only operator of Texas Chicken shops in Thailand. Under the agreement, OR is entitled to seek a master franchise license, which will give OR the rights to grant sub-franchise licenses. However, there are yet other management criteria additionally agreed upon with Cajun Global LLC that OR has to meet before it can seek the master-franchise license.

Pearly Tea is a brand developed and solely owned by OR. The business of Pearly Tea is the sale of bubble tea products in outlets inside and outside fueling stations. OR operates Pearly Tea through both COCO and franchise models.

OR's revenue is derived from direct sale of products to consumers of COCO food and beverage outlets where OR is a franchise grantee and/or marketing support fees (in case of Texas Chicken once OR is granted master-franchise rights) from sub-franchise shops under

a sub-franchise agreement with OR. As agreed in the master-franchise agreement, OR is required to return to the master-franchise license grantor a portion of these one-time launch fees, license fees, marketing fees, and marketing support fees.

To enhance diversity and better cater to consumer needs, OR has also expanded the Lifestyle Business through investments in food and beverage-related companies, as detailed below:

[Peaberry Thai Company Limited \(Peaberry\)](#) operates a comprehensive range of businesses related to the coffee industry, which can be divided into three categories: 1) sale of coffee-related machinery, equipment, and raw material; coffee bean procurement, milling, and roasting; distribution of coffee makers, coffee mills, coffee roasters, and other machinery, equipment, and raw materials through dealers, showrooms, and online channels; 2) repairs and maintenance of machinery and equipment related to the coffee industry for customers nationwide; and 3) Pacamara Coffee Roasters, which offer quality specialty coffee made with coffee beans from various sources and brewed using different methods as chosen by consumers, with an emphasis on upstream to downstream quality control to ensure the quality standard of every cup of coffee delivered to consumers. As of December 31, 2022, Peaberry operated 21 Pacamara Coffee Roasters outlets. In addition, Peaberry strengthens OR's Café Amazon as a supplier of products and provider of maintenance and repair services for coffee makers and equipment in Café Amazon nationwide.

[Drink Enterprise Company Limited](#) is a newly established 50-50 joint venture between OR and Boonrawd Trading Limited aimed at increasing revenue from the production and retail of ready-to-drink beverages. This business will diversify its beverage offerings and the channels through which they are sold to meet the comprehensive range of consumer needs, as well as offer an opportunity for OR to increase its market share in this sector. OR has utilized new marketing strategies for this venture to build a brand or products that can attract a new customer base under OR's concept of empowering all toward inclusive growth. Products from this new brand are slated for release in 2023.



[Pluk Phak Praw Rak Mae Company Limited](#) operates health food restaurants under the brand “Ohkajhu,” which began in San Sai District in Chiang Mai and was later expanded into cafés for health-conscious consumers. The menu focuses primarily on organic salads featuring vegetables grown on its own plantations and on the from-farm-to-table concept. OR has made an investment to acquire its shares, support SMEs, and expand its business opportunities. As a leading brand in the health food restaurant business, Ohkajhu operates the entire supply chain and has product and service quality control in place. New initiatives in partnership with Café Amazon include the sale of grab-and-go health food products and the establishment of additional restaurants in PTT Stations.

[Imsub Global Cuisine Company Limited](#), often known as “KOUEN Group,” is a company with expertise in Japanese cuisine and operates 6 brands, consisting Kouen Sushi Bar, Ono Sushi, Uraki, Yoong Khao Hom, Mootuahere, and Little Bee Thai Crispy Cream. OR’s investment in KOUEN Group is part of its support for Thai SMEs and helps expand KOUEN Group’s business growth opportunities. KOUEN Group will play a key role in enhancing the diversity of restaurant brands in PTT Stations, particularly through the expansion of Ono Sushi restaurants.

[KAMU KAMU Company Limited](#) operates a tea and lifestyle beverage business under the brand “KAMU Tea.” It is recognized for the quality and taste of the carefully sourced ingredients and the variety of the beverage menu, which enables OR to expand its business and better cater to consumers who enjoy tea and lifestyle beverages. The investment in KAMU also gives this Thai SME more opportunities for business

growth through expansion of outlets in PTT Stations, in line with OR’s strategies to create opportunities for mutual and sustainable growth.

[Dusit Foods Limited](#) was established in 2018 to promote and strengthen bonds between OR’s food services and the Dusit network, which is prevalent among hotels and educational institutions, as well as to increase the business potential of its operations both within Thailand and internationally. We currently invest in a diverse range of food businesses, including manufacturers such as bakeries, and retailers such as catering businesses. Additionally, OR is a strategic investor in several food retail brands as this promotes a synergy-based model for growth between our food and beverage operations, including bakeries and other food manufacturers relied upon by the Dusit network.

## (2) Other Retail Business

### (a) Convenience Store Businesses

OR operates the convenience store business under the OR-owned Jiffy brand and the 7-Eleven brand under an exclusive partnership agreement with CP All. Most sales in convenience stores are derived from sales to motorists in OR’s PTT Station networks. Products sold in OR convenience stores are food and non-food items, with an average of 2,000 to 5,000 stock keeping units (SKUs) for general shops with an average size of 60 to 360 square meters. Goods and services are carefully selected to increase profit rates and in-store customers, comprising daily consumer products that attract customers to fueling stations and impulse purchase products, such as snacks or beverages. The actual layout of goods and services can be changed according to the market situation and store size. As of December 31, 2022, OR operates 2,176 convenience stores in Thailand and Laos under the Lifestyle Group.



OR gains revenue from Jiffy franchises through different fees under the franchise agreement and from COCO Jiffy outlets through direct sale of products to customers. As for 7-Eleven, OR gains revenue from the license fees for DODO shops and license and management fees for COCO shops. The revenue structure of 7-Eleven is specified in the exclusive partnership agreement with CP All, under which CP All is allowed to operate 7-Eleven stores in OR's network of PTT Stations.

#### **(b) Space Management Business**

OR also operates a space management business catering to business operators and branded retailers wishing to lease space in OR's fueling stations as well as other areas under OR management, such as highway rest areas. OR earns revenue from both COCO and DODO fueling stations. For COCO, OR gains revenue from lease fees, of which the sum can be fixed or vary according to shop sales. In the case of DODO, OR gains space management fees directly from tenants. As of December 31, 2022, OR earned revenue from more than 400 brand shops in fueling station areas.

OR began expanding its commercial operations beyond PTT Stations in 2021 to meet consumer demands, which involved new offerings in the form of diverse retail locations and services tailored to meet unique local requirements. As of December 31, 2022, OR had six fully operational commercial locations under its space management arm that do not include PTT Station retail space.



Moreover, OR is constantly developing Lifestyle Businesses through investment in potentially viable solutions that can respond to consumer needs, including:

**K-nex Corporation Company Limited (KMX)**, a purveyor of both retail and industrial washing machines, and network of self-service laundry stores under the "Otteri Wash & Dry" brand name. This brand is currently the number one such service provider in Thailand, both in terms of the company-run and franchise business models, representing a strategic success for OR in its objective of meeting all forms of lifestyle needs.

#### **1.2.2.3 Global Business**

Striving to expand its businesses for success and recognition in the global market, OR gains revenue from the sales of overseas subsidiaries that operate mobility as well as lifestyle businesses. Petroleum products offered through OR's Global Business Group comprise diesel, gasoline, aviation fuel, fuel oil, lubricant products, and other petroleum products. The Global Business also seeks to take care of local communities in every country where OR has operations.

OR has developed a business expansion strategy for international investments, starting with the selection of brands that match the demand and popularity of a particular new market, after which OR will export high-quality products and start mobility and lifestyle businesses under its proprietary brands marketable in that country (such as PTT Station and Café Amazon) to enhance brand awareness. Once the brand is widely known with a secure customer base, OR will expand its network of PTT Stations and Café Amazon and/or retail product and service outlets in each market as appropriate. OR enters each market as an experienced leader of the industry from Thailand and introduces platforms from Thailand focused on sharing and expanding success to other countries in the region and globally. Recognizing the complexity of business operation in different countries, OR carefully studies the business model of each country and strategically tailors its business operation models to best fit each specific country.



At present, OR operates global businesses primarily in the following countries:

#### Cambodia

OR established the first fueling station in Cambodia in 1995. As of December 31, 2022, OR's subsidiaries operated 157 PTT Stations, 7 product storage depots, 68 Convenience stores, 225 Café Amazon outlets, and 1 FIT Auto service station. As part of a joint venture, OR also provides in-plane services for aircraft at the new international airport in Phnom Penh, Cambodia.

#### The Philippines

OR's first fuel fueling station in the Philippines was established in 1997. As of December 31, 2022, OR's subsidiary in the Philippines operated 179 PTT Stations, 4 product storage depots, and 17 Café Amazon outlets. OR also provides in-plane services for aircrafts at the Philippines' international airport.

#### Other Countries

OR operations in other countries comprise those in Laos, China, Myanmar, and Vietnam.

OR established its first fueling station in Laos in 2012. As of December 31, 2022, OR's Laos subsidiary operated 54 fueling stations, 7 product storage depots, 84 Café Amazon outlets, and 4 FIT Auto service stations.

In China, OR's subsidiary generates revenue from the oil business, including sale and distribution of lubricant products and other non-oil products through the commercial marketing unit. The business is still in an early development stage, with the first Café Amazon outlet established in 2019, while there were 12 such outlets in China as of December 31, 2022.

In addition, OR has formed a joint-venture company in Vietnam, ORC Coffee Passion Group Joint Stock Company, to operate Café Amazon in the country. As of December 31, 2022, there were 20 outlets in Vietnam.

## **1.2.3 Procurement, Preparation, Storage, and Distribution of Product**

### **1.2.3.1 Procurement and Preparation**

#### **(1) Mobility Business**

OR purchases petroleum products primarily under supply or purchase agreements with refineries owned by PTT subsidiaries and non-PTT entities. It has entered separately into long-term agreements with ThaiOil, GC, SPRC, IRPC, and Bang Chak and short-term agreements with ESSO. OR also procures some petroleum products from oil importers to supplement the volumes obtained from domestic refineries and diversify supply sources. As a leading oil retailer with high volumes of purchase and good long-term relationships with PTT, PTT Group refineries, non-PTT refineries, and other petroleum product producers in Thailand and in Southeast Asia, OR can procure a variety of petroleum products to satisfy customers' demand. Petroleum products from suppliers have so far been delivered to OR with quality and quantities as agreed. Petroleum products purchased by OR are delivered through pipelines, by sea, by road, and by railway directly to OR's depots. Petroleum products for the oil businesses of the Global Business are mainly purchased from OR Group and PTT Group.

The pricing of each product is based on market prices (such as MOPS) with additional premiums as negotiated with the counterparty. In the negotiation of premiums, OR's counterparty will study and analyze the overall demand and supply of the product in Thailand and neighboring regions, so that the premiums could be adjusted in comparison to import parity pricing. Other factors taken into consideration in negotiating with each refinery include modes of transportation beneficial to OR's competitiveness, limitations of each mode of transportation (such as through pipelines, by sea, or by road), and other risks. In the event that OR's demand exceeds the minimum quantities in specified in product offtake agreements with all refineries, OR will negotiate with domestic refineries to procure additional quantities, taking into consideration the negotiated premiums and the location of depots suitable for receiving the product.

OR's primary LPG supplier is PTT. OR purchases LPG directly from PTT's separation plants, where LPG from

GC, ThaiOil, and PTT undergo quality improvement, as well as from IRPC and SPRC without going through separation plants. Condensate and methanol are supplied to specific groups of customers. Besides, OR purchases ethanol, biodiesel (B100), and fuel additives from selected suppliers under separate supply agreements for blending with gasohol and diesel for sale to OR's customers.

For lubricant products, OR procures lube base oil from Thai Lube Base Public Company Limited, IRPC, and other domestic and international distributors and also procures lubricant additives from domestic and international distributors.

OR's relationships with other suppliers are under regular-basis supply agreements, with terms for pricing, quantities, and payment effective during the period agreed upon. OR also procures products from the spot market, with the terms of each transaction varying. From the spot market, OR procures petroleum products from both non-PTT suppliers and PTT Group companies.

#### **(2) Lifestyle Business**

OR procures and prepares products for lifestyle businesses as follows:

##### **Café Amazon**

For the Café Amazon business, OR procures raw materials, products, food, and beverages mostly from wholesalers and partly from various small suppliers. Depending on product types, suppliers may deliver products to OR's distribution centers or distribute products directly to the outlets.

Coffee beans for Café Amazon outlets are from domestic sources, such as local farmers, the Royal Project Foundation, Sarn Palung Social Enterprise Co., Ltd., community enterprises, and cooperatives. This is to promote coffee plantation by communities and farmers as well as other coffee bean suppliers. Every step of the coffee roasting process is overseen by OR inspectors, from the selection and purchasing of raw coffee beans that meet Café Amazon's standards, to the roasting process and the quality inspection before packaging and distribution to consumers. At present, OR is carrying out a research project in cooperation with the Royal Project

Foundation on coffee cultivation and production under a natural resource conservation system for sustainable development at Ler Tor Royal Project Development Center in Mae Ramat District, Tak, which is built upon the success of a similar project in Doi Inthanon, Chiang Mai. The primary goal of the project is to create a GAP-certified model for coffee cultivation and production in a system that conserves natural resources and is guided by the principles of agroforestry farming and the sufficiency economy philosophy, as well as provide a market for coffee products and other crops and ensure a stable source of income for hilltribe farmers, while also contributing to the sustainable conservation of forested watersheds. Another cooperation is with Sarn Palung Social Enterprise on hilltribe farmer development for higher quality coffee cultivation and production under a system that conserves natural resources. OR now also has a coffee processing and procurement plant in Chiang Mai to provide yet another change through which coffee growers can profit directly from sales, while we have other plans in the pipeline for similar such projects elsewhere in northern Thailand that will offer opportunities to local communities in alignment with our sustainable business model.



OR has its own coffee roasting plant, which produces and distributes coffee beans to all branches of Café Amazon, and is constructing a new coffee bean warehouse to preserve product quality, ensure adequate stock of merchandise for the demand, and reduce costs. OR also has plans to make further investment to build another roasting plant, which is scheduled to be completed in the fourth quarter of 2025 that will increase the production capacity of roasted coffee beans by 2.5 times from 4,500 tons/year to 11,500 tons/year,



to support Café Amazon's steady growth. At present, a 30KW solar rooftop system has been installed at the roasting plant to supplement grid power and reduce operational costs, with plans to increase the use of solar power.

OR also sources other raw materials related to its Café Amazon business, such as sweetened condensed milk and evaporated milk, dry mixes, cups, and straws, from capable and industrially recognized local producers. The producers have joined hands with OR to develop quality products, following OR's recommendations and requirements to provide products under the Café Amazon brand.

Furthermore, OR is always seeking to increase revenue from non-beverage products for its Café Amazon business. In 2022 our bakery plant developed and retailed 38 menu items at Café Amazon while our dry-mix plant manufactured and supplied nine types of dry mixes to Café Amazon. It also produced two types of Café Amazon branded powdered chocolate beverages and began an OEM production. We also offered seasonal collections of premium products designed in collaboration with other Thai brands and upcycled products made from production waste to raise brand awareness and diversify the product offering of Café Amazon.

For Café Amazon's overseas businesses, in particular in Cambodia and Laos, OR procures coffee beans mostly from local suppliers in Laos under Café Amazon's quality control. In other countries, OR supplies roasted Thai coffee beans to Café Amazon franchises. OR is confident that it can continuously supply sufficient volumes of quality coffee beans to Café Amazon outlets in Thailand and other countries to support their business's growth.

## **Other Food and Beverage Businesses and Other Businesses under the Lifestyle Group**

For Texas Chicken and Pearly Tea, OR sources raw materials mostly from wholesalers, with some products from small suppliers. Generally, suppliers transport their products to OR's warehouses for further distribution, but they may deliver products to the shops directly, depending on product types.

For convenience stores under the 7-Eleven brand, the supplier is the sole product distributor and owner of goods in the stores located in OR's networks.

For Jiffy stores, OR does not generally enter into long-term contracts with product suppliers because it is confident that there are many alternative supply sources for most of its products.

The products procured and prepared for sale in Peaberry Thai Company Limited can be categorized into two groups: products for Pacamara Coffee Roasters outlets, and coffee machinery and equipment. Products and raw materials are procured directly from manufacturers or dealers and are directly transported to warehouses, which then distribute products to customers or outlets that have ordered or purchased products from the company.

### **1.2.3.2 Product Storage and Distribution**

#### **(1) Mobility Business**

As of December 31, 2022, OR's product storage and distribution network comprised 73 depots in Thailand, Cambodia, the Philippines, and Laos, with a total storage

capacity of 2,025 million liters. All facilities in Thailand are connected to networks of product distribution and transportation by pipeline, marine vessels, by road, and by rail, which can supply products to customers and consumers throughout the region.

#### **(a) Depots**

Petroleum depots accessible and available to OR have a total capacity of 2,025 million liters across 73 facilities, comprising 55 depots in Thailand, 7 in Cambodia, 4 in the Philippines, and 7 in Laos. OR uses these facilities to store gasoline, diesel, fuel oil, aviation fuel, LPG, and lubricants. Depots are located in strategic locations to support the transportation of products to consumers and to other storage facilities in the region, affording competitive advantages to OR in terms of logistics and management costs.

OR's network of storage and distribution facilities has nationwide coverage, comprising 55 depots, of which 9 are owned by OR and the remaining 46 storage facilities are owned by non-PTT parties which OR has the right to use under several types of agreements with PTT.

OR's overseas network of storage and distribution facilities consists of 18 depots. Of these, 12 are owned by OR, with the remaining 6 depots accessible to OR under agreements with external parties.

OR is committed to sustainable operations and safety standards and seeks to foster cordial relations with surrounding communities by organizing open house events, educational sessions on OR products, and basic fire training, as well as through participation in their activities and providing preliminary assistance in natural disasters.



OR ensures these depots have adequate storage capacity to supply petroleum in times of normal distribution, emergency, or during shortage, and that the storage capacity is able to serve the storage for export and high-volume purchases. In addition, to comply with Thailand and other countries' laws and regulations, OR reserves certain volumes of fuel as required by the law. The reserved volume varies with petroleum products types. Current regulations on reserve storage for gasoline, gasohol, diesel, fuel oil and JET A-1 aviation fuel produced in Thailand requires 1% of the annual trading volumes produced in Thailand, deducted by the volumes of oil products sold to other oil traders under Article 7, volumes of exported oil products, and volumes of oil sold as feedstock for petrochemical or other industries. In addition, the amount of reserve required by law for LPG is 2% and will be increased to 2% from January 1, 2022, onwards\*.

**\*Remark:**

*The Notification of the Department of Energy Business Re: Determination of Types and Rates, Criteria, Methods, and Conditions for the Calculation of Oil Reserves (eighth edition) B.E. 2564 (2022), issued December 20, 2022, requires that Article 7 traders reserve no less than 70% of the LPG and natural gas quantity they are obligated to reserve each day. However, the averaged reserved quantity for each type of product for each month must be no less than 85% of the rates stipulated in the Notification of the Department of Energy Business Re: Determination of Types and Rates, Criteria, Methods, and Conditions for the Calculation of Oil Reserves in effect at that time. This Notification is effective from January 1, 2023, to December 31, 2023.*

OR's inventory may increase occasionally in line with withdrawal plans of petroleum products, scheduled shutdown maintenance (turnaround) of refineries, or preparation plans for rising demand during holiday seasons. OR has never experienced problems with storage capabilities for fuel oil, LPG, and other petroleum products for its oil businesses or issues when using services at other depots.

OR takes energy and environmental conservation very seriously, which is why we have installed solar rooftop systems at offices on its petroleum depot properties in Thailand, with this measure reducing both energy consumption and expenditure.

#### **(b) Petroleum Product Distribution**

In Thailand, OR distributes products to customers and consumers via networks of product depots via pipelines, marine vessels, by road, and by rail, all in compliance with quality control standards in Thailand. OR chooses the most appropriate transport mode according to

conditions and points or ports of delivery and does not limit its transport to any specific mode.

Moreover, OR has launched an automated lubricants distribution center to increase its effectiveness of lubricant product distribution. In addition, OR hires logistics service providers that meet safety standards required by the law and stipulated by the PTT Group to distribute and deliver petroleum products from its depots to customers and users of its products and services as well as employing logistics control and monitoring technology to foster confidence among its customers, society and the country as a whole. The hiring of logistics service providers is undertaken on the basis of transparent, equitable, and fair competition and takes into account all stakeholders. The logistical fees are based on market prices and vary according to the distance and fuel costs.

In other countries, OR conducts distribution and transportation of its products in compliance with the standards for road safety and pollution emissions of each country as well as relevant local regulations. OR may transport products by vessel or by road, depending on the environment of a given area.

#### **(2) Lifestyle Business**

OR primarily uses its network of distribution centers to store and manage inventories in its lifestyle businesses. As of December 31, 2022, OR used a total of 10 distribution centers.

##### **(a) Café Amazon**

OR repurposed 200 rai of space in Sunubteub subdistrict, Wangnoi district, Ayuthaya province under its OASYS operations. Armed with international food safety standard compliance, these operations play an important role in bolstering OR's food and beverage competitiveness and maximizing the potential of our Café Amazon operations. The space comprises a Café Amazon staff training center, coffee bean roastery and storage depot, bakery, dry mix factory, and product distribution center. Indeed, the distribution center became fully operational in May 2021 and, as a smart warehouse, primarily employs automation and robotics to perform operations to enhance the management, transportation, and storage of products and raw



materials for Café Amazon, such as roasted coffee beans, dry mixes, baked goods, and other raw materials. OR oversees transportation management and hires third parties to distribute and deliver such products to Café Amazon nationwide, except some fresh baked goods and some small items, which suppliers directly deliver to Café Amazon outlets themselves.

OR takes ownership of all merchandise stockpiled in distribution centers until they are transferred to customers in the case of COCO branches or until they are transferred to franchisees for the case of franchised branches.

Additionally, from 2022 onwards, OR will begin installing solar rooftops on more distribution centers to achieve a total capacity of no less than 3.8 megawatts, which will be sufficient for OR's coffee roasting plant, dry mix production plant, baking facilities, and distribution centers.

#### **(b) Other Food and Beverage Businesses**

Products for Texas Chicken are delivered through two main channels. Fresh ingredients, consisting of raw chicken, vegetables, and bread, as well as drinks and french fries, are delivered by suppliers directly to shops. Raw materials and consumables, such as packaging items, are delivered by suppliers to distribution centers rented from third parties by OR. OR will then use the delivery service of a third party to hand over these products and raw materials from the distribution centers to each outlet.

For Pearly Tea, most of the products and raw materials are delivered by producers or suppliers to the distribution centers for further distribution to Pearly Tea outlets.

In addition, OR has its own drinking water bottling plant, which started operations in early 2020. The plant produces drinking water of house brands owned by OR for sale in convenience stores and other shops. It also serves as a manufacturing plant of drinking water for other brands.

Both OR's warehouses and those of warehouse service providers are utilized for the storage and warehouse management of Peaberry Thai Company Limited. For the former, OR stores parts and raw materials used in the coffee roasting process, after which the products are transferred to warehouses for further distribution. Other product groups or products for sale, on the other hand, are stored by warehouse service providers and distributed to customers who purchase products from the company or to outlets that have ordered products.

#### **(c) Convenience Stores**

OR uses 2 distribution centers rented from external parties to store the stock for Jiffy convenience stores. OR assumes ownership of the entire inventory at distribution centers and in Jiffy stores until the products are handed over to customers.

For 7-Eleven stores, the supplier takes full charge of product procurement and distribution from its own distribution centers to outlets and retains ownership of all merchandise at 7-Eleven stores in OR's network.

#### 1.2.4 Marketing and Sales

Our distribution channels are strategically placed throughout Thailand, with extended coverage to Cambodia, the Philippines, Laos, Japan, Oman, Singapore, Myanmar, Malaysia, the People's Republic of China, Vietnam and Saudi Arabia. As of December 31, 2022, our retail network consists of PTT Stations, LPG stations, LPG retail shops, FIT Auto service centers, Café Amazon outlets, food and beverage outlets, and convenience stores.

**The table below displays the combined numbers of fueling stations and retail outlets in our network, both in Thailand and abroad, as of the dates stated:**

Distribution Channels	As of December 31		
	2020	2021	2022
<b>Fueling Stations/Oil Business Retail Outlets</b>			(locations)
• PTT Stations	2,334	2,439	2,551
• LPG Stations <sup>(1)</sup>	228	232	233
• LPG (cooking gas) Retail Stores	1,057	1,091	1,119
• FIT Auto Service Centers	66	77	90
• EV Station PluZ DC Fast Charge <sup>(2)</sup>	-	174	548
<b>Food and Beverage Businesses</b>			(branches)
• Café Amazon	3,575	3,931	4,253
• Other F&B Outlets	247	270 <sup>(3)</sup>	231
<b>Other Retail Businesses</b>			(branches)
• Convenience Stores	2,072	2,171	2,244
• Rental Premises	4,929	5,740	6,257

**Remark:**

<sup>(1)</sup> Excluding LPG services provided on the same fueling station premises

<sup>(2)</sup> The number of DC-type fast chargers. Only AC-type chargers were installed during 2019 - 2020.

<sup>(3)</sup> Including Texas Chicken, Pearly Tea, and Pacamara Coffee Roasters

For other fueling stations and retail outlets in the Mobility and Lifestyle groups under our network, OR has developed a systematic evaluation and location selection process, in which all data is integrated to facilitate analysis of potential future network growth. The number of patrons, location, competition, target customers in each locality, and distance from existing network are taken into consideration for said process. OR has also applied technology to the assessment of location potential. Final location selection will be in agreement with an OR subcommittee's recommendation. Regarding selection of locations for franchised eateries, endorsement by brand owners is an additional requirement.

The interior and the exterior of all retail outlets in our network conform to the standard design. However, some adjustments are allowed, depending on location and target customers.

OR also requires dealerships or franchisees to conform to operating and service standards as defined by dealership or franchise contracts to uphold the quality of products and services. For example, dealerships or franchisees must meet our specifications in sourcing their raw materials, such as machinery and other equipment. Dealers and franchisees must also undergo training under our management. To this end, OR has

set up area audit teams to regularly inspect the quality of fueling stations and retail outlets under their stewardship. Data collection and management systems are also used to help ensure compliance with our high standards.

Details of OR distribution channels and marketing operations are as follows:

#### **1.2.4.1 Mobility Business in Thailand and Internationally**

##### **(a) Oil Retails Business**

###### **PTT Station**

Fueling stations in our network present our corporate image and play a vital role as the touchpoints for our customers. These stations are currently bearing the 'PTT Station' brand by which OR is applying the concept of 'Living Community' for station development. In addition to oil products, our stations can fulfill a range of other consumer needs, with an emphasis on customers in parallel with community, social, and environmental development.

As of December 31, 2022, OR boasted a total of 2,158 fueling stations in Thailand and 393 locations abroad, with 179 in the Philippines, 157 in Cambodia, 54 in Laos, and 3 in Myanmar.

###### **EV Station PluZ**

As a leading energy supplier, OR values clean-energy options and endeavors to consistently diversify its PTT Stations. We have therefore expanded by offering EV charging stations under the EV Station PluZ brand. In 2022, a total of 302 EV Station PluZ locations were built, with 548 charging devices installed, while 131 locations are now operational, offering customers access to 66 charging devices along major routes in key communities, at tourist destinations, or at high-potential



locations throughout Thailand. We have ensured that no two of these locations are more than 100 kilometers apart to accommodate the rapidly growing EV market and to make travelling by EV much easier for consumers under the "Plug in Happiness, Fulfilling Every Route" concept. To underscore our integrated service commitment, OR has developed and launched the EV Station PluZ mobile application and web application in keeping with digital-age service users' lifestyles. The key concepts of these apps being the convenience and speed they offer customers looking to navigate to EV charging stations, reserve charging periods, resume and complete charging cycles, make online payments, request receipts, and inspection of charging records. As of December 31, 2022, there were 52,685 active members in EV Station PluZ application. OR has collected charging fees from 28,892 active members since August 2022. OR places great importance on its compliance with the public sector's policy on EVs, domestic growth, and growing EV competition. Indeed, it is our focus on enhancing the customer journey that sees us utilize every tool available to us to ensure that consumer behavior analysis can be used to improve the services we provide.

OR will be expanding its network of EV Station PluZ charging stations for better coverage by the end of 2023, with a total of 500 installations, including 1,236 DC-type fast chargers. In addition, the Company is constantly seeking collaboration with business partners to expand EV Station PluZ charging stations and build electric vehicle capabilities continuously, such as collaboration with PTT Group companies to support the growth of electric taxi cabs in PTT NGV Station, Swap & Go battery swapping stations, experiments with energy storage technology, as well as the partnership with PEA on electricity and infrastructure to accelerate the expansion of EV Station PluZ charging station network. Further, the Company has also collaborated with automakers such as GWM, NETA and TESLA, commercial spaces, and electric vehicle-related service providers such as GWM, Marriot, Robinson, PMCU (Property Management of Chulalongkorn University), Terminal, The Promenade, Fashion Island, Centara, NEMA, etc., as well as acquiring more partners for station connectivity such as EVME Mercedes-Benz and One Platform in order to build a full range of EV ecosystem capabilities and provide the best experience in energy service to OR consumers.

## Solar Rooftop

Solar power is another form of clean energy adopted by OR through solar rooftops on PTT Stations. The plan is to increase number of these solar rooftops to 111 by 2023. Both COCO (company-owned, company-operated) and DODO (dealer-owned, dealer-operated) stations will be chosen for this extensive network, with a focus on newly launched stations, stations with high electricity consumption, and stations equipped with EV Station PluZ equipment, in addition to DODO stations with an interest in investment. To this end, OR is considering suitable models of investment.

## Payment Technology

OR places a great emphasis on positive consumer experiences, responding to unique lifestyles and attracting new customers in addition to differentiating ourselves from rivals. By adopting novel payment technologies, we respond to our consumers' demand for speed, security, and touchless transactions in the following ways:



- Availability of QR payment option at all PTT Stations
- Use of the EDC Mobile application at 501 PTT Stations by 2021 and all stations by the end of 2022
- Development of the Blue CONNECT application for "C Scan B" (consumers scan outlets' QRs) with an emphasis on convenience and speed
- Availability of the RFID technology to accurately specify the types and volumes of fuels needed for fleet vehicles at 201 PTT Stations nationwide, covering all routes required
- Development of a mobile applications to help customers locate PTT Stations, order fuel filling, and make payments within the application to better satisfy consumers' needs
- Self-service pilot in 2023 to offer an alternative solution to labor shortages and wages

OR also takes great care to keep consumers informed about relevant data by applying digital signage technology at 62 PTT Stations to date. The signage display shows fuel types, price per unit, volume sold (liters), and payments over the course of service. This enhances consumer confidence in our services. Digital signage can also provide helpful information and, when managed from a central unit, provides uniform data. OR also plans to improve income for PTT Stations by displaying various forms of PR information and to develop public relations mobile applications as an additional option for consumers moving forward.

**The table below displays the number of PTT Stations in Thailand and abroad, as of the dates stated:**

PTT Stations	As of December 31		
	2020	2021	2022
<b>(branches)</b>			
• Thailand	1,997	2,080	2,158
• Philippines	181	187	179
• Cambodia	106	118	157
• Laos	48	51	54
• Myanmar	2	3	3
<b>Total</b>	<b>2,334</b>	<b>2,439</b>	<b>2,551</b>

## PTT Station Formats

OR methodically designs the layouts as well as goods and service offerings at PTT Stations according to their locality to ensure congruence with local customer groups and other conditions. As a rule, the planning, permitting, construction, and opening of a new fueling station in Thailand takes around 4-6 months, while their overhauls are called for after 5-10 years of operation, except for periodical miscellaneous renovation in keeping with business conditions and market competition needs. For DODOs, dealers sponsor such expenses.

OR fueling stations fall under two categories; DODO and COCO stations. Our policy dictates that COCO stations are limited to 20% of the total number of OR stations in Thailand since OR wishes to limit such operations to certain scenarios, including areas with intense competition or excellent opportunities for promoting and popularizing brands or development of pilot stations.

Generally, OR focuses on operating DODO stations to quickly expand our network. To this end, OR signs a contract in each case to appoint a dealer, who is obliged to be the landowner and station operator. The dealer will then be obligated to buy fuels and other merchandise from OR while utilizing the OR brand and other intellectual property. Under the contract, the dealer will take responsibility for land acquisition either by holding proprietary or lease rights, having to secure all operating licenses required and buy all fuel stocks from OR as actually sold. The dealer will also arrange for oil product procurement from our regional depots, where ex-depot prices are standardized. Retail prices must not exceed those defined by OR, which are based on their oil pricing structure, world price, and market competition with other oil brands. OR has no policy to offer rebates to dealers. However, when dealers are affected by external factors, such as the economic situation or higher costs, OR would, after taking various factors into account, consider appropriate assistance.

With regard to fuel transport, products are delivered from our depots to a dealer's site at the dealer's expense. Alternatively, dealers may opt for their own arrangement. OR may consider lending dealers some equipment, such as oil dispensers and brand signboards, or coordinate in securing capital sources for dealers. However, dealers

will have to bear investment expenses and other costs related to operations and construction. Other support from OR include training and guidance in addition to granting licenses to use the PTT Station brand and other brands under OR.

OR has a thorough process in place for selecting new DODO operators for the PTT Station brand. Their experience and financial status must be strong enough for both investment and operation. Decision-making on a DODO location is based on population density, vehicle count, and competition, as well as distance from and transport connections with other PTT Stations. OR believes that DODO operators can be attracted and retained on the following grounds:

- Great confidence and belief in OR fueling stations among dealers and consumers have been cultivated for more than 40 years.
- OR applies geo-analytic tools to the analysis and selection of high potential locations for fueling stations, as well as introduces innovation and technology in fueling station construction to lower costs and shorten construction time while retaining high standards.
- OR dealers work with us to select their preferred station location and retail business format that best suits consumer behavior in the target locality.
- We command systematic roll-out methods and procedures, ranging from enlisting interested parties, selection, and design to the choice of business format, construction, and training for station staff.
- Our diverse retail products complement one another to help generate higher income for dealers.

A dealer contract normally lasts ten years and can be renewed in most cases. In cases where a dealer cannot fulfill their contractual obligations, OR is entitled to terminate the said contract and may select a new dealer to run the station in that location.

Regarding COCO stations, OR holds ownership or the land lease rights to operate the station. OR earns income from sales of various products to motorists and other customers. We also take responsibility for investment and other costs incurred from the operations. OR considers operating a COCO station because we want to retain rights for high-potential locations, to prevent competitors'

entry, and to lower the risk of dealers switching to other brands after termination of the agreements with OR. Since we own COCO stations, we can control operations, reputation, and benefit from high returns in the Mobility and Lifestyle business. Additionally, COCO stations represent an academy for dealers and serve as pilot stations for technological development and new-business model development that can then act as a standard business manual for other dealers.

In terms of the expansion of EV Station PluZ operations into DODO stations, Thailand's EV technology is still very much in its nascent stages, meaning this business type brings with it significant risks as well as opportunities. OR therefore supports expansion of charging stations in these stations only in the initial phase and is reviewing proper investment models in the best interests of OR and dealers.

### Living Community

OR applies the re-segment, re-concept, and re-design principles to develop a PTT Station into a living community, a physical platform centered around fulfilment and growth in harmony with its local community. This means both Mobility and Lifestyles aspects must duly cater to customer needs and desires. The Living Community concept is an extension of our vision of creating value for the people, the community's economy, and the environment, through the following initiatives:

**Creating value for people:** Besides satisfying customers' needs through comprehensive, diverse goods and services, OR pays special attention to consumer convenience and security by adopting friendly designs in our PTT Stations. We also wish to assist motorists in need, which is why all PTT Stations are equipped with first-aid medical supplies in addition to tools necessary for undertaking basic motor vehicle repairs.





**Creating value for the community's economy:** We strive to foster high standards of living on a community and society level by reflecting local identities and offering iconic products that promote pride and opportunities for income generation in the local area. Not only do we offer Pun Suk spaces at PTT Stations for agricultural produce sale, but we also offer Thaidet corners—part of the Thaidet Project—where outstanding local goods chosen by community enterprises and SMEs are on sale to aid community members and highlight their exciting local identities. Moreover, local identities can be seen in the extraordinary designs of PTT Concept Stations, such as the PTT Station of Ayutthaya Changwat Panit Co., Ltd., in Ayutthaya.

**Environmental stewardship:** Environmental preservation is evident in all OR operations, including projects to lower pollution and develop clean energy, such as PTT Stations' installation of solar rooftop and EV Station PluZ equipment. Another project cultivating an awareness of environmental stewardship is Yaek Laek Yim, from which sales revenue derived from waste and dealers contributed funds have been diverted to worthwhile public infrastructure.

#### Customer Engagement

Our ambition is for PTT Stations to be the pinnacle of customer engagement.

**Basic products:** Basic products and services offered by OR are daily consumer products of high standard and quality, such as fuels, food and drinks.

**One-stop convenience:** Our PTT Stations have diverse offerings, including coffee shops, eateries, ATMs and financial services, and convenience stores. At most of the stations in our network, there is at least one Lifestyle business on offer in addition to fuel retail services.

**Standardized quality:** Station design, staff training, and products and services are of the same high standards throughout the network, ensuring that customers' needs are met no matter when or which station they visit.

**Modern appearance:** PTT Stations boast a modern appearance, complemented by our sophisticated equipment and systems for retailing fuels and other consumer products. Good lighting and cleanliness allow customers to feel safe on every visit. We also adjust station appearances and offerings to cater to customer preferences in each locale to reach every customer segment. We have adopted a friendly design by ensuring PTT Stations provide the utmost convenience with access ease and safety as a high priority. The design features include a green area, adequate parking, brightly lit forecourts and walkways, clean bathrooms, seating, food and beverage options, and coffee shops. All of this makes our stations more of rest areas. The design

accommodates the differently abled and the elderly by providing specially reserved parking spaces and ramps up onto smooth pedestrian paths. Indeed, OR ensures that PTT Stations conform to the highest safety standards for customers and communities, so that people of all ages, lifestyles, and backgrounds can safely access these facilities. Service stations in our network can be classified into the following three categories:

Type	Description	Offerings
<b>Platinum</b> 	A platinum station is located in a gateway area: close to tourist attractions, in a town, or on an interprovincial arterial highway. Suitable station areas should occupy at least 8,000 m <sup>2</sup> (5 rai).	These stations have a variety of offerings with more than two types of retail business, such as a convenience store, a café, a restaurant, and other shops.
<b>Standard</b> 	A standard station is located on a collector or inter-district highway. Suitable station area should occupy at least 4,800 m <sup>2</sup> (3 rai).	These stations have a variety of offerings with more than two types of retail business, such as a convenience store, a café, a restaurant, and other shops.
<b>Compact</b> 	A compact station is located on a collector highway or serves particular groups of customers. Suitable station size should occupy at least 1,600 m <sup>2</sup> (1 rai).	These stations feature a convenience store or café, or both if appropriate. Fuel choices may be limited.

#### (b) Commercial Marketing

OR competes in the commercial market by providing an integrated service with an emphasis on being an energy solution provider offering a large variety of products along with quality and reliable services.

OR sells assorted fuels to meet customer needs in different sectors. We sell the Jet A-1 fuel to aviation customers (full-service and low-cost airlines flying domestic and international routes), having entered into supply and sales contracts with a number of Thai and world-leading airlines. We also sell jet fuels to airlines operating at overseas and domestic airports, such as Suvarnabhumi, Don Mueang, Phuket, Krabi, Chiang Mai, and U-Tapao international airports.

In terms of other commercial markets, we sell diesel and fuel oil to marine vessels with service rendered at the three largest ports in Thailand, namely Bangkok, Laem Chabang, and Map Ta Phut ports, as well as in some overseas ports, namely those in Singapore, China, Malaysia, Hong Kong, South Korea, the United Arab Emirates (UAE), the United States, and Europe. We also entered supply contracts with marine logistics providers both domestically and internationally.

Our most common commercial products sold to industrial customers are diesel, fuel oil, and LPG, with these industrial customers including both local companies and multi-national corporations. We also supply fuels and LPG to Article 7 oil traders in addition to overseas customers.

Our commercial marketing supplies LPG mostly to customers in the transport and household sectors. As of December 31, 2022, we sold LPG to the transport sector through 283 stations in the network. Bottled LPG is sold in cylinders to the household sector through the network of bottling plants and an extensive network of retail cooking gas shops. As of December 31, 2022, OR boasted 233 stand-alone LPG service stations, 191 cooking gas bottling plants, and 1,119 retail shops in Thailand, most of which were DODOs. OR also has an LPG cylinder refurbishing plant carrying out LPG cylinder maintenance in compliance with Thailand's TISI standards of the Ministry of Industry. We leveraged IT in raising the efficiency of the entire supply chain of LPG tanks and developed distribution channels via LPG shops in PTT Stations, as well as through online marketing as a direct communication channel with our consumers. Our LPG business is characterized by the "LPG for All" concept that incorporates the 5 Cs: customers, consumers, communities, country, and collaboration.

Our commercial marketing has expanded into the clean energy sector over recent years, which now includes solar power distribution from solar rooftops as well as the sale of LNG.

OR also sells lubricant products and provides scheduled maintenance services, which covers changing of engine spare parts and PTT Lubricants products for motorists through the network of FIT Auto service stations. As of December 31, 2022, OR registered 90 branches of FIT Auto in Thailand, Cambodia, and Laos.

OR has lubricant products aimed at both automobile and industrial markets in Thailand and abroad. For the domestic market, the products are sold mostly through wholesale dealers with a national network, with these dealers delivering products to retail businesses and individual customers. With regard to overseas markets, OR currently exports lubricant products to more than 40 countries worldwide. As of December 31, 2022, we sold lubricant products to over 700 wholesale and industrial customers. We also offer PTT Lubricant Solutions,

an integrated sale and after-sale technical service for our products that have been proved to increase customer engagement.

At OR we are proud to be an organization that is continuously striving to adopt more environmentally friendly raw materials and products, which now expands to the use of recycled materials in cans and paper cartons for lubricants, development of auto-lubricants that lower fuel consumption and exhaust pollution, and biodegradable industrial lubricant products.

#### **1.2.4.2. Lifestyle Business in Thailand and Abroad**

The core customer base of our Lifestyle business are motorists visiting service stations and customers visiting shops in those stations. OR takes no significant risk in terms of relying on any particular customer or group. The Living Community concept draws both travelers and residents from all walks of life to our stations. OR tries to offer a combination of products and services that serve the needs of motorists and customers from surrounding communities.

##### **(a) Café Amazon Marketing**

The development of the Café Amazon business began with a coffee brand offered at fueling stations. While this brand still caters to the typical Thai consumers' lifestyle as it always did, the outlets have now become venues for leisure, business meetings, recreation, and travel. Café Amazon is now a popular brand for local customers and tourists visiting Thailand. Indeed, we are confident that the fusion of reasonably priced yet high quality coffee and tropical forest imagery, in addition to a lush ambience that offers a shady space to relax, will ensure that any visit to one of these branches becomes a memorable experience in the mind of our customers.

Revenues from Café Amazon come mainly from the sale of products to customers visiting service stations and from stand-alone branches. As of December 31, 2022, OR run 3,875 Café Amazon outlets in Thailand.



Under the franchising contract, franchisees agree to follow OR's operational standards for the coffee shop and purchase all their raw materials from OR. We not only provide quality raw materials, merchandise, and equipment, but will also organize brand promotion and marketing activities as well as arranging training and consultations to franchisees. On the franchisees' side, they must own the rights for land use and bear the costs of investment, construction, equipment, maintenance, and all operating costs.

Expanding the Café Amazon brand into overseas markets has required flexibility in how we target consumer needs in those locations. To date, OR has launched

Café Amazon in the Philippines, Cambodia, Laos, Japan, Oman, Myanmar, Malaysia, China, Vietnam, and Saudi Arabia. We are strategically laying a foundation for Café Amazon's international brand-building. We look into an appropriate method of expansion on a case-by-case basis. In some countries, we may solely invest in a new market by ourselves and then expand the business in partnership with franchisees. Then we may award Café Amazon's master franchise to a major, well-recognized operator. Alternatively, we may aim for a joint venture or partnership with a local operator. Nonetheless, it is important to note that a master franchise contract demands that a certain number of outlets are operational within a specified time period.

**The table below displays the number of Café Amazon outlets inside and outside Thailand, as of the dates stated:**

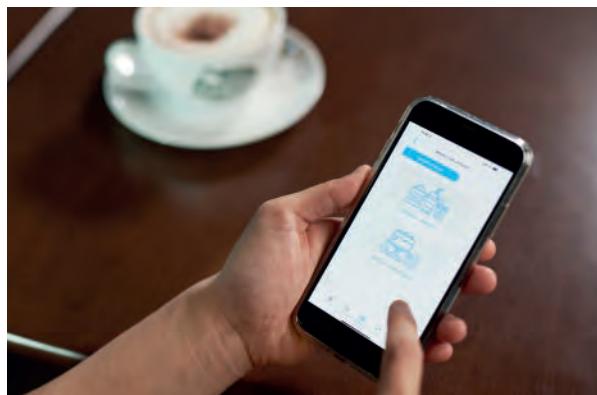
Café Amazon Outlets	As of December 31		
	2020	2021	2022
<b>Thailand</b>			(branches)
<b>Franchised outlets</b>			
• Inside fueling stations	1,605	1,680	1,752
• Outside of fueling stations	1,007	1,176	1,337
<b>Total</b>	<b>2,612</b>	<b>2,856</b>	<b>3,089</b>
<b>COCO outlets</b>			
• Inside fueling stations	361	388	395
• Outside of fueling stations	317	363	391
<b>Total</b>	<b>678</b>	<b>751</b>	<b>786</b>

Café Amazon Outlets	As of December 31		
	2020	2021	2022
<b>Overseas</b>		<b>(branches)</b>	
• Philippines	18	18	17
• Cambodia	167	188	225
• Laos	70	77	84
• Myanmar	8	9	8
• Japan	2	1	1
• Oman	9	10	9
• Malaysia	1	1	1
• China	3	9	12
• Vietnam	4	9	20
• Saudi Arabia	-	-	1
<b>Total</b>	<b>282</b>	<b>322</b>	<b>378</b>
<b>Combined Total</b>	<b>3,572</b>	<b>3,929</b>	<b>4,253</b>

Most domestic Café Amazon franchisees have been working with us for years. As for new franchisees, we carefully evaluate them by looking into the proposed locations with particular attention to population and motorist density, cost of land, their financial strength, and their credit rating. Franchise holders must undergo training at Amazon Inspiring Campus (AICA) and pass both written and practical tests before they are granted permission to operate.

The operation of franchisees is subject to our standard auditing system. Should they fail to comply with these standards at any point, we are entitled to revoke their franchise contract.

Café Amazon continues to seek new distribution channels. We have now developed the Café Amazon application with pre-order and events and catering options. In conjunction with delivery partners, we stage promotional events and campaigns through several channels to attract new customers and drive delivery sales. In terms of online sales, we have joined a popular e-commerce platform to further expand our modern trade customer base and garner wider brand recognition. Additionally, we continue to develop our online and offline offerings to deliver good experiences to our customers.



Meanwhile, Café Amazon is constantly looking for new revenue streams and has identified products for home use as an opportunity. In 2022, we launched coffee capsules and pre-mix chocolate drinks, both of which have been developed in direct response to the increasing numbers of people leading a more home-based lifestyle.

2022 was a notable year for Café Amazon. We organized a host of online and offline events to commemorate 20 years of the brand's existence. We gave away cookies in colorful stainless-steel containers, sold premium 20<sup>th</sup> anniversary products at our branches, added an exclusive menu item named Iced Coffee ChocoVa,

a creation from one of our winning baristas at the 20<sup>th</sup> NPD Barista's Challenge, hosted an outstanding Facebook Live mini concert featuring famous artists, and offered a range of promotional codes from our partner brands for Café Amazon consumers to use. All of this represented a small token of our appreciation for the kind support and generosity we have received from our customers throughout the brand's 20-year lifespan.

#### (b) Food and Beverage Marketing

As of December 31, 2022, OR had 231 food and beverage (F&B) outlets under its management, namely Texas Chicken, Pearly Tea, and Pacamara Coffee Roasters.

**The following table displays the number of F&B outlets for which OR carry the operating rights in Thailand, as of the dates stated:**

Other F&B Outlets	As of December 31		
	2020	2021	2022
Outlets	(branches)		
• Texas Chicken	78	96	107
• Pearly Tea	169	159	103
• Pacamara Coffee Roasters	-	15	21
<b>Total</b>	<b>247</b>	<b>270</b>	<b>231</b>

#### (c) Convenience Store Marketing

As of December 31, 2022, the OR network of convenience stores consisted of 2,244 outlets in 77 provinces throughout Thailand, as well as in Cambodia and Laos, most of which are located at fueling stations.

**The following table displays the number of convenience stores in Thailand and abroad, as of the dates stated:**

Convenience Stores in Thailand and Abroad	As of December 31		
	2020	2021	2022
Convenience Stores	(branches)		
• Thailand	1,977	2,075	2,147
• Cambodia	66	67	68
• Laos	29	29	29
<b>Total</b>	<b>2,072</b>	<b>2,171</b>	<b>2,244</b>

#### (d) The Blue Card

The Blue Card is a loyalty program for customers of PTT Station, Café Amazon, and other OR businesses. Points earned from the purchase of goods and services using the Blue Card can be redeemed for privileges, including discounts at PTT stations, Café Amazon, Jiffy, Texas Chicken, and Hua Seng Hong Dim Sum, Pearly Tea, and others. Points can also be transferred to other cards under our partnership, such as The1 Card, Home Pro, Citi Rewards, K Point, Singha Rewards xCash, and Muang Thai Smile Club Card. The Blue Card holders can also receive discounts and privileges from restaurants, cinemas, and many other allied retail operators. Privileges are constantly being added.

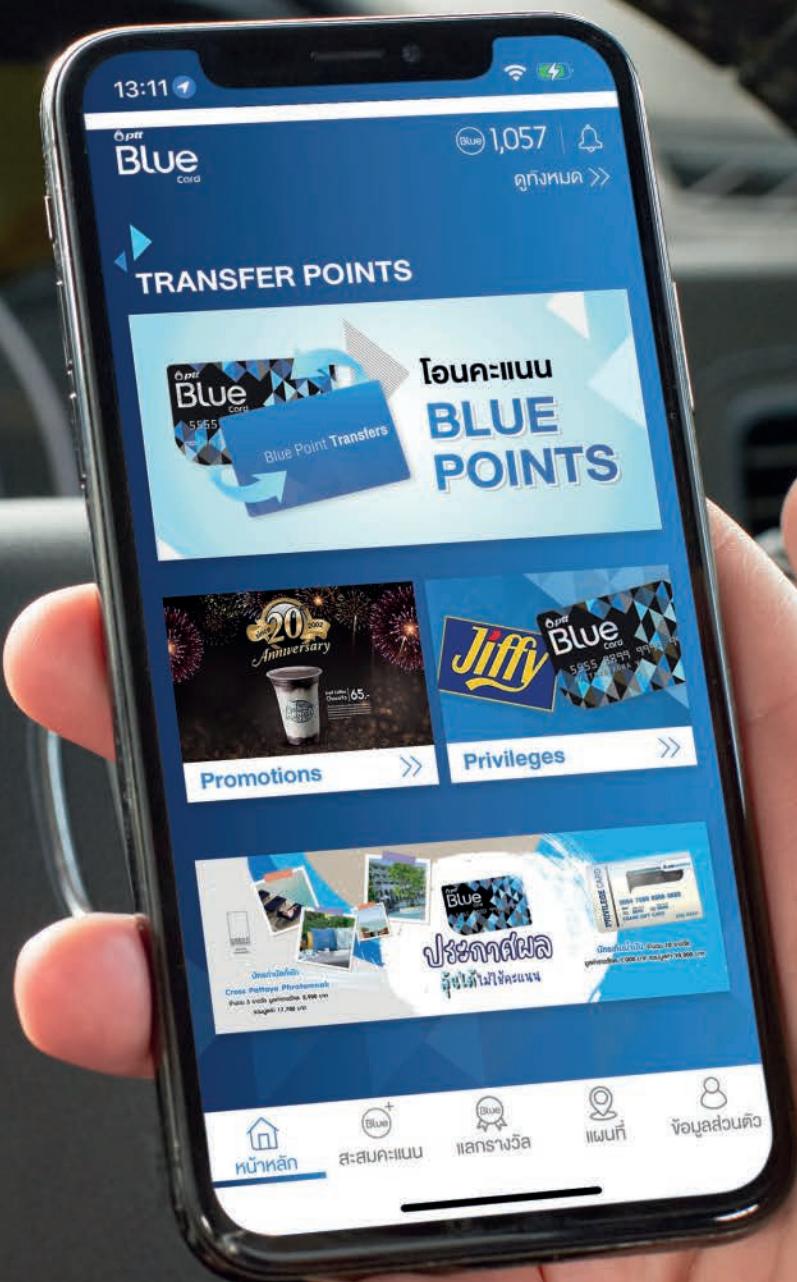
To improve the experience and engagement with diverse customer groups, OR is working with ORBIT Digital Co., Ltd. to scale up the Blue Card's loyalty management system. This will ensure the most up-to-date services and facility, which is necessary if we are to keep pace with the ever-changing needs of our consumers moving forward.

We now also offer users the chance to link their Blue Card points with the Blue Credit Card, Blue CONNECT, and KPlus applications to ease automatic point accrual, meaning users have no need to provide their mobile phone numbers or show their Blue Card to accrue those points. Additionally, Blue Credit Card holders can use their K Points to redeem discounts at special rates in PTT stations and other stores within our network. In short, these cardholders have the privilege of being able to collect points and redeem discounts with greater speed than ever before. This along with other privileges and promotions continually staged by Blue Credit Card and Blue CONNECT have been effectively used to maintain engagement with our consumers.

As of December 31, 2022, there were more than 7.9 million members of our Blue Card loyalty program. They are found to have higher spending in OR retail outlets per year when compared with non-members.

What's more, our cardholder database provides in-depth analysis into customer preferences and trends, which benefit strategy and business plan formulation. The insights provided by this cardholder database has resulted in OR being able to improve the customer experience, which in addition to maintaining existing customers has also helped us draw in new ones. The customer databases have also been used to effectively increase the average spending per visit to fueling stations and retail outlets among members, while it has also been beneficial in helping us to accurately target groups susceptible to cross-selling offerings. For instance, OR can now contact members via email, SMS, or through the Blue Card application to inform them about marketing campaigns, helping OR achieve sales targets in particular business types. The Blue Card can also help increase repeated visits to fueling stations and retail outlets. We will continue customer database expansion by offering privileges, including those offered by new partners, to ensure the Blue Card remains an attractive proposition for OR customers.

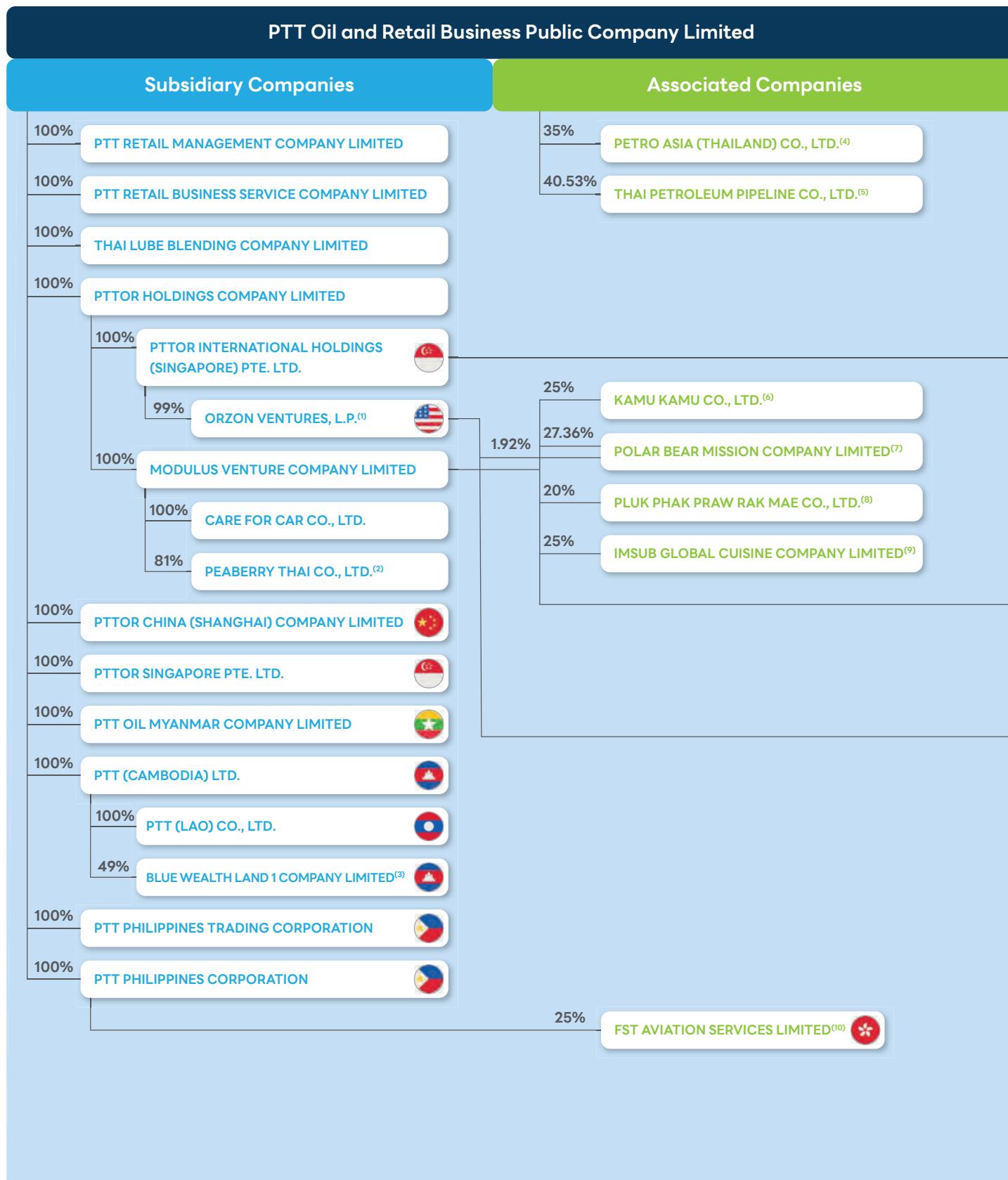
OR uses customer databases to support decision making, strategy development, and assessment of the existing network to seek new business opportunities. Such in-depth analysis of needs benefits development of business competitiveness in terms of promotional campaigns, impact-based advertisements, and investigation into customer satisfaction. Moreover, OR is now following up with results of data analysis and drawing up marketing campaigns for specific groups of customers, cross-selling and upselling campaigns, and the betterment of new product and service launches, which are all closely based on detailed records of consumer behavior.

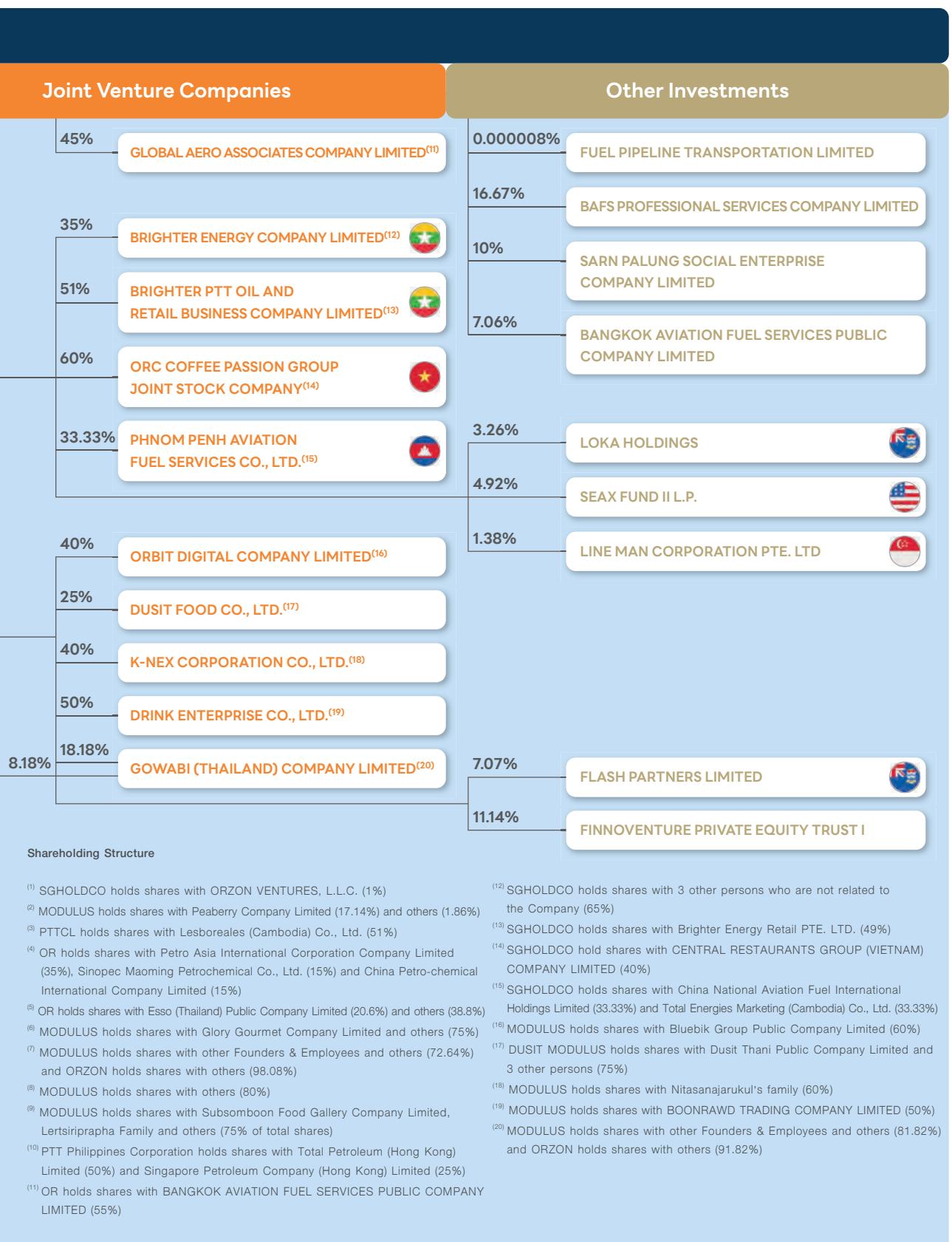


## 1.3 Shareholding Structure

### 1.3.1 Shareholding Structure of Affiliated Companies

Shareholding structure and shareholders of OR as of December 31, 2022





**General information of companies where OR holds shares.**

Company	Business	Shareholding Structure	Share Type	Number of Paid-Up Capital (share)
<b>SUBSIDIARY COMPANIES</b>				
<b>PTT RETAIL MANAGEMENT COMPANY LIMITED (PTTRM)</b> 1010, 6 <sup>th</sup> Floor, Shinawatra Tower 3, Vibhavadi Road, Chatuchak, Bangkok 10900 Tel (+66)-030-0444 Fax (+66)-030-0444	Managing service stations, convenience stores, and food shops at service stations	100%	Ordinary Share	Capital 1,667,600,000 THB (100 THB/Share) 16,676,000 Shares
<b>PTT RETAIL BUSINESS SERVICE COMPANY LIMITED (PTTRS)</b> 1010, 6 <sup>th</sup> Floor, Shinawatra Tower, 333 Vibhavadi Road, Chatuchak, Chatuchak, Bangkok 10900 Tel (+66)-030-0444 Fax (+66)-030-0444	Providing services and workforce for service stations and shops managed by PTTRM	100%	Ordinary Share	Capital 6,000,000 THB (100 THB/Share) 60,000 Shares
<b>THAI LUBE BLENDING COMPANY LIMITED (TLBC)</b> 8 <sup>th</sup> Floor, PTT Oil Depot Office Building, Phrakanong, No. 555 At Narong Road, Klongtoey Sub-district, Klong Toey District, Bangkok 10260 Tel (+66)-2239-7825	Blending, filling lubricant products and toll blending, filling lubricants	100%	Ordinary Share	Capital 286,000,000 THB (10 THB/Share) 28,600,000 Shares
<b>PTTOR HOLDINGS COMPANY LIMITED (ORHOLDCO)<sup>(1)</sup></b> 555/2 Energy Complex, Building B, Floor 12 Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok Tel (+66)-2196-5151	A holding company managing investment and regulating affiliated companies under OR Group in domestic and international markets	100%	Ordinary Share	Capital 11,514,818,300 THB (100 THB/Share) 115,148,183 Shares
<b>PTTOR INTERNATIONAL HOLDINGS (SINGAPORE) PTE. LTD. (SGHOLDCO)</b> 391A Orchard road #12-01/04 Ngee Ann city Singapore (238873) Tel: (+65)-6434-2601	A holding company managing investment and regulating affiliated companies under OR Group in domestic and international markets	100% (held through PTTOR Holdings Company Limited)	Ordinary Share	Capital 157,758,023 USD (1 USD/Share) 157,758,023 Shares
<b>ORZON VENTURES, L.P. (ORZON)</b> 3500 S. DuPont Highway, Dover, Kent County, Delaware 19901	Private Fund for investment in start-up business	99% Partnership percentage (held through PTTOR International Holdings (Singapore) Pte. Ltd.)	-	Fund Value 25,000,000 USD Paid fund 15,000,000 USD

**Remarks:**

<sup>(1)</sup> Formerly known as "PTTOR International Holdings (Thailand) Company Limited.". Renamed as PTTOR Holdings Company Limited on April 2, 2020

<b>Company</b>	<b>Business</b>	<b>Shareholding Structure</b>	<b>Share Type</b>	<b>Number of Paid-Up Capital (share)</b>
<b>MODULUS VENTURE COMPANY LIMITED (MODULUS)</b> 555/2 Energy Complex, Building B, Floor 12 Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok Tel (+66)-2196-5960	A holding company managing investment and regulating companies under OR Group in Thailand	100% (held through PTTOR Holdings Company Limited)	Ordinary Share	Capital 5,440,384,500 THB (100 THB/Share) 54,403,845 Shares
<b>CARE FOR CAR CO., LTD. (CFC)</b> 555/2 Energy Complex, Building B, Floor 17, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok Tel (+66)-059-0316	Operate a retail business providing products and services on both B2B and B2C	100% (held through Modulus Venture)	Ordinary Share	Capital 106,000,000 THB (100 THB/Share) 1,060,000 Shares
<b>PEABERRY THAI CO., LTD. (PBT)</b> 123/17 Nonsee Road, Chong Nonsi Subdistrict, Yannawa District, Bangkok 10210 Tel (+66)-681-2424 Fax (+66)-294-5887	Operating Pacamara Coffee Roasters, distributing and providing maintenance service concerning coffee machines for the coffee shop business	81% (held through Modulus Venture)	Ordinary Share	Capital 363,600,000 THB (10 THB/ Share) 36,360,000 Shares
<b>PTTOR CHINA (SHANGHAI) COMPANY LIMITED (PTTorchina)</b> Room 112, Floor 13, No. 1000, Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone Tel (+86)-2150-783-298	Operating lubricant business and Café Amazon in China	100% (held through company on the China Stock Exchange, hence no details of share numbers or types)	Not yet Listed company on the China Stock Exchange, hence no details of share numbers or types	Capital 101,500,000 CNY Not yet Listed company on the China Stock Exchange, hence no details of share numbers or types
<b>PTTOR SINGAPORE PTE. LTD. (PTTORSg)<sup>(2)</sup></b> 391A Orchard Road #12-01/04 Ngee Ann City Singapore (238873) Tel (+65)-6694-7028	Operating Café Amazon in Singapore	100% (held through Ordinary Share)	Capital 6,500,000 SGD (1 SGD/Share) 6,500,000 Shares	
<b>PTT OIL MYANMAR COMPANY LIMITED (PTTOM)<sup>(2)</sup></b> 337, Pyay Road, Mote Lat Saung Gone (South), San Chaung Township, Yangon, Myanmar Tel (+95)-94-4888-8365	Providing services and consultation on petroleum product market. Supplying petroleum products and additives for distribution in Myanmar	100% (held through Ordinary Share)	Capital 2,300,000 USD (1 USD/Share) 2,300,000 Shares	

Remarks:

<sup>(2)</sup> In the process of business restructuring

<b>Company</b>	<b>Business</b>	<b>Shareholding Structure</b>	<b>Share Type</b>	<b>Number of Paid-Up Capital (share)</b>
<b>PTT (CAMBODIA) LTD. (PTTCL)</b> 320, Kamuchea Krom Blvd. (128), corner of street 171, Sangkat Mittapheap, Khan 7 Makara, Phnom Penh, Cambodia. Tel (+855)-23-300-018-019 Fax (+855)-23-880-083	Supplying and selling petroleum products and managing retail business in Cambodia	100%	Ordinary Share	Capital 83,660,000,000 Riels, equivalent to 20,915,000 USD (20,000 Riel or 5 USD/Share) 4,183,000 Shares
<b>PTT (LAO) COMPANY LIMITED (PTTLAO)</b> 426 Kamphengmeung Rd, Ban Hongke, Saysettha, Vientiane, Lao P.D.R Tel (+856)-21-453391-2 Fax (+856)-21-453393-4	Supplying and selling petroleum products and managing retail business in Lao PDR	100% (held through PTT (Cambodia) Ltd.)	Ordinary Share	Capital 190,000,000,000 Lao Kip (100,000 Lao Kip/ Share) 1,900,000 Shares
<b>BLUE WEALTH LAND 1 COMPANY LIMITED (BWL1)</b> No.320, Kampuchea Krom Blvd. (128), Corner of Street 171, Village 2 Sangkat Mittapheap, Khan 7 Makara, PhnomPenh, Cambodia. Tel (+855)-23-300-018-19	Buying, selling, renting, and operating of self-owned or lease real estate in Cambodia	49% (held through PTT (Cambodia) Ltd.)	Ordinary Share	Capital 283,000,000 Riels, equivalent to 70,000 USD (4,000 Riel or 1 USD/Share) 70,000 Shares
<b>PTT PHILIPPINES TRADING CORPORATION (PTTTC)</b> Lot 11/12, Liberty Compound, Argonaut Highway, Boton Area, Subic Bay Freeport Zone 2222, Philippines Tel (+63)-47-252-1177 Fax (+63)-47-252-1166	Supplying and selling petroleum products in the Philippines	100%	Ordinary Share	Capital 18,000,000 Peso (100 Peso/Share) 180,000 Shares
<b>PTT PHILIPPINES CORPORATION (PTTPC)</b> 32 <sup>nd</sup> Floor, LKG Tower, 6801 Ayala Avenue Makati City 1226, Philippines Tel (+63)-2-8884-8155 Fax (+63)-2-8884-8150	Supplying and selling petroleum products and managing retail business in the Philippines	100%	Ordinary Share	Capital 2,450,000,000 Peso (100 Peso/Share) 24,500,000 Shares
<b>ASSOCIATED COMPANIES</b>				
<b>PETRO ASIA (THAILAND) CO., LTD. (PAT)</b> 1 Fortune Town Building, Ratchadaphisek Road, Dindaeng Subdistrict, Dindaeng District, Bangkok 10400 Tel (+66)-641-1609-10	Selling oil and petroleum products	35%	Ordinary Share	Capital 500,000,000 THB (10 THB/Share) 50,000,000 Shares Paid-up Capital 375,000,000 THB

<b>Company</b>	<b>Business</b>	<b>Shareholding Structure</b>	<b>Share Type</b>	<b>Number of Paid-Up Capital (share)</b>
<b>THAI PETROLEUM PIPELINE CO., LTD. (THAPPLINE)<sup>(3)</sup></b>  2/8 Moo 11, Lam Luk Ka Road, Lat Sawai Subdistrict, Lam Luk Ka District, Pathum Thani Province 12150 Tel (+66)-2034-9199	Transporting oil via domestic pipelines	40.53%	Ordinary and Preferred Share	Ordinary Share 2,877,500,000 THB (100 THB/Share) 28,775,000 Shares Preferred Share 5,601,500,000 THB (100/THB) 56,015,000 Shares
<b>KAMU KAMU CO., LTD. (KAMU)</b>  165/33 Ram Intra Road, Anusawari Subdistrict, Bang Khen District, Bangkok 10220 Tel. (+66)-9706- 093	Operates a tea and lifestyle beverage business under the brand "KAMU Tea".	25% (held through Modulus Venture)	Ordinary Share	Capital 5,882,360 THB (10 THB/Share)
<b>POLAR BEAR MISSION COMPANY LIMITED (POLAR BEAR)</b>  163/141 Soi Pracha Uthit 11, Don Mueang Subdistrict, Don Mueang District, Bangkok 10210	Connect food producers, restaurants and consumers through the website and applications.	27.36% (held through Modulus Venture) and 1.92% (held through ORZON VENTURES, L.P.)	Preferred Share	Capital 6,621,500 THB (100 THB/Share) 66,215 Shares
<b>PLUK PHAK PRAW RAK MAE CO., LTD.</b>  398 Chiang Mai-Lampang Road, Fa Ham Subdistrict, Chiang Mai 50000 Tel. (+66)-5208-0744	Operates health food restaurants under the brand "Ohkajhu"	20% (held through Modulus Venture)	Ordinary Share	Capital 225,000,000 THB (100 THB/Share) 2,250,000 Shares
<b>IMSUB GLOBAL CUISINE COMPANY LIMITED (ISGC)</b>  39 Mega Bangna Shopping Center Building, Room No. 2106, 2106-O, 2nd Floor, Moo 6, Bangna-Trad Road, Bang Kaeo Subdistrict, Bang Phli District, Samut Prakan Province Tel. (+66)-2252-2980	Generally known as "KOUEN Group," is a company with expertise in Japanese cuisine and operates five brands, consisting of two Japanese food brands: Kouen Sushi Bar and Ono Sushi, two Thai food brands	25% (held through Modulus Venture)	Ordinary Share	Capital 41,574,400 THB Paid Capital (100 THB/Share)

**Remarks:**

<sup>(3)</sup> OR holds all shares in THAPPLINE (including common and preferred shares), representing 40.4% of the shares in total. OR's voting rights account for 40.53% of the total. Voting rights of preferred shares are set in addition to the voting rights of ordinary shares

<b>Company</b>	<b>Business</b>	<b>Shareholding Structure</b>	<b>Share Type</b>	<b>Number of Paid-Up Capital (share)</b>
<b>FST AVIATION SERVICES LIMITED (FST)</b> Room 5906, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong. Tel (+852)-2180-2559 Fax (+852)-2180-9936	Refueling aircraft for various airlines at Hong Kong International Airport	25% (held through PTT Philippines Corporation)	Ordinary Share	Capital 1,000,000 HKD Paid-up Capital 840,000 HKD (10 HKD/Share) 100,000 Shares (84,000 paid shares)
<b>JOINT VENTURE COMPANIES</b>				
<b>GLOBAL AERO ASSOCIATES COMPANY LIMITED (GAA)</b> 99 Moo 10 Sisa Chorakhe Noi, Bang Sao Thong District, Samut Prakan Tel (+66)-2001-8175	Aviation Fuel Service System Project at U-Tapao Airport	45%	Ordinary Share	Capital 900,000,000 THB (10 THB/Share) 90,000,000 Shares
<b>BRIGHTER ENERGY COMPANY LIMITED (BE)</b> 337, Pyay Road, Mote Lat Saung Gone (South) Quarter, Sanchaung Township, Yangon, Myanmar Tel (+95)-92-5699-9921	Operating petroleum terminals, LPG bottling plants, and wholesale of petroleum products, including procurement, port management, and oil depots in Myanmar	35% (held through PTTOR International Holdings (Singapore) Pte. Ltd.)	Ordinary Share	Paid-up capital 112,114,000,000 MMK 1,262,140 Shares
<b>BRIGHTER PTT OIL AND RETAIL BUSINESS COMPANY LIMITED (BOR)</b> 337, Pyay Road, Mote Lat Saung Gone (South), San Chaung Township, Yangon, Myanmar Tel (+95)-95003183	Operating service stations and Café Amazon in Myanmar	51% (held through PTTOR International Holdings (Singapore) Pte. Ltd.)	Ordinary Share	Capital 4,433,000,000 MMK (10,000 MMK/ Share) 443,400 Shares
<b>ORC COFFEE PASSION GROUP JOINT STOCK COMPANY (ORCG)</b> G11, ground floor (commercial area), Satra Eximland Building, No. 163 Phan Dang Luu Street, Ward 1, Phu Nhuan District, Ho Chi Minh City, Vietnam Tel (+84)-28-3995 8368	Operating Café Amazon in Vietnam	60% (held through PTTOR International Holdings (Singapore) Pte. Ltd.)	Ordinary Share	Capital 206,446,250,000 VND (10,000 VND/Share) 20,644,625 Shares

<b>Company</b>	<b>Business</b>	<b>Shareholding Structure</b>	<b>Share Type</b>	<b>Number of Paid-Up Capital (share)</b>
<b>PHNOM PENH AVIATION FUEL SERVICES CO., LTD. (PPAFS)</b> Canada Tower, Building No. 315, 18 <sup>th</sup> Floor, Sahakpourn Roussy Blvd (110) Phnom Penh, Cambodia	The development, operation, and maintenance of jet fuel facility at New Phnom Penh Airport in Cambodia	33.33% (Held through PTTOR International Holdings (Singapore) Pte. Ltd.)	Ordinary Share	Capital 60,000,000,000 Riels (4,000,000 Riels/Share) 15,000 Shares
<b>ORBIT DIGITAL COMPANY LIMITED (ORBIT)</b> 51 Narathiwat Ratchanakarin Road, Silom, Bangrak, Bangkok 10500 Tel (+66)-2001-8175	Consulting and development of Application for retail business	40% (held through Modulus Venture)	Ordinary Share	Capital 50,000,000 THB Paid capital 25,000,000 THB (50 THB/Share) 500,000 Shares
<b>DUSIT FOOD CO., LTD. (DF)</b> 319 Chamchuri Square Building, 29 <sup>th</sup> Floor, Phayathai Road, Pathumwan, Bangkok 10330 Thailand Tel (+66)-2200-9999	Experience in food and beverage service to invest in food-related companies with strong growth potential, introduce food tech and food science education opportunities at Dusit Thani College, and create high-quality food products for use at Dusit Hotels & Resorts, and for sale internationally.	25% (held through Modulus Venture)	Ordinary Share	Capital 1,010,296,400 THB (100 THB/Share) 10,102,964 Shares
<b>K-NEX CORPORATION CO., LTD. (KNEX)</b> 142/9 Lat Phrao 94, Phlabphla Subdistrict, Wangthonglang District, Bangkok 10310 Tel (+66)-2125-2397	Manufacturing and distributing machinery, equipment and chemicals for laundry up to industrial level	40% (held through Modulus Venture)	Ordinary Share	Capital 16,666,700 THB (100 THB/Share) 166,667 Shares
<b>DRINK ENTERPRISE CO., LTD. (DE)</b> 1788 Singha Complex Building, 36 <sup>th</sup> Floor, New Petchburi Road, Bangkapi Subdistrict, Huai Khwang District Tel. (+66)-2242-4000	Operations, production and distribution of coffee and tea products in ready-to-drink packaging.	50% (held through Modulus Venture)	Ordinary Share	Capital 300,000,000 THB (Paid capital) (100 THB/Share)

<b>Company</b>	<b>Business</b>	<b>Shareholding Structure</b>	<b>Share Type</b>	<b>Number of Paid-Up Capital (share)</b>
<b>GOWABI (THAILAND) COMPANY LIMITED (GOWABI)</b> Major Tower Thonglor, Room 7 Floor 12, 141 Soi Sukhumvit 63, Khlong Tan Nuea Subdistrict, Watthana District, Bangkok 10110	Operating a digital platform business that connects health and beauty services where users can booking and purchasing e-vouchers or services online.	18.18% (held through Modulus Venture) and 8.18% (held through ORZON VENTURES, L.P.)	Preferred Share	Capital 4,134,000 THB (100 THB/Share) 41,340 Shares
<b>OTHER INVESTMENTS</b>				
<b>FUEL PIPELINE TRANSPORTATION LIMITED (FPT)</b> 424 Kamphaeng Phet 6 Road, Don Mueang Subdistrict, Don Mueang District, Bangkok 10210 Tel (+66)-574-6180	Providing transport of jet fuels and ground fuels via high-pressure pipelines	0.000008%	Ordinary Share	Capital 4,125,979,900 THB (5 THB/Share) 825,195,980 Shares
<b>BAFS PROFESSIONAL SERVICES COMPANY LIMITED (BPS)</b> 171/2 Kamphaeng Phet 6 Road, Don Mueang Subdistrict, Don Mueang District, Bangkok 10210 Tel (+66)-2834-8982	Refueling aircraft (labor contract only). Currently providing service at Samui Airport, Sukhothai Airport, and Trat Airport	16.67%	Ordinary Share	Capital 5,000,000 THB (100 THB/Share) 50,000 Shares
<b>SARN PALUNG SOCIAL ENTERPRISE COMPANY LIMITED (SPSE)</b> 555/1 Energy Complex Building A, 10 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok Tel (+66)-537-2971	A social enterprise investing in communities strengthening and problems solving to constantly develop society, community, and the environment sustainably	10%	Ordinary Share	Capital 10,000,000 THB (10 THB/Share) 1,000,000 Shares
<b>BANGKOK AVIATION FUEL SERVICES PUBLIC COMPANY LIMITED (BAFS)</b> 171/2 Kamphaeng Phet 6 Road, Don Mueang Subdistrict, Don Mueang District, Bangkok 10210 Tel (+66)-834-8900	Providing aircraft refueling service at Bangkok International Airport, including fuel storage service and refueling service for aircraft	7.06%	Ordinary Share	Capital 637,496,657 THB (1 THB/Share) 637,496,657 Shares Paid-Capital 637,496,153 THB

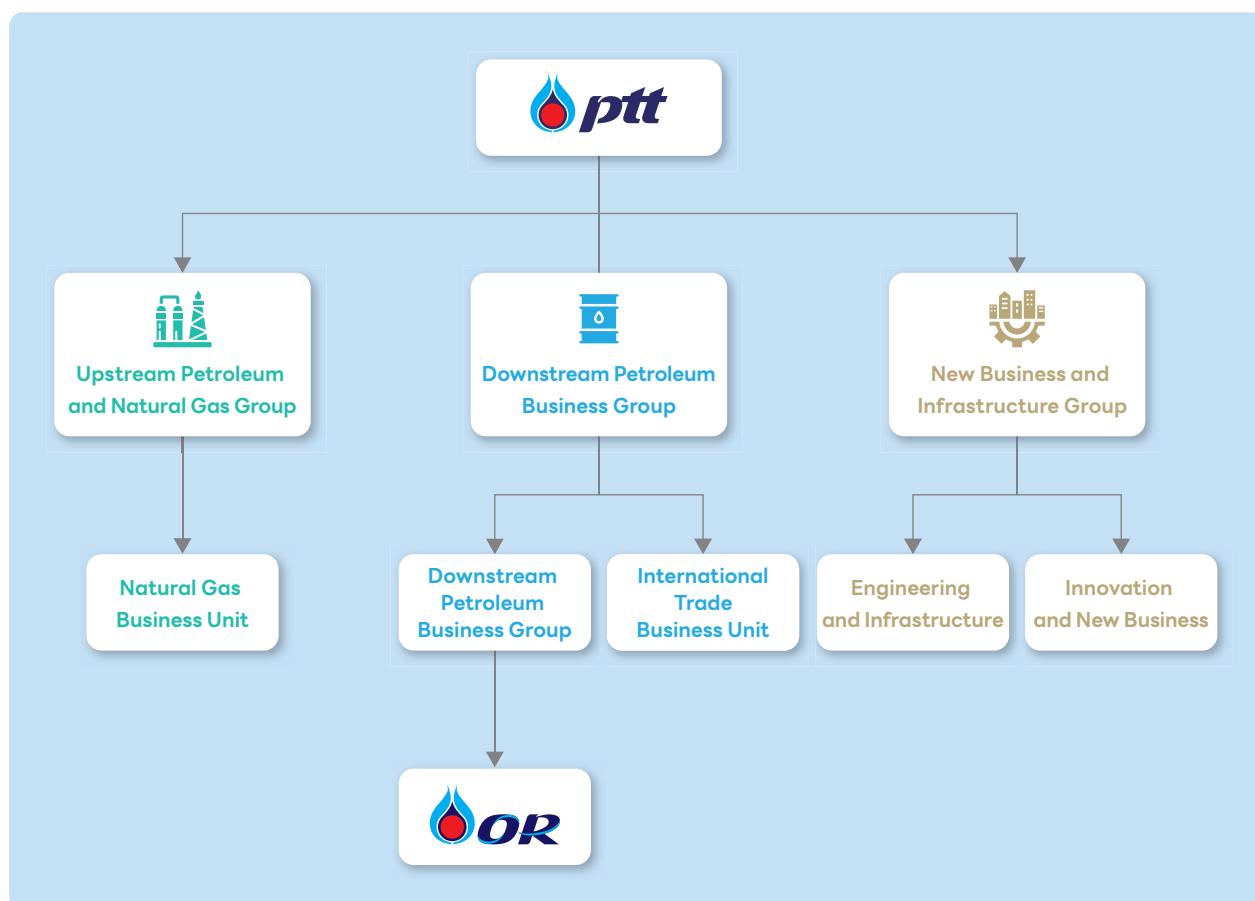
<b>Company</b>	<b>Business</b>	<b>Shareholding Structure</b>	<b>Share Type</b>	<b>Number of Paid-Up Capital (share)</b>
<b>LOKA HOLDINGS (LOKA)</b> Cayman Islands, George Town, C/O Walkers Corporate Limited, 190 Elgin Avenue, Grand Cayman, KY1-9001	Holding company which invests in Traveloka Pte. Ltd., is primarily responsible for management, strategy, operations and product development. And Sand Digits Ltd. is primarily responsible for financial product services.	3.26% (held through PTTOR International Holdings (Singapore) Pte. Ltd.)	Ordinary Share and Preferred Share	Authorized share capital 16,711,325 USD Outstanding and paid up 7,535,455 USD (1 USD/Share)
<b>SEAX FUND II L.P. (SEAX FUND II)</b> 423 Broadway, PMB 614 Millbrae CA 94030	Private Fund for investment in Digital Technology, Biotech	4.92% (held through PTTOR International Holdings (Singapore) Pte. Ltd.)	-	Fund Value 61,020,408.16 USD
<b>LINE MAN CORPORATION PTE. LTD (LINEMAN)</b> 6 Eu Tong Sen Street #11-10P The Central Singapore (059817) Singapore	Platform delivery service	1.38% (held through PTTOR International Holdings (Singapore) Pte. Ltd.)	Ordinary and Preferred Share	Capital 418,913,610.64 USD Ordinary Share 61,135,161 Shares (6.83 USD/Share) Preferred Share 54,884,323 Shares
<b>FLASH PARTNERS LIMITED (FLASH PARTNERS)</b> Office of Sertus Incorporations (Cayman), Sertus Chambers, Governors Square Suite #5-204,23 Lime Tree Bay Avenue, P.O. Box 2547, Grand Cayman, Ky1-1104 Cayman Islands Tel (+66)-2005-4412	A holding company managing investment and regulating Flash Group companies	7.07% (held through Modulus Venture)	Ordinary and Preferred Share	Capital 100,000 USD (0.0001 USD) Shares Ordinary Share 401,251,350 (0.0001 USD/Share) Preferred Share 598,748,650 (0.0001 USD/Share)
<b>FINNOVENTURE PRIVATE EQUITY TRUST I (FIN TRUST I)</b> Bank of Ayudhya PCL Head Office, Floor 21, 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120 Tel: (+66)-2627-4812	Trust Fund for investment in Fintech	11.14% (held through Modulus Venture)	-	Fund Value 2,692,000,000 THB (100 THB/Unit) 26,920,000 Unit

### **1.3.2 Shareholding in OR, Subsidiaries, or Associated Companies Exceeding 10% by Parties of Potential Conflicts of Interest**

- NONE -

### **1.3.3 Relationships with Major Shareholder's Business Group**

PTT Public Company Limited (PTT) is OR's major shareholder, and OR is under the policy supervision of the Downstream Petroleum Business Group of PTT Public Company Limited.



OR has business transactions and cooperation with PTT and its affiliated companies in PTT Group, such as procurement of petroleum products according to product supply agreements, or product purchase agreements from PTT Global Chemical Public Company Limited, Thai Oil Public Company Limited and IRPC Public Company Limited. In addition, OR hires PTT to provide pick-up, storage-distribution services at PTT's product warehouses. OR has also entered into a contract for warehouse maintenance, renovation, change and rebuilding of PTT's product warehouses, including providing services such as operating, supervising, receiving, storing, transferring, pumping, mixing, quality testing and inspection, and distribution of petroleum

products. Furthermore, OR also rents and/or sub-leases PTT's product storage and assets for receiving-storing -distributing OR's products.

OR has entered into an agreement with PTT for business support services. Under this agreement, PTT provides accounting and financial services, provision of information technology and communications services, and other corporate services to OR. Moreover, between PTT and OR, there is a loan agreement and short-term loan (Inter Company Borrowing & Lending (ICBL) under the liquidity management policy between PTT and companies in PTT Group in which PTT holds less than 100% shares, in order to increase the efficiency of liquidity management between them.

### 1.3.4 Shareholders

Top 10 major shareholders of OR as of September 5, 2022.

Rank	Shareholders	# Shares (Shares)	% Shares
1	PTT PUBLIC COMPANY LIMITED	9,000,000,000	75.00
2	THAI NVDR COMPANY LIMITED	402,755,939	3.36
3	MINISTRY OF FINANCE	153,349,808	1.28
4	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	88,093,593	0.73
5	SOCIAL SECURITY OFFICE	68,257,211	0.57
6	STATE STREET EUROPE LIMITED	62,448,922	0.52
7	BUALUANG LONG - TERM EQUITY FUND	50,313,660	0.42
8	CITIBANK NOMINEES SINGAPORE PTE LTD-A/C GIC C	46,875,900	0.39
9	BUALUANG TOP - TEN FUND	35,642,521	0.30
10	METROPOLITAN ELECTRICITY AUTHORITY STATEENTERPRISE UNIONS SAVING AND CREDIT CO-OPERATIVE LIMITED	25,562,200	0.21

**Remarks:**

- PTT, as the major shareholder of OR, takes part in setting management and operating policies of OR through the approval of the Board of Directors. As of December 31, 2022,
- PTT has 3 representatives as OR's directors or executives out of 15 directors of OR.

### 1.4 Amount of Registered Capital and Paid-Up Capital

As of December 31, 2022, OR has registered capital at the value of 120,000,000,000 baht, divided into 12,000,000,000 ordinary shares with a par value of 10 baht per share. It is issued and paid-up capital at the value of 120,000,000,000 baht and 12,000,000,000 common stock shares.

### 1.5 Issuance of Other Securities

- NONE -

### 1.6 Dividend Policy

#### 1.6.1 OR's Dividend Policy

Once the Board of Directors has decided on annual dividend payment, it must seek approval from the shareholders' meeting. An exception is made for interim dividend payment, which the Board can occasionally approve once profits satisfactorily accrue, after which must be reported to the next shareholders' meeting.

Each year, OR dividend payout ratio is no less than 30% of the net income under its financial statements after deducting all provisional reserves required by law and obligations. Such payment must not exceed OR's retained earnings, and should its financial statements show a cumulative loss in earnings OR will disregard dividend payment. The Board examines the ability to

pay dividends as required by law and OR's articles of association. To this end, OR primarily considers various factors for shareholders' interests, including the state of the economy, performance outcomes, its financial

position, cash flow, investment plans, provisions for loan repayment and compliance with loan terms or for OR's working capital, as well as other necessities and future suitability as seen fit by the Board.

### 1.6.2 Profile of Dividend Payment

Year	2020	2021	2022 <sup>(1)</sup>
<b>Net profit per share (THB)</b>	0.98	0.99	0.86
<b>Dividend per share (THB)</b>	0.78	0.46	0.50
<b>Dividend payout ratio: net profit</b>	83.3%	46.7%	57.9%

**Remarks:**

<sup>(1)</sup> Dividend for 2022 at the rate of 0.50 baht per share, approximately 57.9% of net profit according to the consolidated financial statements, consists of interim dividends for OR's performance on the first half of 2022 (between January 1, 2022 - June 30, 2022) at the rate of 0.35 baht per share, and dividends for the performance on the second half of 2022 (between July 1, 2022 - December 31, 2022) at the rate of 0.15 baht per share. These numbers will be presented as interim dividend payment and dividend approval for OR's second half of 2022 performance at the 2023 Annual General Meeting of Shareholders on April 5, 2023.

### 1.6.3 Dividend Policy for Subsidiaries

Once the board of a given subsidiary has approved annual dividend payment, it must seek approval from the shareholders' meeting. An exception is made for interim dividend payment, which the board can occasionally approve once profits satisfactorily accrue, after which must be reported to the next shareholders' meeting.

The annual dividend policy of a given subsidiary is subject to the endorsement of its board of directors, which is then tabled for the approval of the shareholders'

meeting that year. In reaching its decision, the board reviews the ability to pay dividends as required by law and the articles of association of the subsidiary in question. Factors that go into this decision include the state of the economy, the subsidiary's performance outcomes and financial position, cash flow, investment plans, provisions for loan repayment and compliance with loan terms or the subsidiary's working capital needs, and other necessities and future suitability as seen fit by the Board.



## 2. Risk Management

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### 2.1 Risk Management Policy and Plans

Effective risk management is an essential tool towards corporate sustainability, for it supports goal achievement under business transformation, balanced responses to all stakeholders' needs, prevention of potential losses caused by assorted volatility, and pursuit of opportunities for business value addition. As a result, OR has engaged in continual risk management under the principles and approach of The Committee of Sponsoring Organization of the Treadway Commission (COSO-ERM), a universal standard for risk management. Risk management is a critical component of every OR business process and comprehensive interlink is essential. OR has defined a policy for corporate risk management binding all employees and appointed an Enterprise Risk Management Committee (ERMC) to steer overall risk management for maximum efficiency.

In 2022, OR underwent revision of its risk management policy to ensure alignment with the Company's directions and strategies, with analysis and consideration of both internal and external factors that may create significant risks. The risk trends for 2022 have been discussed, including global risks, Thailand risks, and business area risks, so that all functions, both business units and support functions take into account the risks and formulate appropriate risk management plans in line with the Company's strategic direction, goals, and corporate risk framework. Important risk issues in 2022 from business units and support functions were gathered to set up corporate risk profile. Corporate risk management plan, approved by the Board of Directors, was communicated to all departments to ensure that risk management is consistent at the corporate and operational levels. Risk management results and follow-up activities were reported to the Management Committee, Enterprise Risk Management Committee, and the Board of Directors quarterly.

## 2.2 Business Risk Factors

The key risks this year are the continuous spread of COVID-19 and the Russian-Ukrainian conflict situation, which causes severe impacts on

both the economy and society. OR closely and continuously monitored the situation, nevertheless, the prolonged and unresolved situation unfortunately causes supply chain disruption and volatility, resulting in the continuous rise of energy and food prices, directly causes inflation, the demand for oil and reduced consumption, which inevitably affects OR's business performance. However, OR has prepared for the challenges encountered by implementing various measures such as simulating events for stress test of mitigation plan, including business continuity plan to enable the Company to effectively deal with various challenging events, as well as minimizing the damages that may occur from these challenges.

Moreover, OR also analyzed business circumstances due to various crises of 2022, as well as external and internal factors, namely the Russian-Ukrainian conflict, geopolitical conflict, economic situation, inflation, interest rate, exchange rate fluctuations, natural disasters, COVID-19 pandemic, supply chain disruption, industry competitor, technology, cybersecurity, financial liquidity, new laws and regulations enforcement, and other related factors to define key risk factors facing present and future operations. The five sets of corporate risks are described below:

### 2.2.1 Strategic Risks

Corporate Risk Factors	Key Risk Management Measurement
<p><b>Risk from the uncertainty of Thailand's economic situation</b> caused by the Russian-Ukrainian conflict, natural disasters, the COVID-19 pandemic, fluctuations in energy prices and inflation, affecting the demand for oil and reduced consumption. These factors directly affect OR's strategy and business performance.</p>	<p>OR places importance on risk management from external factors that are highly volatile. Important indicators, including risk management of prices and product costs are closely monitored. The simulation of economic and energy prices fluctuations, analysis of corporate-level impacts and mitigation measurements are closely prepared and reviewed, to ensure the Company can operate and maintain its performance during the crisis that may arise.</p>

Corporate Risk Factors	Key Risk Management Measurement
<p><b>Risk of strategic direction in business transition</b></p> <p>The ongoing innovation and technology leap, the rise of awareness towards the environment in both public and private sectors, and severity of climate change impact, all of which are causing the transition of the energy business, result in consumer behavior changes, which directly affects OR's business operations.</p>	<p>OR defines long-term strategic and direction revision annually for alignment with volatile economic situations and megatrends. Strategic Thinking Session (STS) brainstorming workshop sessions among senior executives are held in preparation for changes that will eventually occur, and mitigate the impact of such changes on OR's business operations by steering business directions and strategies towards clean energy, create a New S-Curve to seek opportunities and develop new business models. For example, investment in electric vehicle charging stations, solar energy business, expansion to retail business in the form of inorganic growth to maintain future performance. At the same time, OR aims towards a digital driven organization by building and developing digital infrastructure and platform in the form of Offline to Online (O2O), using digital technology to support decision-making and create new business for OR on data-basis.</p>
<p><b>Risk in corporate's support function</b></p> <p>The organization's personnel and regulations are important driving mechanism towards successful operations in line with organizational strategies. If OR fails to make appropriate adjustment on manpower structure, developing competency, corporate culture and regulations that encourage competitiveness between OR and competitors, and establishment of sustainable growth, OR may suffer to achieve long-term goals in its business operations.</p>	<p>At OR, we undergo organization restructuring and revision of operating models to be in line with strategic directions and competitive environment of the retail business, on the comparable level to leading companies in the same industry. OR has established policies and procedures for human resource development, together with procedures for manpower administration of the entire organization as follows:</p> <ul style="list-style-type: none"> <li>• Capacity: Revise the manpower, taking into account the manpower key driver compatible with the industry. Recruit both from inside and outside according to their suitable qualifications. Revise job specifications and recruiting criteria to support the Company's strategic directions.</li> <li>• Capability: Review success profile (Competency &amp; Career Path) to enhance potential and expertise of employees to be in line with the strategic direction of the organization. Development roadmap has been prepared, as well as employees development plan towards multi-skills.</li> <li>• Culture: Awareness raising and OR DNA incubation for employees at all levels have been conducted. Executives become role models to promote desirable employee behaviors.</li> <li>• In addition, an incubator team has been set up to support both domestic and international new business operations. Regulations, requirements, and orders have been improved for more flexibility and in line with the restructuring and business direction.</li> </ul>

## 2.2.2 Operational and Business Risks

Corporate Risk Factors	Key Risk Management Measurement
<p><b>Quality of goods and services risk</b>  OR values the quality assurance of goods and services. If these fail to meet standards, causing customers' dissatisfaction, OR's reputation and image will suffer.</p>	<p>OR commands measures to manage an end to-end process of operating control, which strictly against the standards, manuals, and procedures. In addition, OR manages complaints on its goods and services through the 1365 Contact Center or 1365@pttor.com e-mail. Moreover, OR continuously conducts staff auditing and capability testing.</p>
<p><b>Supply chain risk</b>  Geopolitical issues, Russian-Ukrainian conflict, and the unpredictable situation of the COVID-19 pandemic are all the uncontrollable factors. As a result, the volatility of consumer demand for goods and the shortage of production eventually leads to challenges in supply chain management, which certainly affects OR's business operations and stakeholders' confidence.</p>	<p>OR places great importance to conduct efficient supply chain management. The risk management is as follows:</p> <ul style="list-style-type: none"> <li>• Prepare Petroleum Product Offtake Agreement and negotiate or request for more flexibility of conditions with the refinery.</li> <li>• Prepare inventory level management and continuously monitor the sales volume and the level of oil inventory compared to the plan, including preparation of procurement management plan according to any situations that may arise.</li> <li>• Prepare guidelines to increase demand for products such as expanding the customer base or expanding to international market, etc.</li> <li>• Review the Facility Master Plan to accommodate future supply surplus.</li> <li>• Using supplier diversification and adjusting flexible formula. Appropriate production and inventory management is also included.</li> </ul>
<p><b>Operational risk</b>  OR conducts analysis of the risks in safety, security, occupational health and environment, considering both internal and external factors on a regular basis to prevent and reduce risks that may cause serious accidents to employees, property, environment and society, in order to ensure the Company can operate with safety and efficiency according to various standards and requirements.</p>	<p>OR has established measures to reduce the likelihood and impact of accidents and insecurity in operations as follows:</p> <ul style="list-style-type: none"> <li>• Set up the standards/operational manuals and establish internal controls in line with international standards and laws.</li> <li>• Conduct and report safety audit result.</li> <li>• Prepare and review Business Continuity Plan (BCP) in line with any threats.</li> <li>• Determine and practice an emergency plan once a year covering all types of establishments.</li> <li>• Purchase of insurance.</li> </ul>

Corporate Risk Factors	Key Risk Management Measurement
<p><b>Corporate reputation and stakeholder relationship management risk</b></p> <p>Diverse expectations among stakeholders and current technological progress have accelerated communication, which could in turn accelerate viral spread of events and news issues affecting OR. If OR cannot fully deal with negative issues or cannot efficiently communicate with stakeholders, this could harm its business image and stakeholders' confidence.</p>	<p>OR commands the following measures for managing corporate reputation and relationship with stakeholders' risks:</p> <ul style="list-style-type: none"> <li>• Monitor data, news, and related issues closely to rectify possible misunderstanding promptly. In addition, OR commands tools for receiving and handling complaints through the 1365 Contact Center or 1365@pttor.com.</li> <li>• Conduct proactive communication in parallel with planning management of negative issues and crisis communication. Also, anticipate negative issues and periodically revise them to ensure prompt responses to disruptive and emergency situations.</li> <li>• Efficiently and systematically manage the mass media, as well as organizing activities to build good relationships with stakeholders.</li> <li>• Conduct a Brand Health Check research and use the results to improve communication strategies.</li> </ul>
<p><b>Black Swan risk</b></p> <p>Unexpected events such as natural disasters, epidemics, protests, bombings, system crashes, product bans, for example, can always happen. If OR fails to adapt to the situation in time, it will cause a wide-ranging impacts and serious damages to the Company and its stakeholders.</p>	<p>OR has developed a management plan to deal with Black Swan events by identifying the potential hazards that could lead to a Black Swan event and brainstorming ideas for a contingency plan. New Black Swan events are annually compiled into the Corporate Black Swan Handbook and preventative risk management is undertaken. Countermeasure plans are rehearsed, as well as purchasing insurance to reduce the impact and the cost of damage from risky events that may occur.</p>

### 2.2.3 Information Technology Risks

Corporate Risk Factors	Key Risk Management Measurement
<p><b>Cybersecurity risk</b></p> <p>Cybersecurity threats are on the rise, a wide range of impacts, including attacked by computer viruses, ransomware, data theft, and hacking. As a result, key corporate data and confidential information could be leaked or business could face disruption, thus harming the business and image.</p>	<p>OR values preventive and mitigating actions to avoid becoming a target of attacks and has launched a cybersecurity roadmap to raise the safety and efficiency in its cyberworld, with various activities including:</p> <ul style="list-style-type: none"> <li>• Adopt the firewall system and leverage the Security Operation Center (SOC) to prevent attacks and data leaks.</li> <li>• Procure, install, and deploy the Cloud Access Security Brokers (CASB) and Data Leak Protection (DLP). Software is installed in the company's computers for access control, attack and data leak prevention.</li> <li>• Purchase cyber-insurance.</li> </ul>

Corporate Risk Factors	Key Risk Management Measurement
	<ul style="list-style-type: none"> <li>• Digital Citizen which raises awareness of Cyber Security to both OR and Business Service Alliance Co., Ltd.'s (BSA) employees and provides training to educate employees on how to prevent data leakage to external parties.</li> <li>• Conduct frequent cybersecurity test with OR and BSA's employees and always come up with new tests, as well as analyze the behavior of the test results to improve system vulnerabilities.</li> <li>• Conduct hacking tests 4 times a year and increase more frequency on hacking measures.</li> <li>• Prepare Data Classification system used to classify document secrecy, manage access and forwarding rights to enhance the security of information.</li> <li>• Prepare Business Continuity Management (BCM) system to sustain threats to OR's information systems.</li> </ul>
<p><b>IT system stability risk</b></p> <p>Information technology systems play an important role in enhancing business efficiency and enhancing competitiveness, facilitate internal and external work, data governance and security system. This brings challenges in the development of infrastructure for information technology systems to secure no interruption of business operations from crashed IT system or unsupportive system for large number of users.</p>	<p>OR recognizes the importance of stable information technology systems that can ensure users experience in full efficiency and continuity with no interruption. IT system security activities are held as follows:</p> <ul style="list-style-type: none"> <li>• Evaluate the number of users and design the system to support the expansion of users.</li> <li>• Determine the process for system scale up and rehearse the process on a regular basis.</li> <li>• Modernize Application to be Serverless and Micro Service Architecture, allowing Legacy to work more automatically, such as Re-design Blue Card system.</li> </ul>

## 2.2.4 Financial Risks

Corporate Risk Factors	Key Risk Management Measurement
<p><b>Foreign exchange risk</b></p> <p>OR values foreign exchange management in international subsidiary companies where exchange rates are filled with uncertainty. It also values differences in business transactions and circumstances leading to significant impacts on the Company.</p>	<p>OR commands a foreign exchange risk management policy to enable itself to achieve risk appetite. Its ambition is not to profit from currency exchange rates:</p> <ul style="list-style-type: none"> <li>• Review risk management practices and investigate the nature of risky transactions concerning foreign exchange in those that conduct overseas businesses.</li> <li>• Propose risk management guidelines and develop foreign exchange risk management plans in conjunction with financial executives of international subsidiary companies.</li> </ul>

Corporate Risk Factors	Key Risk Management Measurement
	<ul style="list-style-type: none"> <li>Monitor economic news and public policies facing each international subsidiary company so as to identify tools and procedures for foreign exchange management guidelines.</li> <li>International subsidiary companies manage their foreign exchange exposure according to the nature of transactions of each company.</li> </ul>
<p><b>Investment risk</b></p> <p>OR commands investment plans to grow its competitiveness, growth, and long-term business sustainability. It continually explores new investments of its own and investments made through subsidiary companies. These businesses could yield off-target investment returns, which cause financial risk consequences for OR.</p>	<p>Below are OR's investment risk management measures:</p> <ul style="list-style-type: none"> <li>Pursue investment opportunities in businesses with decent long-term growth rates and sustainability, thus resulting in decent investment returns through suitable investment in line with circumstances as well as the New Normal Trend.</li> <li>Establish a Strategic Investment Management (SIM) process with the investment management committee responsible for considering, screening, and monitoring OR's investment reports in order to support investment decisions of OR's management committee and the Board of Directors, as seems suitable. This is to ensure that the OR's investments are effective and efficient. OR also assigns certain personnel or division to manage and supervise subsidiary companies to ensure their operations are strictly in line with OR's policy framework and strategic direction. OR also commands and stipulates that voting in the shareholders' meeting or the Board of Directors' meeting of the subsidiary companies regarding important matters must be approved by OR.</li> <li>Determine screening processes both before and after investment. Project progress is systematically tracked to ensure OR's investment projects are proceeding as planned.</li> </ul>
<p><b>Liquidity risk</b></p> <p>Due to continuous rise of energy prices OR still follows the policy of maintaining energy price stability in order to alleviate high energy prices sufferings for the public. With improper management, this may significantly affect OR's financial liquidity, business operations, and financial costs.</p>	<p>OR conducts liquidity risk management as follows:</p> <ul style="list-style-type: none"> <li>Manage cash flow by projecting daily and monthly cash flow. Daily Cash Ending management is monitored and a liquidity support plan is prepared.</li> <li>Consider funding and liquidity management for supporting both short-term and long-term investment plans.</li> </ul>

## 2.2.5 Compliance Risks

Corporate Risk Factors	Key Risk Management Measurement
<p><b>Compliance with the Personal Data Protection Act B.E. 2562</b></p> <p>OR places great importance and seriousness in risk management for data stewardship and oversight of compliance with applicable laws and regulations, namely the Personal Data Protection.</p> <p>Should OR fail to manage such risks, it would harm OR's business continuity, credibility, image, and reputation, not to mention significant litigations.</p>	<p>OR has established measures to prevent and reduce the impact from the risk of violation and compliance with the Personal Data Protection Act B.E. 2562, through the following important measures:</p> <ul style="list-style-type: none"> <li>• Communicate the requirements of the new law throughout to prepare measures for business operations to be in accordance with the new law.</li> <li>• Build a team to plan the business activities required to comply with the law on time.</li> <li>• Encourage business units to design their workflows and actions, while consulting with legal expert.</li> <li>• Establish Data Governance Officer (DGO) and Data Protection Officer (DPO) structure.</li> <li>• Define and prioritize initiatives to PDPA Roadmap, as well as drive the PDPA Roadmap to achieve the plan.</li> <li>• Study, design and manage information technology systems to support relevant personal information management, such as designing, collecting and storing data through the establishment of a data governance system which exercise of the rights by information owner.</li> <li>• Purchase insurance to cover risks and damages that may arise from handling personal data.</li> <li>• Follow up business unit's actions to ensure that they are in line with the Personal Data Protection Act B.E 2562 plan.</li> <li>• Implement Operational Readiness Testing to rehearse business continuity plan, and test to ensure that relevant departments are ready to handle any incidents.</li> </ul>

OR strongly believes that implementation of these measures would lessen risks, enhance opportunities for sustainable growth, and enable the Company to achieve goals under the directions and strategic plans.

### Emerging Risks

Emerging risks are an important factor for OR which must be coped with properly. These emerging risks are taken into account by their impact on OR's business operations, in which OR has comprehensively and prudently provided measures to prepare for such risks.

### 1. Extreme Weather and Natural Disaster

#### Description

Natural disasters are the consequences of extreme climate change. In recent years, natural disasters have been increasing, intensification, causing more damages than before. This will surely affect the assets, employees, as well as the continuity of the Company's business operations.

## **Impact**

Extreme weather conditions and natural disasters can wreak havoc on property, employees, and stakeholders. When the Company fails to be adequately equipped and prepared for, these conditions can affect business operations throughout the value chain and eventually leads to business interruption.

## **Mitigating Action**

- OR has been conducting business continuity management in case of natural disasters practice as to provide an effective emergency response to natural disasters.
- OR commands training courses on business continuity management to provide knowledge and understanding about preparation for emergency situations.
- OR has prepared a climate change roadmap and set OR 2030 Goals towards greenhouse gas emissions reduction and an increase of clean energy use.

## **2. Energy Transition**

### **Description**

Disruptive Technology and global awareness of the environment have caused energy transition from fossil to clean energy. This result in the change in customer needs and affect OR's business operations.

## **Impact**

If OR fails to shift from fossil to clean energy, the Company's business operation will suffer.

## **Mitigating Action**

To support the shift of energy technology directions and changing consumer behavior, OR has adjusted business strategy, an investment portfolio, and continuously seeks new business development opportunities towards new energy trend such as

EV Station PluZ, Solar Rooftop, E-Fit Auto (EV light maintenance), EV Station PluZ Application to support the transition to clean energy and build confidence towards targeted performance.

## **2.3 Investment Risks for Shareholders**

OR is unable to guarantee that the market price of its shares will always remain at the same level. Share prices may fluctuate with various factors beyond OR's control, including:

- Actual or projected volatility of OR's performance
- Economic or political circumstances or events at the global, regional, or local level
- Epidemics/pandemics (including current COVID-19 situations)
- General stock market conditions
- Domestic or international oil market conditions
- Domestic or international non-oil market conditions
- Attitudes toward entrepreneurial opportunities
- Discrepancies between actual financial performances and expected financial performance previously forecast by investors and analysts. Guidance or attitudes of analysts toward OR's securities or industry
- OR's liquidity traded on the stock market
- Changes in consumers' behavior affecting the financial industry, general state of the economy, stock market situations, and other events or factors
- Tight regulations or restrictions facing OR's industry as required by government agencies, including improvement and amendment of laws and regulations, including tax code changes
- Fluctuations of interest rates and market prices of debt and equity instruments
- Exchange rate fluctuations and foreign exchange control measures of the Bank of Thailand

- Lawsuits and investigations by government agencies, regardless of credibility
- Competitive advantage, business acquisition, or strategic alliance in OR's industry
- Acquisition or loss of OR's key person or competitors' key person
- Changes in market valuation methods and stock prices of listed companies operating in a similar manner as OR, and volatility of stock prices on SET

These and other potential factors could cause the market price and demand for OR stocks to fluctuate, which could in turn bar investors' immediate sale of OR shares, thus harming OR's stock liquidity. During a period of stock fluctuation, shareholders might gather to prosecute OR or the securities-issuing authority. Should any shareholder prosecute OR, or if the court rules against it, the Company might be liable for massive compensation, and hence OR's management time spent could be likewise affected.



### **3. Driving Business Towards Sustainability**

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#### **3.1 Policies and Goals in Sustainability Management**

OR's sustainability management places emphasis on 14 material issues of the organization, which are derived through comprehensive assessment and prioritization based on two factors, namely significance to OR's business operations and the expectation level of internal and external stakeholders, in line with the Global Reporting Initiative (GRI Standards), which stipulates four key areas for reporting: stakeholder inclusiveness, sustainability context, materiality, and completeness. (For more information, please refer to the 2022 Sustainability Report on OR's website.)



OR has established a sustainability management policy to serve as a framework for the organization's sustainability actions in pursuit of its goals in business transparency, compliance, awareness building among stakeholders across OR's value chain, promotion of innovation and technology, and elevation of the quality of life in communities. In addition, OR has appointed the Sustainable Development Committee, chaired by Senior Executive Vice President of Corporate Strategy and Sustainability, with executives from every business unit across the relevant scope of work serving as members. The members of the committee are responsible for approving strategic, business, and action plans for sustainability to ensure consistency with PTT Group's policies and corporate sustainability management standards at national and international levels; providing recommendations and reviewing OR's material sustainability issues; driving the operation of relevant units in support of the implementation of OR's sustainability strategies; approving OR's sustainability reports; reporting the progress of OR's sustainability operations to OR Management Committee (ORMC) and OR Corporate Governance and Sustainability Committee (ORCGS). Furthermore, OR has assigned the Sustainability Management and Quality, Safety, Occupational Health, and Environment Department to serve as the primary unit in advancing OR's sustainability activities.

Given the aforementioned intent, OR operates in adherence to the latest Sustainable Management Policy, announced in 2022, which has incorporated the sufficiency economy philosophy and the Sustainable Development Goals (SDGs) to ensure suitability for the organization. The policy serves as guidelines for business operations and helps to reduce environmental, social, and governance and economic (ESG) risks across all business processes related to OR and its affiliates. The policy also specifies material issues, namely compliance with laws, regulations, and international practices; the preservation of environmental, social, and economic balance with consideration to all stakeholders; the reduction of impact from activities across the value chain; the utilization of the organization's strengths; the application of technologies for innovation development and business growth alongside communities and society enhancement; and continuous environmental conservation efforts.



Further details  
on the sustainability  
management policy  
can be found on OR website



**Environmental**



**Social**



**Governance &  
Economic**

## **SUSTAINABLE DEVELOPMENT GOALS**

## 3.2 Stakeholder Management

### 3.2.1 Business Value Chain

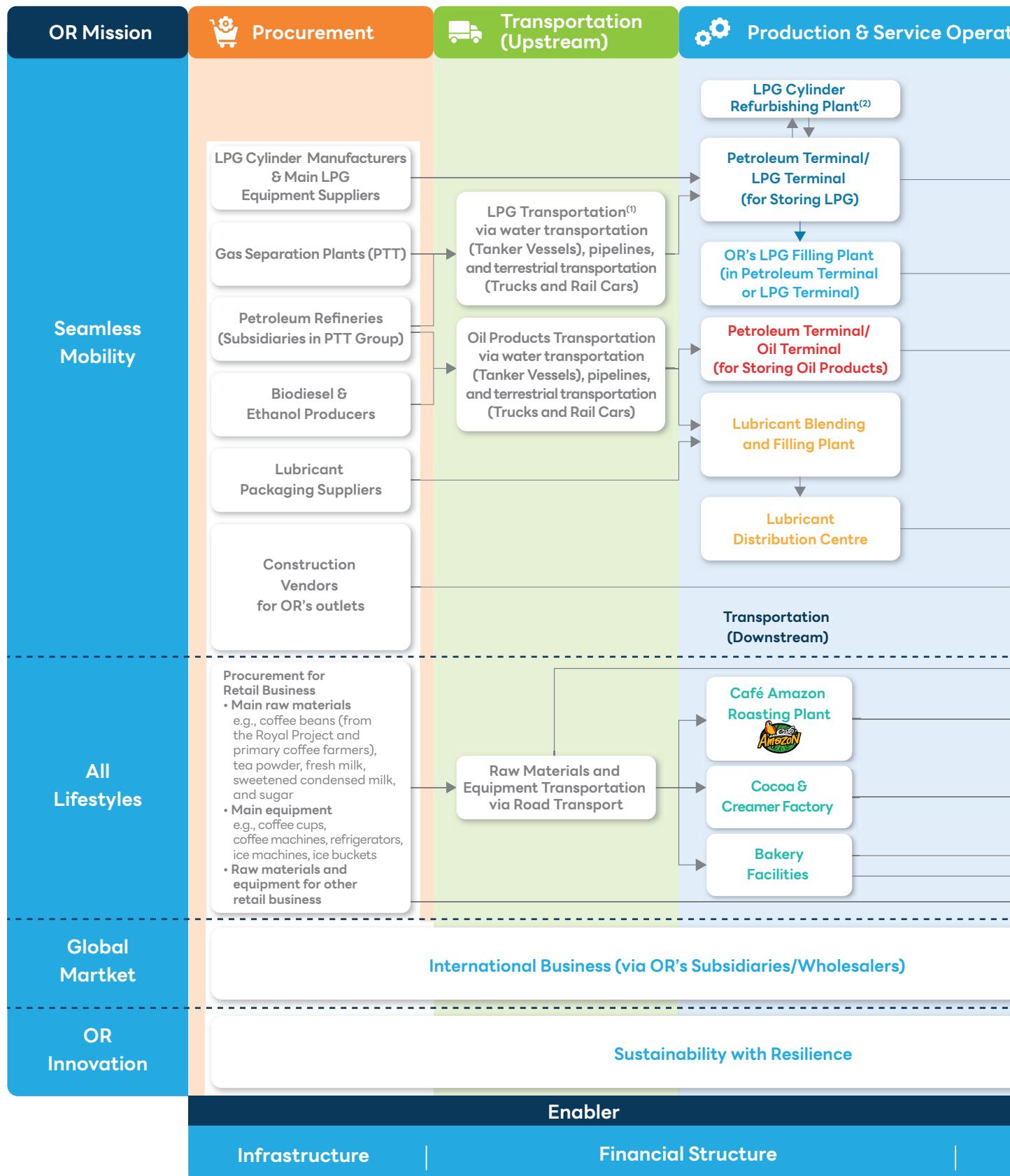
OR's business structure is divided in line with its three core missions: Seamless Mobility, All Lifestyles, and Global Market. The key activity in the Seamless Mobility Business is the distribution of petroleum products through retail, energy solution, and lubricant business. The primary products include gasoline, diesel, liquefied petroleum gas (LPG), jet fuel, fuel oil for marine vessels and industrial users, and lubricants. The All Lifestyles Business operates coffee shops, convenience stores,

food and beverage shops, and the management of space within its stations, while the Global Market Business engages in both oil and retail operations through subsidiaries established overseas. Each activity is related to the six groups of OR's key stakeholders as detailed below:

OR Value Chain	Key Stakeholders and Relevance to Activities
 <b>Material Procurement</b>	<p>Country: Makers of laws/regulations/standards Shareholders: Owners of the cost of capitals Suppliers: Providers of raw materials Society and Communities: Those potentially affected by the procurement process</p>
 <b>Transportation</b>	<p>Country: Makers of laws/regulations/standards Suppliers: Providers of raw materials Society and Communities: Those potentially affected by the delivery process</p>
 <b>Production and Service Operation</b>	<p>Employees: Operators Country: Makers of laws/regulations/standards Shareholders: Owners of the cost of capitals Suppliers: Providers of raw materials and machinery Society and Communities: Those potentially affected by business operations</p>
 <b>Product and Service Delivery</b>	<p>Country: Makers of laws/regulations/standards Shareholders: Owners of the cost of capitals Suppliers: Providers of products and services Society and Communities: Those potentially affected by the provision of products and services Customers: Receivers of products and services</p>
 <b>Support Activities</b>	<p>Employees: Operators/developers of technology, products, and services Country: Makers of laws/regulations/standards Shareholders: Owners of the cost of capitals/decision makers Suppliers: Providers of raw materials and machinery Society and Communities: Those potentially affected by business operations in different activities Customers: Receivers of products and services</p>

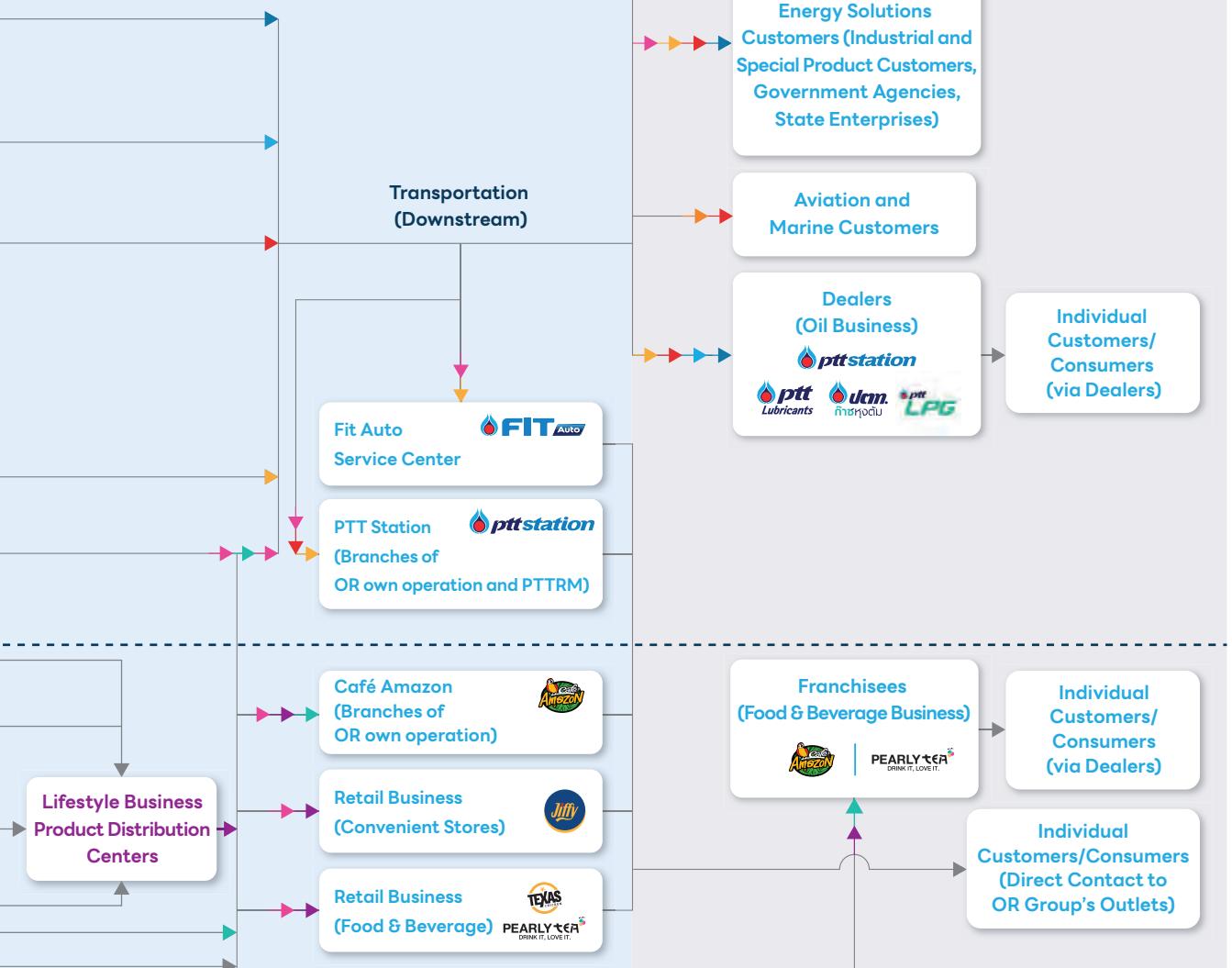


## OR Value Chain and Scope of Operation





## Product & Service Delivery to Customers and Consumers



'Innovation for Inside-out and Outside-in Growth'

### Enabler

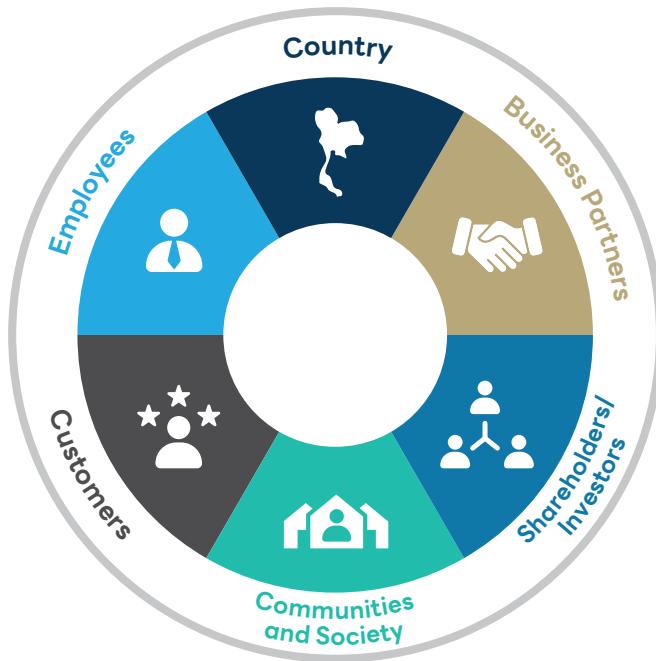
#### Data and Technology Structure

#### People and Organizational Structure

### **3.2.2 Analysis of Stakeholders in the Business Value Chain**

#### **3.2.2.1 Stakeholder Identification**

OR's stakeholders can be categorized into 6 groups:



#### **3.2.2.2 Analysis of Stakeholders in the Business Value Chain**

OR fosters engagement with different stakeholder groups as suitable for the occasion and the level of the relationship in both formal and informal manners to collaboratively drive positive changes and minimize potential negative impacts on all parties. Guidelines for stakeholder engagement are as follows:



Based on a sustainability management framework that focuses on striking an economic, social, and environmental balance and encompasses all stakeholders for business sustainability, OR has developed the Stakeholder Engagement Guidelines and established practices for the efficient fostering of stakeholder participation based on the AA1000 (2015) Stakeholder Engagement Standard of Accountability, where each unit is responsible for

identifying and prioritizing stakeholders relevant to itself and engaging them in a manner consistent with the order of priority and stakeholders' concerns/expectations as well as collecting and submitting the performance data to the Sustainability Management and Quality, Safety, Occupational Health, and Environment Department.

The outcome can be summarized as follows:

### Insights from Stakeholder Opinions

Key Stakeholders	Engagement Building Guidelines	Concerns or Expectations	Guidelines for Addressing Concerns or Expectations
 <b>Country</b>	<ul style="list-style-type: none"> <li>Supporting relevant government policies, such as the national strategic energy plan, petroleum transportation and operation safety policies, environmental policies, and circular economy policies</li> <li>Contributing to the steady growth of the Thai economy</li> <li>Tracking, coordinating, and attending seminars/meetings with government agencies on a regular basis</li> <li>Submitting complete and accurate relevant performance reports to government agencies</li> </ul>	<ul style="list-style-type: none"> <li>OR's business policies related to renewable energy that may affect current business operations</li> <li>OR's contribution to economic growth, income distribution in the country, quality of life enhancement, and the development of local economies</li> <li>OR's business operations which cause environmental impacts, such as greenhouse gas emissions</li> <li>OR's business operations implementing circular economy principles to domestic</li> </ul>	<ul style="list-style-type: none"> <li>Supporting relevant state policies</li> <li>Integrating business concepts related to renewable energy, clean energy, energy consumption, reduction of waste in business operations to support an energy transition in the future and address environmental concerns</li> </ul>
 <b>Shareholders/ Investors</b>	<ul style="list-style-type: none"> <li>Creating and ensuring ROI for shareholders/investors</li> <li>Communicating information related to business operations to investors, investment analysts, and shareholders in a complete, transparent, and equitable manner via appropriate communication channels on a regular basis at appropriate intervals, such as at annual general meetings of shareholders, annual analyst meetings, annual reports, and websites</li> </ul>	<ul style="list-style-type: none"> <li>The continued growth of OR's business performance amid the challenges and volatility of the business context</li> <li>Business strategy adjustment in line with ESG guidelines, which are an international business framework</li> <li>Businesses that meet a future shift in energy consumption</li> </ul>	<ul style="list-style-type: none"> <li>Applying the ESG principles and concepts to the formulation of clear strategic and business plans and success indicators according to 3Ps (Performance, People, Planet) and ESG principles</li> <li>Developing and improving relevant innovation to expand ROI sustainably and continuously</li> </ul>

Key Stakeholders	Engagement Building Guidelines	Concerns or Expectations	Guidelines for Addressing Concerns or Expectations
 <b>Shareholders/ Investors</b>	<ul style="list-style-type: none"> <li>Providing 24-hour channels for opinions, recommendations, and complaints via 1365 Contact Center and website</li> <li>Good corporate governance</li> </ul>		<ul style="list-style-type: none"> <li>Preparing and disseminating ESG reports to raise awareness and foster confidence among shareholders and all stakeholders towards OR's business directions</li> <li>Increasing the number of EV Station PluZ for nationwide coverage, not only in PTT Stations, PTT LPG Auto Station, and PTT NGV Station but also in key commercial spaces of the country.</li> <li>Seeking new opportunities in the EV ecosystem.</li> </ul>
 <b>Business Partners</b>	<ul style="list-style-type: none"> <li>Conducting business with business partners with transparency, fairness, and equitability</li> <li>Collaboratively enhancing efficiency and fostering business growth</li> <li>Building and developing good relationships with business partners through meetings, seminars and site visits at appropriate intervals</li> <li>Establishing assessment criteria and conducting performance assessment after product or service delivery</li> <li>Organizing training to provide relevant and necessary knowledge in line with OR's way of conduct, such as business ethics, labor practices, and safety standards</li> <li>Conducting annual business partner satisfaction surveys</li> <li>Providing 24-hour channels for opinions, recommendations, and complaints via 1365 Contact Center</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with rules and regulations regarding OR's procurement procedures which are complex and time consuming</li> <li>Potential impact from the implementation of ESG principles in business partner engagement across the value chain in accordance with OR's policy</li> <li>Concerns of community enterprises over the continuity of agricultural product procurement for OR's business operations</li> <li>Development of innovation and technology in accordance with emerging consumer behaviors</li> </ul>	<ul style="list-style-type: none"> <li>Improving the efficiency of procurement-related work processes and applying technology to reduce steps and document processes</li> <li>Establishing procedures in working with business partners to address concerns and build cooperation to improve ESG operations according to OR's policy</li> <li>Providing knowledge and developing community enterprises regarding agriculture, production, and distribution, in order to ensure that agricultural products from local communities meet OR's standards and contribute to mutual business growth in a sustainable manner</li> <li>Improving In Vehicle Monitoring System (IVMS) by integrating data from the fatigue management system into IVMS and improving work formats to enhance suitability and efficiency</li> </ul>

Key Stakeholders	Engagement Building Guidelines	Concerns or Expectations	Guidelines for Addressing Concerns or Expectations
 <b>Business Partners</b>	<ul style="list-style-type: none"> <li>Organizing meetings with transportation contractors to communicate OR's policies and listen to their issues/obstacles so as to collaboratively seek solutions, and holding annual seminars to foster good relations with transportation contractors</li> </ul>		
 <b>Communities and Society</b>	<ul style="list-style-type: none"> <li>Taking into account potential impact of OR's business operations on society and local communities as well as demonstrating responsibility to the areas surrounding OR's business sites</li> <li>Contributing to the development of the quality of life and local economy in communities and integrating such efforts into the company's business conduct</li> <li>Fostering trust and relationships with local communities surrounding OR's business sites by arranging various activities at appropriate intervals, such as site visits to local communities and open house activities for petroleum, LPG, and oil terminals for the local people and reporters</li> <li>Conducting community satisfaction surveys</li> <li>Providing 24-hour channels for opinions, recommendations, and complaints via 1365 Contact Center</li> </ul>	<ul style="list-style-type: none"> <li>Potential safety and environmental impacts resulting from OR's business conduct, placing emphasis on the safety and environmental operations of the petroleum, oil, and LPG terminals</li> <li>OR's contribution to environmental impact reduction to help decrease the severity of natural disasters and minimize their impacts on society and communities and contribution to product transportation safety</li> <li>Community development through employment and revenue creation in communities surrounding OR's business sites for a better quality of life and enhanced convenience</li> <li>Global activism on the environment and human rights, which necessitates greater attention to ESG in business operations</li> <li>Reducing social disparity in terms of physical disabilities, income levels, gender, and age</li> <li>Pursuing a zero-waste goal by integrating it into the operating process, in line with state policies and the expectations of society on efficient resource consumption</li> </ul>	<ul style="list-style-type: none"> <li>Strictly following relevant operation manuals</li> <li>Monitoring the quality and adequacy of safety and the environment according to defined standards and communicating results to the local communities</li> <li>Developing eco-friendly products, such as gasohol and diesel products (B10, B20), which helps reduce PM2.5 generation</li> <li>Implementing management to reduce impacts of OR's business operations, such as scheduling petroleum transportation time to avoid traffic jams and keeping away from main routes during long holidays</li> <li>Promoting a business model that fosters community participation, and contributing to the development of the quality of life and local economy through corporate shared value(CSV) or social enterprises, such as the Café Amazon for Chance project (the employment of hearing impaired and elderly individuals as baristas at Café Amazon), the procurement and sourcing of local coffee beans, the research and development</li> </ul>

Key Stakeholders	Engagement Building Guidelines	Concerns or Expectations	Guidelines for Addressing Concerns or Expectations
 <b>Communities and society</b>		<ul style="list-style-type: none"> <li>Engaging in or promoting innovation and technology development in cooperation with various agencies and promoting exchange of innovation knowledge</li> </ul>	<ul style="list-style-type: none"> <li>project for eco-friendly coffee cultivation and production for sustainable development in cooperation with the Royal Project Foundation, the development of coffee cultivation with the administrative center of Yala province, and the Thaidet project</li> <li>Developing PTT Stations using the concept of "Living Community" to serve as the center of the local community and meet the needs of society, communities, and motorists</li> <li>Providing opportunities for people in society and communities to work under OR's brand of products and services to create more jobs and generate income</li> <li>Providing spaces in PTT Stations for farmers, locals, and SMEs to sell products and services, which helps generate income and promote local wisdom and innovative products</li> <li>Providing startups with the opportunity to join the "Startup for Chance" Program to support social innovation startups and enable them to grow alongside OR</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Utilizing customer/consumer requirements as a starting point in designing business models</li> <li>Conducting safety inspection and drills at customers' LPG filling plants and LPG stations</li> </ul>	<ul style="list-style-type: none"> <li>Constant development of products and services quality, standards, and variety to maintain market leadership</li> <li>Safety, occupational health, and environment impact in service areas under OR's brands of products and services</li> </ul>	<ul style="list-style-type: none"> <li>Analyzing suggestions and complaints to determine root causes and resolve issues in a prompt and systematic manner</li> <li>Organizing workshops to enhance product quality and improve facility formats to suit available sites.</li> </ul>

Key Stakeholders	Engagement Building Guidelines	Concerns or Expectations	Guidelines for Addressing Concerns or Expectations
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Fostering knowledge and understanding of OR's business strategy and direction for customers who are OR's dealers, such as by organizing annual dealer seminars (PTT Station dealers, LPG dealers, including filling plants, LPG shops, and LPG stations, and dealers of PTT Lubricants products), and regional roadshows for Café Amazon franchisees; no dealer seminar was held in 2022 due to COVID-19.</li> <li>Conducting site visits with dealers and franchisees on a regular basis</li> <li>Evaluation often product and service quality standards by OR and mystery shoppers on a monthly basis</li> <li>Organizing training sessions for the capability development of related personnel</li> <li>Conducting annual customer and consumer satisfaction surveys</li> <li>Providing comprehensive services and assistance to customers through OR Customer Center</li> <li>Providing 24-hour channels for opinions, recommendations, and complaints via 1365 Contact Center</li> <li>Establishing participation channels for OR's LPG dealers, including filling plants and LPG shops, and customers, such as inviting OR's dealers to participate in Local Market &amp; Real Estate Events, Jud Phalang Kwam Aroi by PTT LPG Facebook page, Eat Guide content, and the "Tang Tang" SME support mascot</li> </ul>	<ul style="list-style-type: none"> <li>Transparency and fairness in business conduct with dealerships</li> <li>Prompt response to requests for support and assistance</li> <li>Access to adequate high-quality energy and efficient energy consumption at fair prices</li> <li>Continuous and sustainable creation of mutual business growth alongside quality, safety, health, and the nutritiousness of the food and beverages under OR's brands</li> <li>Efficient supply chain management, which prevents impact on the delivery of products and services and, in turn, potential adverse impact on customers</li> <li>Engaging in good customer relations management through location-based customer analysis and sharing information to enhance the service of the service stations</li> </ul>	<ul style="list-style-type: none"> <li>Creating a knowledge base (KB) for relevant and necessary information for prompt response to inquiries from customers and consumers</li> <li>Developing innovation, business ecosystems, and digital technology to upgrade customer service in a comprehensive manner</li> <li>Establishing food and beverage quality standards and creating new food and drink items that promote good health</li> <li>Developing innovation and technology for clean energy and energy efficiency to accommodate future demand</li> <li>Putting in place quality assurance (QA) and coaching to control the service quality of the staff via 1365 Contact Center and improving the interactive voice response (IVR) menus and call flows in the OR New Contact Center project</li> <li>Surveying the needs of franchisees to develop the franchise portal &amp; communication system</li> <li>Developing the Geo-Location AI&amp;ML Analytics using big data and AI and machine learning technology, and developing the Café Amazon Mobile Application, to enable advance payment before picking orders at the store, thus catering to customers not wishing to wait in line and promoting the rise of cashless society</li> <li>Developing an automated storage and retrieval system for use in lubricant distribution centers to enhance the accuracy and efficiency of product storage, warehousing, and distribution to customers</li> </ul>

Key Stakeholders	Engagement Building Guidelines	Concerns or Expectations	Guidelines for Addressing Concerns or Expectations
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Implementing 5Es (Envision Explain Execution Evaluation Engagement) to foster relations between top executives and employees</li> <li>Communicating necessary information at appropriate intervals via town hall meetings between top executive and employees at all levels, annual site visits throughout OR's regional worksites for opinion exchange with employees, and quarterly welfare committee meetings</li> <li>Establishing safe employee conduct during COVID-19</li> <li>Conducting annual employee engagement surveys</li> <li>Collecting opinions and feedback via various channels (such as e-mail, LINE groups, and intranet)</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable employee development along OR's growth in a rapidly changing business landscape</li> <li>Workforce inadequacy for the business operations</li> <li>Guidelines and opportunities for career advancement for employees at all levels.</li> <li>Suitable work environments and spaces, adequate equipment in a good, ready-to-use condition, and welfare and safety in the workplace</li> <li>Provision of benefits that cater to the needs and lifestyles of employees</li> <li>Application of innovation and technology for greater operational efficiency</li> <li>Emphasis on global trends, such as climate change and circular economy</li> </ul>	<ul style="list-style-type: none"> <li>Upskilling and reskilling of employees to promptly equip employees with competency/skills that correspond with changes in OR's strategic directions</li> <li>Formulating strategic workforce plans to ensure OR has a sufficient and suitable number of skilled and competent personnel.</li> <li>Promoting continuous career advancement according to OR's human resources development plan</li> <li>Adjusting the work format, working space, and equipment through technology for suitability and developing new work models, such as flexi time, working from home, and virtual meetings</li> <li>Extending medical expense reimbursement to employees and their families, including their parents, and allowing employees to personalize their welfare package through welfare customization</li> <li>Organizing online training on climate change to build awareness and extend knowledge for the development of OR's business operations in response to global trends</li> </ul>

### **3.3 Environmental Sustainability Management**

#### **3.3.1 Environmental Policies and Practices**

OR implements environmental management in accordance with the framework defined in the Quality, Safety, Health, and Environment (QSHE) policy, which focuses on the prevention and minimization of environmental impacts across the value chain, sustainable resource consumption in line with bio-circular-green economy principles, and compliance with regulations on the release of waste and pollution that may potentially impact the environment. To this end, the ISO14001 environmental management system has been adopted as guidance for LPG, oil, and petroleum terminals, Café Amazon Roasting Plant, and Phra Khanong headquarters. Thus, in 2022, no violation of environmental regulations and laws was reported.



OR has established its annual environmental performance goals in line with OR 2030 Goals, which involve reducing greenhouse gas emissions, energy consumption, and waste by at least one third. OR has also adopted the Quality, Safety, Health, and Environment Management System, in which the SSHE Performance Database is employed for the collection of the environmental performance indicators (EPIs) of all facilities operated by OR, including PTT stations and retail businesses. The Sustainability Management and Quality, Safety, Occupational Health, and Environment Department is tasked with monitoring their environmental performance and analyzing the data to further improve the environmental management process.

Furthermore, OR supports the development of the operational management system of its suppliers through consultation, control, monitoring, and assessment to ensure alignment with the environmental standards

agreed upon by OR and its suppliers. For operational procurement, QSHE requirements are also specified in the terms of reference (TORs) to control the environmental and safety management of the suppliers and contractors. As for construction operations, contractors are required to submit monthly QSHE reports for the purposes of tracking and reporting the environmental and safety performance of the project. In addition, supplier environmental management assessment has been incorporated into OR's MR on Web.



Further details on The Quality, Safety, Health, and Environment (QSHE) policy can be found on OR website

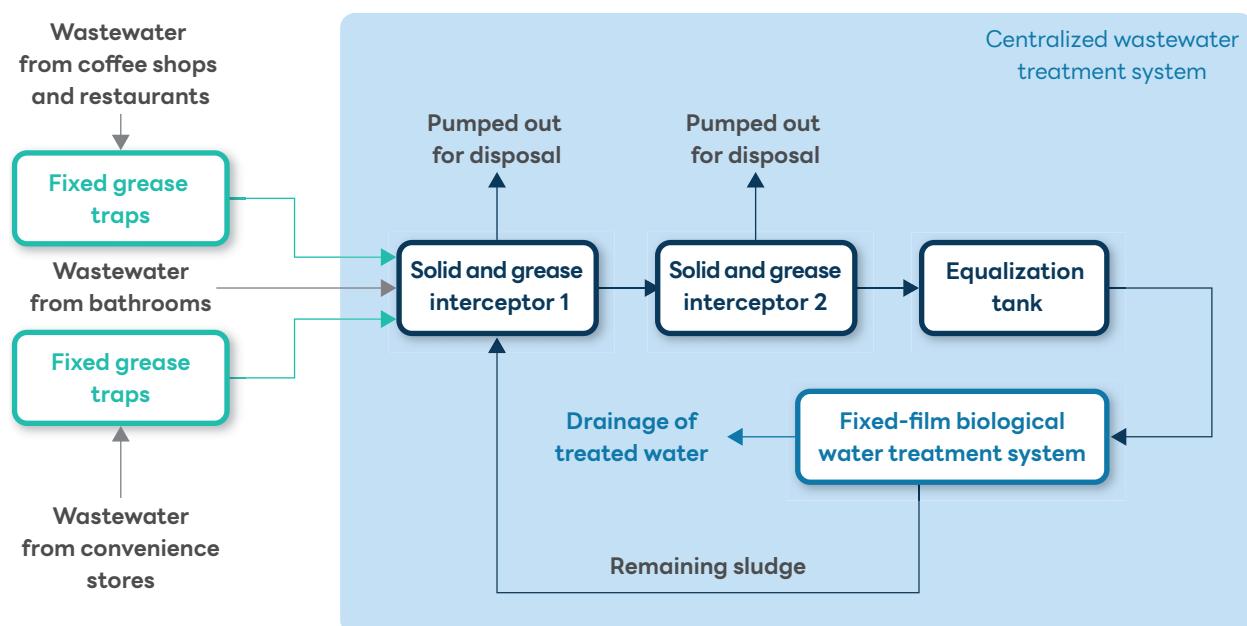
### **3.3.2 Environmental Management and Performance**

#### **3.3.2.1 Water Management**

Every facility under OR utilizes tap water and ground water in the manufacturing process, and all water usage is regularly recorded on the SSHE Performance Database to track and analyze water consumption in OR's areas of operation. The outcome is subsequently used to inform the water management approach in the future.

In 2022, OR aimed to reduce its water consumption in its Phra Khanong headquarters and encourage operation units to develop water conservation projects. OR also communicated to its personnel on water efficiency to raise awareness as well as continued to undertake initiatives to improve the water efficiency in the buildings in its areas of operation, such as the reduction of water consumption in the cooling towers, water efficiency improvement through system activation control, the utilization of water from the treatment system and the fire suppression testing to water trees, the replacement of sanitary ware for enhanced water efficiency, the reduction of water consumption in various processes, and monthly preventive maintenance for the detection of irregularities on its operation sites.

#### **Flow Diagram for Wastewater Treatment Plant**



#### **3.3.2.2 Wastewater Management**

OR attaches significance to the management of wastewater from its facilities. At present, OR has achieved zero discharge. For instance, at lifestyle business centers, LPG cylinder refurbishing plants in Khon Kaen and Song Khla, and PTT Stations in Chiang Khan and Wang Chan, all wastewater undergoes treatment and is reused in production, in bathrooms, or to water plants.

Currently, OR uses a centralized wastewater treatment system in all large PTT Stations, which is the same system utilized in industrial factories or large shopping malls. With this system, all wastewater from restrooms, restaurants, coffee shops, and all other activities within PTT Stations is collected and fed into the centralized wastewater treatment system, which maximizes treatment efficiency and ensure that the treated water meets the standards stipulated by the law before it is discharged into public drainage systems.

### **3.3.2.3 Biodiversity Management**

OR strives to operate its businesses responsibly to preserve biodiversity and prevent impacts from its operations in risk areas. To this end, OR has declared its biodiversity intent, the scope of which encompasses both Tier-1 and Non-tier-1 suppliers. OR has also established a Biodiversity Action Plan Guideline (BAP), a Biodiversity and Ecosystem Service No Net Loss Assessment Guideline, and a Biodiversity and Ecosystem Service Risk Assessment Guideline, all of which are standard tools prescribed by PTT Group, to demonstrate its commitment to the protection and preservation of biodiversity and the ecosystem.

In 2022, OR conducted a biodiversity risk assessment in its petroleum terminals, aviation depots, and Café Amazon coffee roasting plant, using the Integrated Biodiversity Assessment Tool (IBAT) in conjunction with the aforementioned biodiversity guidelines, IUCN Red List of Threatened Species, and the National Conservation List. From the assessment, we found out that Phuket Aviation Depots was located in the proximity of a marine protected area, while 9 others were located in areas of high biodiversity value.

1. Café Amazon Roasting Plant
2. Bang Pa-In Petroleum Warehouse
3. Bang Chak Petroleum Warehouse
4. Lamlukka Petroleum Warehouse
5. Phitsanulok Petroleum Warehouse
6. Phrakanong Petroleum Warehouse
7. Samut Sakhon Petroleum Warehouse
8. Surat Thani Petroleum Warehouse
9. Phuket Aviation Fuel Station

In 2022, the operation of OR's facilities had no impact on biodiversity.

### **3.3.2.4 Air Pollution Management**

OR places emphasis on maintaining pollution control within the legally required level. The primary type of pollutants resulting from OR's operations is volatile organic compounds (VOCs), which are generated in operations related to fuel storage, transportation, and trading. Therefore, OR has created VOC Inventory resulting from the activities of its petroleum, oil, and LGP terminals, PTT Stations, and LPG cylinder refurbishing plants, which is updated annually to continuously monitor VOC evaporation in the designated areas. The data is then analyzed to develop systems and equipment that reduce the evaporation of VOCs into the environment. Initiatives undertaken include switching the fuel transfer method for tankers from top loading to bottom loading, which is a closed system and thus reduces the evaporation of fuels during transportation and discharge, and introducing devices that draw vapors back into the fuel storage system, such as the Vapor Recovery Units (VRUs) that have been installed on the fuel nozzles at all OR-operated PTT Stations and at various oil and petroleum terminals, in accordance with regulations, namely Phra Khanong Oil Terminal, Lam Luk Ka Oil Terminal, Saraburi Oil Terminal, Surat Thani Petroleum Terminal and Songkhla Petroleum Terminal, located near sensitive areas such as schools, etc., in order to prevent impacts on the nearby areas.

### **3.3.2.5 Waste Management**

Major raw materials utilized in OR's businesses are oil, LPG, base oil, and coffee beans, which are processed into products for customers and consumers in the value chain, resulting in the following primary types of waste: sludge cake, oil-contaminated materials, coffee grounds, and plastic cups, all of which, without proper management, could lead to environmental impact.

OR's activities, resulting waste, and management guidelines for each waste type are shown in the table below:

<b>Business types</b>	<b>Significant waste types</b>	<b>Potential impact</b>	<b>Disposal</b>
 <b>Oil terminals</b>	Sludge cake and oil-contaminated materials	<ul style="list-style-type: none"> <li>Environmental pollution</li> <li>Health risks</li> </ul>	Disposal is carried out by waste disposal service providers with a license as legally required.
 <b>Lubricant bottling plants</b>	<ul style="list-style-type: none"> <li>Scraps of plastic bags</li> <li>Contaminated bottles</li> </ul>	<ul style="list-style-type: none"> <li>Environmental pollution</li> </ul>	Waste is recycled by waste disposal service providers with a license as legally required.
 <b>FIT Auto service stations</b>	<ul style="list-style-type: none"> <li>Contaminated bottles</li> <li>Used lubricants</li> <li>Used batteries</li> <li>Used tires</li> </ul>	<ul style="list-style-type: none"> <li>Environmental pollution</li> </ul>	Waste is recycled by waste disposal service providers with a license as legally required.
 <b>PTT Station/ Café Amazon</b>	<ul style="list-style-type: none"> <li>General waste</li> <li>Recyclable waste, such as plastics and glass bottles</li> </ul>	<ul style="list-style-type: none"> <li>Breeding grounds for insects and disease vectors</li> <li>Environmental pollution</li> </ul>	Waste is sorted and recycled by waste disposal service providers with a license as legally required. Coffee cups are processed into uniforms for Café Amazon baristas.
 <b>Café Amazon coffee roasting plant</b>	<ul style="list-style-type: none"> <li>Coffee grounds</li> <li>Aluminum foil</li> <li>Coffee bean bags</li> </ul>	<ul style="list-style-type: none"> <li>Breeding grounds for insects and disease vectors</li> <li>Environmental pollution</li> </ul>	Waste is upcycled into products for sale in Café Amazon, such as parrot mascots made of coffee grounds and eco boards made of aluminium foil. Coffee grounds are also used as fertilizers and compost for mushroom farming. Coffee bean bags are processed into bags for sale.

OR is also committed to reducing the amount of waste produced from its operations in accordance with the eco-efficiency principle by extending product lifespans and promoting resource efficiency by utilizing waste from one process for other purposes. OR has put in place waste management guidelines, which include waste sorting, reuse and recycling, and the use of waste as production materials for other products. It also works in collaboration with experts or agencies in various sectors.



Details of key projects can be found at [www.pttor.com](http://www.pttor.com).



Additionally, OR has carried out the “Zero Waste” project in PTT Stations to efficiently manage waste at its point of origin. This project includes the Waste Management Operation and Learning Center, which maximizes the use of waste generated in PTT Stations. This is evident in initiatives such as the production of compost from leftover food, the treatment of wastewater generated in PTT Stations for complete reuse without releasing it into the environment and causing environmental impact, and the production of multi-purpose cleaning agents for use within PTT Stations. These projects are currently being carried out in the 5 following PTT Stations:

1. Saraphi Branch
2. Laem Chabang Branch (inbound)
3. Laem Chabang Branch (outbound)
4. Western Outer Ring Road Branch (inbound)
5. Saraburi Branch

As for non-recyclable waste, including both non-hazardous and hazardous kinds, OR has put in place measures to control and ensure appropriate disposal by service providers in compliance with the law. In addition, OR has set a goal to reduce the amount of hazardous waste destined for landfills to zero and successfully achieved this target in 2022 as no hazardous waste was sent to landfills.



Further details on the Company’s performance in environmental responsibility can be found on OR’s official website in the

“Environmental Management” underneath the “Sustainability” menu.

### 3.3.2.6 Oil and Chemical Spill Management

As one of OR’s core businesses is Seamless Mobility, oil and chemical spills may occur, which would severely affect not only the environment and surrounding communities but also adversely impact OR’s business. Consequently, OR places great emphasis on preparation and response to oil and chemical spills. To this end, oil spill response equipment has been installed and is regularly inspected to ensure its readiness in every area. In addition, drills are conducted annually at all oil and petroleum terminals and aviation depots. This allows OR to take immediate action and promptly respond to spill and leak incidents. OR has also collaborated with the Oil Industry Environmental Safety Group (IESG) to raise funds for the procurement of equipment for responding to increasingly severe leaks and spills. OR’s annual membership fee for IESG in 2022, calculated based on the amount of oil in liters sold or manufactured by the member in the past year, amounted to 1,294,000 baht. In addition, OR has joined as a member of Oil Spill Response Limited (OSRL) organization to provide assistance and support of equipment for the immediate suppression and elimination of water spills.

Furthermore, OR has adopted PTT Group Company’s Environmental Restoration Guidelines in the event of a spill or a leak for handling such events. In 2022, no significant leak or spill was reported in OR’s facilities.

### 3.3.2.7 Climate Change Management

Recognizing the intensifying impact of climate change, OR has declared its intent to achieve carbon neutrality by 2030 and net-zero emissions by 2050, placing emphasis on mitigation of impact and adaptation in order to realize a low-carbon society. In addition, OR has added climate change as another key consideration for drawing up corporate strategies. For instance, greenhouse gas emissions have been included as a key performance indicator (KPI) of the organization, and relevant performance is monitored and analyzed for improvement and regularly reported to PTT Group.

As climate change may threaten the rights to life and the economy, OR has made it one of its key business strategies and set the goal to reduce the greenhouse

gas emissions by one third compared to the business-as-usual level by 2030 in order to minimize impact of climate change and ensure a sustainable and eco-friendly business practice. In 2022, OR was in the process of formulating a climate strategy. As part of this process, the climate-related risk and opportunity assessment would include a climate scenario analysis in accordance with the guidelines of the Task Force on Climate-related Financial Disclosure (TCFD) to identify all physical risks and transition risks that might impact OR's business operation, while the net-zero goal had to be attained in line with the standard set forth by Science Based Target initiative (SBTi).

OR has also made it a mission to achieve a low-carbon society. In 2022, OR was registered in the Thailand Voluntary Emission Reduction Program (T-VER) by Thailand Greenhouse Gas Management Organization (Public Organization) or TGO, which also certified the amount of greenhouse gases that OR could reduce or stored. In 2022, OR was in the process of developing two T-VER projects for subsequent registration, namely the T-VER reforestation project by the Royal Forestry Department under the Ministry of Natural Resources and Environment in cooperation with PTT Oil and Retail Business Public Company Limited and the installation of rooftop solar power generation system (Phase 2) by PTT Oil and Retail Business Public Company Limited. As one of Thailand's leading energy businesses, OR strives to demonstrate its responsibility and contribute to the reduction and offsetting of greenhouse gas emissions both at the corporate and national levels to achieve a low carbon society efficiently and sustainably.



### 3.3.2.8 Energy Transition

Thanks to climate change and economic shifts, the general public has grown more aware of the significance of switching from fossil fuels to clean energy in their daily life to mitigate environmental impact. As a result, electric vehicles (EVs) have presented a new alternative to oil consumption for consumers.

Given the opportunities brought on by a transition toward electricity vehicles, OR is working to expand its EV Station PluZ network across PTT Stations, PTT NGV Stations, and PTT LPG Auto Stations nationwide across major routes, communities, tourist destinations, and high-potential areas, such as department stores, hotels, resorts, restaurants, and office buildings. As of December 31, 2022, a total of 131 EV Stations PluZ were installed.

One of OR's key climate strategies is to collaborate with various agencies to drive projects that promote efficient energy transition. To this end, OR has embarked on collaboration with a diverse range of organizations to undertake a number of initiatives. These include the testing of energy storage systems between Global Power Synergy Public Company Limited and EV Station PluZ and a collaboration with the Provincial Electricity Authority (PEA) on power distribution and infrastructure equipment to accelerate the expansion of the EV Station PluZ network. In addition, OR has signed a memorandum of understanding with Mitsubishi Motors and Thailand Post to pilot battery electric vehicles (BEVs) in mail and parcel delivery to promote the use of clean energy. OR has also joined hands with Toyota Tusho and Evlomo to enhance the standard for battery swapping stations for electric motorcycles in order to fully become an EV platform provider in pursuit of Mobility as a Service (MaaS).

In pursuit of carbon neutrality and net zero GHG emissions, OR has also joined hands with its partners, namely PTT Public Company Limited, Toyota Daihatsu Engineering and Manufacturing Co., Ltd. (TDHM), and Toyota Motor Thailand Co., Ltd. (TMT) to open Thailand's first prototype hydrogen fuel station in Bang Lamung District in Chonburi and to collect data in order scale up the innovation in the future. The hydrogen fuel station meets international standards and is equipped to serve fuel cell electric vehicles (FCEVs).

In 2022, OR won a Sustainability Excellence Award 2022 for its efforts in promoting energy transition and for its sustainability-related business practices and technology, particularly on the EV ecosystem, consistent with OR's Seamless Mobility mission.

### 3.3.2.9 Efficient Energy Consumption

As electricity accounts for over 75% of its total energy consumption, OR's strategies focus on reducing energy consumption and increasing the use of alternative energy in place of electricity. In 2022, OR invested THB 47.5 Million in the installation of solar rooftops with a combined capacity of 6.054 MWp, thus reducing energy consumption by 1.18 GJ per one THB Million of EBITDA.

As a result of the initiative, OR's use of solar energy generated by the solar rooftops across its facilities is as detailed in the table below:

Facilities	Solar Rooftop Capacity (MWp)
<b>Production plants under Lifestyle Business</b>	3.880
<b>30 PTT Stations</b>	1.688
<b>12 Café Amazon outlets</b>	0.142
<b>14 Texas Chicken outlets</b>	0.344

Furthermore, OR promotes the optimization of energy consumption across all of its operating facilities. To achieve this, each function works to improve energy efficiency and regularly collects energy usage data for analysis. The Energy Task Force, comprised of division and section managers from the engineering unit of each function, is tasked with establishing plans, criteria, and guidelines, as well as promoting and monitoring energy programs to ensure the successful attainment of goals.

### 3.3.2.10 Green Products

OR strives to reduce environmental impact resulting from its production process and empower consumers to help reduce such impact through the use of OR's products and services. OR also supports government initiatives to promote the use of biofuels (bio-diesel B100 and ethanol), which are products under OR's Healthy Environment Strategy, which seeks to reduce both direct

and indirect greenhouse gas emissions and increase the proportion of revenue from low-carbon products. To this end, OR has made diesel (B7, B10, B20) and gasohol available at all PTT Stations while also continuing to enhance oil quality to meet consumer needs, support shifting engine technologies, and elevate the quality of life for Thai people.

#### Table showing biofuel procurement volumes

Year of procurement	2020	2021	2022
<b>Procurement of biodiesel B100 (million liters)</b>	566	527	436
<b>Procurement of ethanol (million liters)</b>	648	584	621



OR also encourages industrial customers to switch to eco-friendlier energy sources, such as by moving away from LPG to LNG, which can help reduce greenhouse gas emissions, and by installing solar rooftops to generate power for use in their own facilities.

In addition, OR has developed various low-carbon products, which have been certified with the PTT Group Green for Life label, awarded to eco-friendly products within PTT Group, and the Green Cart label, issued to green products or services by the Pollution Control Department. OR's products that have been given such labels are listed below:



#### PTT Group Green for life

Certified products include ENVIICO cleaning products, which are suitable for various surfaces, such as windshields, automobile windows, and fuel dispensers, and are used in Café Amazon to clean restrooms.

#### Green Cart

Lubricants:

1. PERFORMA SUPER SYNTHETIC 0W-30
2. PERFORMA SYNTHETIC ECOCAR 0W-20
3. PERFORMA SUPER SYNTHETIC 0W-20
4. DYNAMIC SUPER COMMONRAIL 5W-30
5. DYNAMIC ULTRA PLUS 15W-40
6. DYNAMIC COMMONRAIL 10W-30
7. DYNAMIC SUPER COMMONRAIL 5W-40

A total of seven OR lubricants have been certified with a Green Cart label by the Pollution Control Department based on their environmental impact across the value chain. The label serves as a measure to promote procurement of green products and services.

OR has also received Green Industry certificates, which are awarded to industrial facilities that are committed to eco-friendly operations, continuous development and improvement of manufacturing processes and environmental management, and social responsibility throughout the supply chain for sustainable development. A total of six enterprises under OR have received Green Industry certificates as follow:

1. Ban Rong Po LPG Terminal
2. Nakhon Sawan Petroleum Terminal
3. Songkhla Petroleum Terminal
4. Surat Thani Petroleum Terminal
5. Sriracha Oil Terminal
6. PTT Station, Western Outer Ring Road Branch



Further details on the Company's performance in environmental responsibility can be found on OR's official website in the "Environmental Management" underneath the "Sustainability" menu.

## 3.4 Social Sustainability Management

### 3.4.1 Social Policies and Practices

OR is committed to ethical business practices and places emphasis on human rights. To this end, it has established a human rights policy in line with the International Bill of Human Rights, international laws, and local laws of countries in which OR operates, as well as other internationally-accepted human rights standards and practices, such as the United Nations Universal Declaration of Human Rights (UNDHR) and the International Labor Organization (ILO) Conventions. The policy attaches significance to equality and non-discrimination based on gender, race, ethnicity, religion, or other statuses and on fundamental rights to which OR personnel are entitled as well as advocacy against child labor and illegal labor. The human rights policy is applicable to all operations of OR, its subsidiaries, its business partners, which consist of contractors, suppliers, agents, and service providers as well as to its new business relations.



Further details on the Company's performance in Human Right can be found on OR's official website in the "Human Right" underneath the "Sustainability" menu.

implementation of human rights impact prevention and mitigation guidelines and measures to ensure that the formulated guidelines and measures can efficiently prevent or control human rights risks or determine if they need to be revised. All divisions are also required to report their performance to the executives and relevant divisions for acknowledgement.

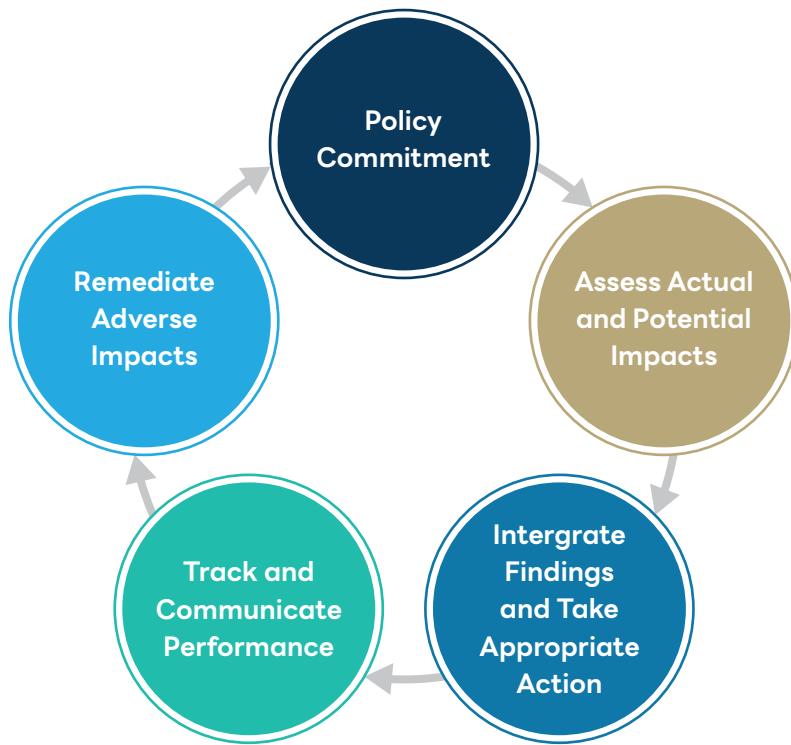
OR has also prescribed corporate human rights due diligence, which consists of the following steps:

- 1. Policy commitment:** The policy commitment applies to all operations of OR (business activities, products, and services), OR's subsidiaries, business partners, and other business relations (mergers and joint ventures).
- 2. Assess actual and potential impacts:** This step is taken to identify and assess current and potential human rights risks arising from business activities across the value chain in the production of products and services of OR, its subsidiaries, business partners, and other business relations (mergers and joint ventures), as well as to identify stakeholders who may be impacted.
- 3. Integrate Findings and Take Appropriate Action:** OR integrates findings and takes action by establishing prevention and mitigation guidelines and measures against human rights impacts with regards to key human rights issues in order to ensure efficient impact mitigation and minimization.
- 4. Track and Communicate Performance:** All divisions related to human rights review and track their

- 5. Remediate Adverse Impacts:** OR recognizes impacts of human right violations on stakeholders resulting from business activities involved in the production of products and services of OR and its subsidiaries across the value chain. To this end, OR has established a remediation process and provided whistleblowing channels as well as put in place various forms of remediation for stakeholders, both monetary, such as compensation, and non-monetary, such as the establishment of OR Customer Center, accessible via phone and websites, to accept feedback, provide consultation, and offer preliminary remediation to maintain OR's relationships with all of its key stakeholders.



## OR's Human Rights Due Diligence



OR has reviewed human rights risks that may affect stakeholders, such as employees, customers and consumers, business partners, employees of business partners, and the local communities. The risks cover the entire value chain of the business process, from procurement, transportation (upstream), production, operation, all the way to the delivery of products and services to customers and consumers. The risks identified can be summarized as follows:

1. Zero tolerance towards child and forced labor and human trafficking
2. Opposition to all forms of discrimination and violation, such as sexual and other forms of harassment
3. Respect for the freedom of assembly and the rights to collective bargaining and data privacy
4. The promotion of diversity, equitable treatment, fair remuneration, fair work, well-being, safety, and a good environment

### 3.4.1.1 Human Resource Management

In the ever-changing current business landscape, workforce is one of key factors that enables a business to achieve its missions. As such, OR adheres to OR DNA in its business operation. That is, OR believes in the potential of employees and empowers them to make decisions and solve problems. OR has also put in place a human resource development policy that seeks to prepare the employees in accordance with the business direction. In addition, OR places great emphasis on gender equality and non-discrimination. To this end, it has implemented a fair and transparent recruitment process and promoted the career advancement of its employees, where existing employees are considered first when there are vacant positions and mid-career employees are recruited from outside to fulfill positions where existing personnel cannot be developed in time for business needs.

For the year 2022, the primary human resource management strategy was to revise the operating model and cultivate OR DNA. With the realigning of the operating model to OR's visions, missions, and new business

directions, the organizational structure, the scope of roles and responsibilities, as well as the work process between internal units and with external stakeholders were revised in order to drive the attainment of OR's goals. As for the instillation of OR DNA, OR inspired its employees and fostered a sense of ownership in order to develop a culture of creating and passing on opportunities and of cultivating relationships with both internal and external stakeholders for mutual and sustainable growth.

Examples of operating model revision include the establishment of the Inclusive Partnership Unit to advance inclusive growth strategies between OR and its potential partners, in which the work process among OR's internal units, such as business/brand owner units, the investment deal accelerator department, and other relevant support units, such as finance and accounting, legal, human resources, digital and IT, as well as marketing units, was established in order to create business opportunities, incubate businesses, and foster collaboration among partners.

In addition, OR has developed an effective human resource management system. This begins with strategic workforce planning to ensure the competent employees are adequate and suitable for the revised operating model. To drive the business towards its targets with competitive human resource costs, attract capable personnel, and retain its existing employees, OR implements a competitive remuneration structure compared to other businesses in the same industry, prescribes KPIs for employees at all levels, and regularly tracks their performance. The KPI assessment results reflect their performance on a non-discriminatory basis and are used in determining fair remuneration and formulating individual development plans for them.

Furthermore, OR gives its personnel opportunities to propose new business ideas and challenging job assignments so as to manage career advancement and develop talents systematically. OR also encourages employees to continuously learn new things and develop themselves through training, job rotation, as well as upskilling/reskilling to support business needs and enable them to advance in their career path along with the organization in the long term.

### **3.4.1.2 Customer and Consumer Engagement**

Customer expectations and needs are shifting rapidly due to a global transition towards a digital society, while the COVID-19 pandemic has dramatically changed consumer behavior, where they expect organizations to have channels of efficient and prompt communication with them, disclose data transparently, and accept customer feedback for use in improving production and services in order to promptly meet their needs.

One of OR's missions is to develop a comprehensive range of alternatives for all lifestyles, which demonstrates the emphasis OR places on continuous business development to meet the needs of all customers and service users. A customer relationship management system, thus, is a vital tool for OR in analyzing and processing data related to customers' relations with the company in order to improve and develop its products/services to better cater to customer needs. Under the Mobility & Lifestyles business framework, OR creates alternatives for all types of customers and lifestyles. OR's marketing strategy is always be connected with customers at all ages, providing them the utmost convenience in order placement and payment. The delivery system is connected to ensure customers receive the right product. This platform also serves as an information sharing center which provides interesting and easy-to-understand information to attract more customers. Furthermore, customer's cyber security is our priority, as we conduct a regular check of cyber security system. OR divides its customers into 2 major groups: (1) corporate customers and dealerships and (2) individual customers and consumers. The customer management process for these two groups differ as follows:

Furthermore, OR operates in compliance with its corporate governance principles. In terms of customer relations, OR pledges to handle all complaints with equitability, transparency, and care, ensure fairness to all parties, set a suitable amount of time for investigation,

and communicate remediation action to the individual who has filed a complaint in a suitable manner. The name of the individual who files a complaint will be kept confidential to prevent any impact on them.

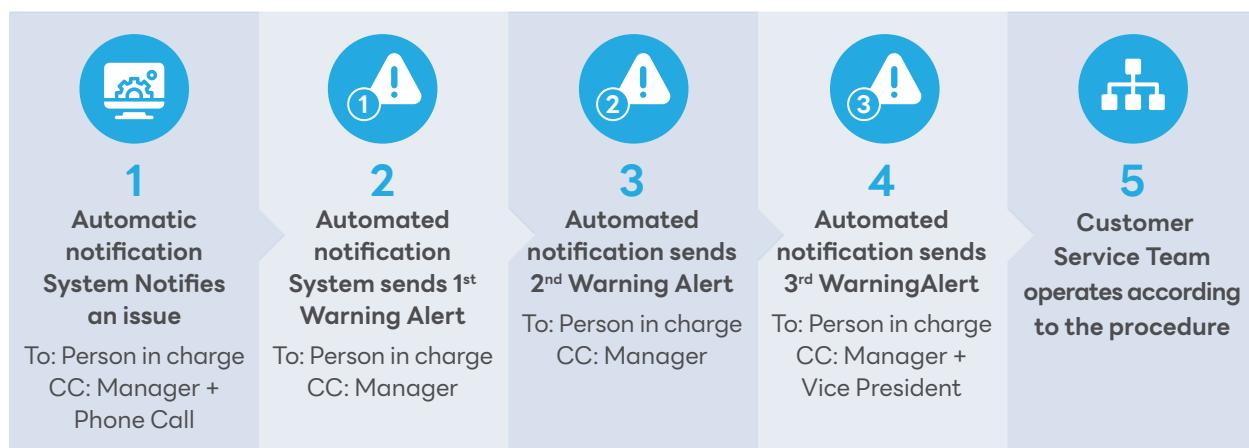
In 2022, OR improved the investigation process of complaints received through the 1365 Hot Line by sorting them into clear categories to better address the root cause and make rectification more effective.

In addition to sorting complaints and setting a timeframe for complaint response, OR also analyzes and tracks the status of remediation and rectification in response to a suggestion or a complaint. All complaints are recorded in the customer relationship management (CRM) system, which not only records all reports

submitted by customers and is used to management customers' complaints, suggestions, and compliments but is also equipped with the knowledge management (KM) system. All recorded issues are submitted to responsible departments for remediation. These divisions are also responsible for collecting relevant data, such as the number of complaints, types of complaints, and how complaints are handled, as well as for analyzing and reporting them to the executives of each business unit for acknowledgment on a monthly basis. The suggestions received are also used to analyze and improve the annual action plan of the business to meet customer needs and achieve inclusive growth – OR's distinct new direction that seeks to foster sustainable growth across all dimensions.

The data received from customers is analyzed and reviewed in the meeting of OR Management Committee (ORMC) and the OR Group Quality, Safety, Health, and Environment Management Committee (OR QSHE GMC), chaired by OR's President and CEO. Key issues are identified and categorized according to business unit for the acknowledgment of the Board of Directors, who commands relevant departments to take remediation action and track the remediation progress of relevant complaints. All relevant departments are also encouraged to resolve its tickets according to its defined service level agreement. The tracking process involves the following steps:

#### **The tracking process involves the following steps:**



To ensure that customer feedback is acknowledged and leads to the development of products and services and to maintain the speed and efficiency of the customer relationship management system, OR has designated a sufficient and suitable number of personnel for incoming customers. All employees are also given training to improve relevant skills, such as the ability to communicate the information of OR's products and services and how to handle complaints. Any product and service improvements in response to complaints and suggestions are communicated in OR's public

relations materials to inform customers and consumers of the action taken as well as the outcome in each year, such as customer and consumer satisfaction scores.

Operating a responsible and ethical business is one of OR's corporate values. In compliance with its Information Technology Policy, OR has compiled the Corporate Governance and Code of Business Ethics Handbook, which stipulates customer confidentiality and guidelines for the use of customer data. Employees at all levels must sign to acknowledge and pledge strict compliance

with the requirements in the handbook. Customer data that must be kept confidential include personal data, suggestions, compliments, and complaints. In the event that employees are involved in the suggestion or complaint made by a customer, the complaint officer must seek permission from the customer to disclose their personal data to the employees concerned. Personal data will be kept confidential in the CRM system in the event that the customer does not wish to disclose it. In 2022, no violation of customer data privacy or loss of customer data was reported.

#### **3.4.1.3 Business Partner Engagement**

Supply chain management across all business operations, from the transportation of key raw materials and equipment to the delivery of products and services, plays an integral role. Good supply chain management not only minimizes risks arising from the operation of vendors that may affect business continuity and the corporate image but also improves the efficiency of product and service delivery to customers, demonstrates the transparency and fairness of the procurement process, and encourages vendors to be aware of and comply with business practices to maintain integrity in accordance with corporate governance guidelines, which consist of business ethics, social responsibility, safety, and environmental management.

OR strives to achieve sustainable growth while also upholding corporate governance for communities, society, and the environment. Thus, OR places emphasis on supply chain management and seeks to produce tangible results through effective supplier supervision by introducing OR Supplier Sustainable Code of Conduct. With the content and scope defined in compliance with relevant rules, regulations, and laws, the code of conduct not only serves as a sustainability framework for suppliers but also informs them of rules and regulations related to business transparency and helps to ensure that their operation is ethical and socially responsible, upholds the occupational health and safety of their employees, and prioritizes relevant environmental management initiatives in a sustainable manner. The supply chain management encompasses vendor selection, the quality control of the raw materials of vendors' products and services, and annual vendor performance assessment.

#### **3.4.1.4 Local Community Engagement**

OR recognizes the importance of the business sector as a vital force for improving society, enhancing the quality of life for people in communities, and driving the economy of the country. With its potential, resource readiness, and the knowledge of its personnel, OR sees an opportunity to establish a strong economic, social, and environmental foundation in collaboration with local people and create opportunities and value along with society through engagement in corporate social responsibility activities. OR strives to grow its business while also generating value for society and striving for growth alongside everyone in accordance with the "Empowering All toward Inclusive Growth" vision.

Given the close ties of OR's businesses to society and communities, business activities across the value chain can present both opportunities and risks or can cause impact on external parties or stakeholders in the business operation, including government agencies, investors, suppliers, society and communities, customers, and employees. To this end, OR seeks to operate its businesses on the basis of respect for human rights and equality and establish a clear direction for its CSR activities for sustainable co-existence with communities.

Operating under the concept "Developing the Quality of Life and Local Economies Nationwide," OR places emphasis on good corporate citizenship and strives to set a good example for society at large. To this end, it has established a CSR strategy that seeks to create "Opportunity for All" by elevating the quality of life for communities surrounding OR's sites of business, co-creating value and distributing economic wealth to society, and undertaking effective environmental conservation and resource management.

Throughout the CSR process, OR strives to foster collaboration with local communities and society at large with the goal of solving problems and launching social development projects and activities. As a result, OR has been able to foster public trust and a positive attitude toward itself among local communities and ultimately earn social license to operate in the long term.



Further details on the Company's performance social policies and practices can be found on OR's official website in the "Community Development and Social Collaboration" menu.

### **3.4.2 Management and Performance in the Social Dimension**

#### **3.4.2.1 Human Rights Management**

OR has tasked the Sustainability Management and Quality, Safety, Occupational Health, and Environment Department with the responsibility of handling all human rights matters, consisting of human rights due diligence (HRDD), human rights risk assessments, HRDD reporting, development of rectification measures against human rights violations, and human rights training. OR has also communicated with relevant units to cooperate with the human rights management to ensure the effectiveness and success of its human rights operations.

In 2022, OR conducted HRDD and reviewed the human rights risk assessments across the value chain, including the manufacturing of products and services, by OR and 100% of its subsidiaries. The results of the review and the human rights performance have been made publicly available to demonstrate operational transparency. As a result of the HRDD, which was conducted on every business process, three highest-risk human rights issues have been identified, and action has been taken to control and minimize potential impacts as detailed below:

High-Risk Issue	Control and Mitigation Action
<b>Health and safety of operators in oil businesses</b> who serve aviation, marine, and industrial customers due to high risk of accidents and working with machinery	<ul style="list-style-type: none"><li>• Establishing the Quality, Security, Safety, Health, and Environment Policy and a management system handbook</li><li>• Cultivating awareness of occupational health and safety responsibilities as a basis for work for employees at all levels and developing it into a key corporate culture</li><li>• Organizing QSHE Talk to promote involvement among personnel from supervisorial to operational levels and encourage them to learn about and apply occupational health and safety principles</li><li>• Organizing QSHE Tour &amp; Management Walk, monitoring performance in sites of operation, as well as reviewing and suggestion QSHE improvements</li><li>• Organizing safety, occupational health, and environment training programs for employees</li><li>• Establishing a hazard identification process, assessing safety risks, and formulating risk control and mitigation plans</li></ul>
<b>Health and safety of operators in LPG businesses</b> who serve household, industrial, and transportation customers	<ul style="list-style-type: none"><li>• Establishing a systematic incident investigation and reporting process, tracking rectification, and presenting a summary report to the management review</li><li>• Prescribing annual work environmental inspections</li><li>• Prescribing annual health examinations based on risk factors</li><li>• Putting in place COVID-19 preventive measures in facilities</li><li>• Conduct vendor assessments on safety management</li><li>• Installing GPS and CCTV systems to control and monitor transportation safety</li></ul>
<b>Access to clean water and hygiene of communities</b> due to risks of chemical and oil leaks, chemical and waste accumulation, and wastewater from business operations	<ul style="list-style-type: none"><li>• Establishing the Quality, Security, Safety, Health, and Environment Policy and a management system handbook</li><li>• Joining and contributing oil leak response equipment to the Oil Industry Environmental Safety Group Association (IESG)</li><li>• Requiring the installation of a wastewater treatment system for use in treating wastewater from operations before discharging to public sewers</li><li>• Putting in place a vendor management system to ensure compliance with environmental standards</li></ul>

In addition, as part of the HRDD process, OR takes into account the opportunities and risks of initiating or developing new business relations, mergers and acquisitions, investments, and joint ventures to prevent the company's missions from exerting any human rights impacts on any right owners or vulnerable groups. In 2022, no complaint related to human rights violations, discrimination, or mistreatment of indigenous people resulting from the production and service provision of OR and its subsidiaries was reported.

#### 3.4.2.2 Employee Management

Guided by the belief that employees are the primary driver of business success, OR prioritizes the competency development and well-being of its personnel as it recognizes that continuous skill development will enable OR to accomplish its corporate goals of expanding its business and achieving success and acceptance in the global market and that when employees are in good health and provided with suitable welfare as they are entitled to, it benefits not only the employees themselves, but also the organization as a whole.



In 2022, OR disclosed a detailed Sustainability development report on its website in the "Workforce Development & Well Being".

The key points can be summarized as follows:

- **Employee Retention**

OR strives to maintain its status as a desirable organization and retain capable and knowledgeable employees in the long term. To this end, OR seeks to motivate them, establishing work goals with them, and giving them opportunities to develop and enrich their capabilities and knowledge for career advancement and gain experience in preparation for higher positions. In addition, Moreover, OR has adjusted its regulations and welfare to be more flexible to



respond to the needs of employees across different generations, such as flexible working hours, welfare customization, and the ability for employees with no spouse or child to transfer medical benefits to their parents instead. The results of the employee retention evaluation through the annual turnover rate indicators showed that in 2022, the resignation rate at OR was still lower than the average rate in the same industry.

OR has also appointed a workplace welfare committee to act on employees' behalf in discussing and providing suggestions on the provisions of welfare and benefits and regulatory changes that affect employees.

- **Cultivating Corporate Value**

OR cultivates its OR DNA corporate value as a foundation for shaping the mindset and way of working of both executives and employees in accordance with OR's vision, missions, and strategic directions. This corporate value also constitutes a vital factor that fosters work behavior among executives and employees that supports and inspires the employee to feel the ownership towards the organization, creating, corporate culture, opportunities and good relationship among all stakeholders from inside and outside of OR. This helps drive OR towards its defied goals, as well as reflects OR's strong corporate culture and OR's essences through the capability of the employees.

OR DNA consists of five desired behavioral traits expected of all OR employees and executives:

**Ownership: Having a sense of ownership and commitment to results through continuous innovation and responding to the needs of society.**

1. Empowered: OR's executives believe in employees' potential and encourage them to initiate challenging tasks. In addition, they are open to opinions and counsel the employees as well as delegate and empower them to make their own decisions as suitable for the circumstances as well as to accept and learn from their mistakes in order to prevent repeated failure.
2. Innovative Entrepreneurial Committing to Result: OR employees and executives have a sense of ownership and dedicated to work and apply technologies to work to enhance efficiency and serve consumer needs, seek new opportunities for business expansion, and develop commercial innovations that address stakeholder needs and solve vital social and environmental issues to produce outcomes with professionalism and creativity, aligned with OR's business direction.

**Relationship: Having a good and strong relationships with business partners to ensure inclusive growth.**

3. Dependable: OR people are dependable and capable for fostering in others a sense of trust and confidence in their professionalism, sincerity, and integrity and insist on doing the right thing even confront of pressure and consequences.
4. Considerate: OR people are considerate and seek to maintain and foster relationships with all internal and external stakeholders to achieve mutual success.
5. Down-to-Earth: OR people are humble, friendly, approachable, down to earth, and ready to listen and respond to stakeholder expectations and needs.

## Ownership

**Having a sense of ownership and commitment to results through continuous innovation and responding to the needs of society.**

- **Empowered**
- **Innovative Entrepreneurial Committing to Result**



## Relationship

**Having a good and strong relationships with business partners to ensure inclusive growth.**

- **Dependable**
- **Considerate**
- **Down-to-Earth**

To foster awareness among OR people of the corporate culture, OR communicates OR DNA through various media and communication channels, such as OR DNA Culture Guidebook, e-mail and encourages executives to be role models of OR DNA as they play a vital role in building awareness among employees of the significance of OR DNA and in driving its adoption.

In addition, OR organizes the Employee of the Year program in which model employees are selected based on their adherence to OR DNA in work behavior, so that they can serve as role models in passing on OR DNA concepts and practices to their peers and a vital force in driving the organization towards its established goals.



Furthermore, OR links the OR DNA to the employee development by prescribing competencies that will advance OR's business operations through future changes towards its established goals and lead to job development and rotation in accordance with the success profile in order to systematically develop their competencies and experience in accordance with the defined career path. OR DNA is also linked to both work KPIs and behavior KPIs, which reflect desired work behaviors consistent with OR DNA. In particular, the work KPIs are prescribed in relation to OR's objectives and long-term goals and reflect the Ownership and Relationship components of OR DNA, which contribute to sustainable mutual growth with stakeholders in line with OR's vision, missions, strategic direction, and Triple Bottom Line business model, which places emphasis on achieving a balance between People, Planet, and Performance. KPI assessments are conducted regularly, and the results are used to supplement the determination of fair remuneration for employees, both in the form of long-term remuneration, such as annual raises, and short-term remuneration, such as annual bonuses.

- **Building Corporate Engagement**

OR believes that its employees are vital resources, that happy employees will be able to accomplish their tasks smoothly, and that employees who feel engaged with the organization will dedicate themselves for their own and the organization's success and enable OR to operate continuously and sustainably. As such, OR strives to foster a positive work environment in all aspects and conducts annual employee engagement surveys, the results of which are analyzed to obtain insights into the needs and expectations of different groups of employees and used to enhance employee engagement. The results of the survey in 2021 showed that key issues in need of improvement in order to enhance employee engagement were the performance management (namely clear work goal communication, transparent and fair performance management for employees with good performance, and openness to opinions and counseling for subordinates) and the work-life balance (namely the excessive number of meetings and afterhours work contact). In response, OR has

initiated executive development through the Leadership Essential: Everyday Engagers Program. In 2022, five classes, consisting of 188 participants, were conducted with the goal of enhancing their coaching, engaging, empowering/delegation skills and their empathetic leadership.

In addition, OR has implemented employee support programs with the goal of adjusting the work model to suit the new normal and providing assistance for its personnel in taking care of their families. These initiatives are as follows.

1. Casual Friday: OR allows its staff to wear jeans and sneakers to work every Friday, in line with OR's Down to Earth behavioral trait.
2. Flexible Working Hours: OR has amended its regulations to increase flexibility, allowing employees to choose when to start and get off work.
3. Working-From-Home Policy (WFH): OR is concerned about the health and safety of its employees amidst the COVID-19 pandemic and has thus introduced a new policy allowing its staff to work from home three days per week.
4. Childcare Facility or Contributions: OR has launched a daycare center and hired caregivers to provide care to its employees' children at the office.
5. Breast-Feed/Lactation Facilities or Benefits: OR has provided breastfeeding rooms in the workplace for female employees.
6. Paid Parental Leave: OR offers up to 98 days of fully-paid maternity leave, which exceeds the legally mandated 98 days, covering the period prior to and after childbirth, as well as 15 days of fully-paid paternity leave for male employees.
7. In the event that employees need to take leave to take care of their spouse, family, relative, or any other person that they are required to take care of as required by the nature of their relationship, they may take additional 10 days of leave in addition to annual holiday leave as approved by their supervisors.
8. OR Happy Healthy Mind: OR offers a mental health consultation service for employees and hosts talks led by experts from various disciplines to educate them on maintaining both physical and mental health.
9. Flood Financial Aid: OR offers a special house repair allowance for employees whose homes have been damaged by floods.
10. COVID-19 Vaccination: OR has procured and subsidized vaccines for its employees and offers an accommodation allowance for employees who have to put themselves in home isolation as well as a medical allowance and an additional allowance for those who have to enter the Bubble and Seal system.
11. Annual Health Check: OR offers an annual health checkup for employees. Packages are as prescribed by OR in accordance with gender and age range.

To enhance employee engagement, OR has introduced various communication channels, such as e-mail, LINE groups, and intranet, to inform employees of OR-related updates and announcements as well as organized meetups with CEO and meetups with Senior Executive Vice Presidents, so that employees can communicate with them more directly. In addition, OR has implemented various initiatives to foster engagement and a sense of pride among its employees and boost their morale in order encourage them to devote themselves to work and strive to grow alongside the organization. For instance, OR gives tokens of appreciation to employees with long service years to recognize their devotion to the organization; grants scholarships to the children of employees who exhibit diligence; organizes retiree appreciation activities to show gratitude to their dedication and contribution to OR; and holds a Family Day to strengthen the relationships between OR's executives, employees, and their family, foster a familial bond within the OR family, and show appreciation to the employees for their hard work throughout the year.

A total of 91% of OR's employees took part in the annual employee engagement survey of 2022, and the employee engagement rate was at 71%, which met the short-term goal for the year. In addition, to enhance employee engagement, OR analyzed the results of the annual employee engagement survey and identified two key issues in need of improvement, namely the enabling infrastructure (workplace and parking spaces, work support systems and technologies) and the talent & staffing (adequate workforce for target achievement), both of which resulted from the need to increase the workforce size to keep up with its continuous business growth. The results along with plans to enhance employee engagement across OR in 2023 were presented at the meeting of the Human Resources Management Committee (HRMC) for their acknowledgment and approval. Examples of such initiatives included studying approaches to enhancing flexibility both in and outside of the workplace and increasing the efficiency of workforce management and recruitment. In addition, the survey outcomes of each function were reported to the executives so that they could rectify issues pertinent to their functions in addition to OR's overall employee engagement enhancement plans.

- **Safety, Occupational Health and Working Environment**

Recognizing the significance of building a safety culture among employees and contractors, OR serves as part of PTT Group's working team for safety culture promotion and encourages executives at all levels across all business units to communicate with their employees on safety. In 2022, OR set a target requiring all managers from the department level upward who report directly to the President and CEO and Senior Executive Vice Presidents to



conduct Management Walks and QSHE Talks to serve as role models in monitoring and communicating compliance with standard handbooks, as well as to examine risks and safety as well as on-site sub-standard practices. In addition, operational site managers are required to conduct QSHE Tours to inspect employee performance and the safety of their sites as well as ensure compliance with required standards, while employees are required to submit reports of sub-standard work practices and conditions as well as create at least one communication material on a safety-related topic each for other employees in their own department.

OR has put in place OR Life Saving Rules to ensure safety in high-risk work sites and facilities, with which all personnel working in such areas are required to strictly comply. In addition, OR communicates safety practices for PTT Stations through Service Station Standards to foster understanding among the staff and establish uniform safety standards, from oil intake and reserving to controlling oil dispensing to customers. In addition, OR recognizes that safety begins with each and every employee and thus cultivates a safety culture among them through various training programs, such as by requiring all OR employees to take safety training programs before commencing work.

In addition, OR has put in place an incident/sub-standard report system, accessible via OR's intranet, for its employees. Reports submitted through the system are used to formulate rectification and prevention measures in order prevent the same issues from recurring. In addition, employees traveling abroad for work are provided with updates on security as well as advice and assistance from International SOS (ISOS) regarding medical matters



and their travel back to the country. Employees are also given Stop Work Authority, allowing them to refuse to work in hazardous work sites or perform hazardous work without proper safety measures.

OR has prescribed knowledge requirements for operation in order to achieve product line consistency, occupational health and safety, and compliance with environmental regulations. These knowledge requirements are instituted as training needs as prescribed by each unit, and personnel are assigned to develop their knowledge, skills, and competencies through various means, including training programs, self-study, and on-the-job training. OR has also put the knowledge management process in the central system or database, accessible to all operators, as well as recorded key bodies of knowledge of the organization, which are then communicated at each scheduled management review. In 2022, OR organized 29 occupational health and safety training programs in total, attended by approximately 2,261 employees combined.

In addition, health risk assessments for employees working in risk areas are conducted annually, while a guideline for employee health checkups based on risk factors has been established. Health checkups for regular employees and workers on a probationary period whose work involves risk factors are carried out, including health examinations upon employment, a change of position (as a result of internal selection or job transfers), and employment termination, and annual risk-based health examinations. The health examination results of the employees will be jointly analyzed by the affiliated units and the Sustainability Management and Quality, Safety, Occupational Health, and Environment Department and logged in the e-Health Book for subsequent risk assessments and operational site improvement as well as for the formulation of additional health promotion programs to reduce health risks among employees. In 2022, OR organized “OR Exercise Together for Better Health 2022,” a virtual exercise program that promoted physical activity in which participants competed to achieve the highest cumulative calories burned over the course of the program. As part of this activity, online training sessions and workshops

on self-care were also held for the participants and those interested in nutrition and exercise.

OR also initiated the Happy Workplace Project, which encouraged employees to improve the ergonomics in their work environment to reduce and prevent strain from work.

While the government had eased legal and social restrictions as the COVID-19 pandemic showed signs of improving, with most cases being mild and vaccines becoming more widely accessible, OR continued to prioritize the safety of all of its stakeholders and monitor the situation closely. In addition, OR maintained various employee safety measures to control and prevent potential COVID-19 outbreaks in the future. In 2022, OR took the following actions against COVID-19:

1. Communicate preventive and self-care practices and measures for reducing transmission risks in work sites to employees through online channels.
2. Formulate OR's Work from Home measures in accordance with the government's measures and the specific risks in each work site.
3. Formulate measures for handling detected COVID-19 cases in work sites, such as a lock-up and bubble and seal to prevent the spread of COVID-19 in accordance with state criteria and guidelines.
4. Formulate proactive and routine antigen test kit (ATK) testing measures for facilities to reduce risks on stakeholders and OR's business operations.
5. Require ATK testing for contractors or external parties upon entering work sites for screening purposes; those with positive results are not allowed entry.
6. When an infection was detected in an area of operation, an investigation would be conducted, and all personnel would be informed of isolation protocols and self-care practices when they were infected or are at risk to prevent an outbreak in the area of operation. In addition, a Together Box, containing necessary medication and equipment for infected individuals, was given to every employee in home isolation.

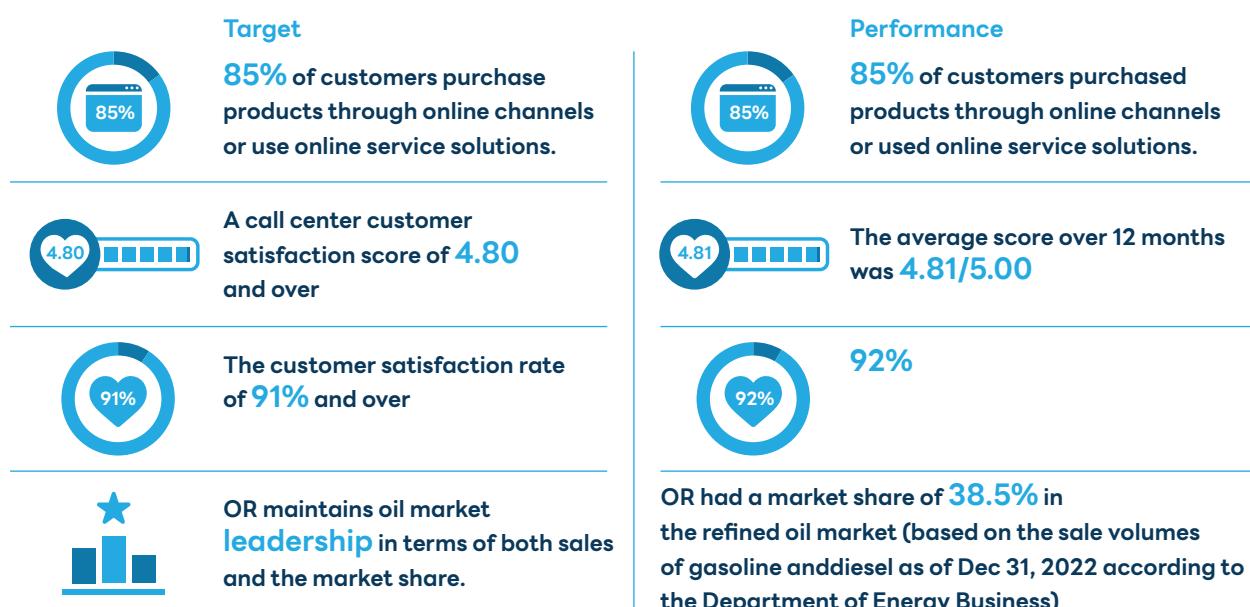
## Safety and Occupational Health Performance

			2020	2021	2022	Target
	Lost Time Accidents (LTA)	Employees	0	0	2	0
		Contractors	0	0	6	0
*Unit: cases						
	Total Recordable Incident Rate (TRIR)	Employees	0	0	0.121	0
		Contractors	0.0061	0	0.055	0.007
*Unit: case/ 200,000 work hours						
	Total Recordable Occupational Illness Rate (TROIIR)	Employees	0	0	0	0.096
		Contractors	N/A	N/A	N/A	N/A
*Unit: case/ 200,000 work hours						

### 3.4.2.3 Customer and Consumer Operations

OR consistently develops products and services to build customer satisfaction with responsibility, integrity, and ethics. In addition, OR conducts customer and consumer satisfaction surveys on a yearly basis and analyzes its performance in order to prescribe plans and key performance indicators for each business unit for the development and improvement of OR's products and services. Satisfaction surveys carried out fall into two categories, namely

- (1) customer service and OR customer center surveys and
- (2) customer and consumer satisfaction surveys.



<sup>1</sup> "Customers" under the scope of the satisfaction surveys include customers in the business and industrial sectors, customers in the government sector, customers in the aviation and container ship business, overseas customers, and OR's dealers. Individual customers are not included.



In 2022, OR disclosed a detailed Sustainability development report on its website in the "Customer Relationship Management".

#### **3.4.2.4 Creating Value for Society**

OR has always been guided by the philosophy of the sustainable community and social development alongside business operations as its businesses are closely tied to local communities and society by nature. As such, OR places strong emphasis on fostering cordial relationships and participating in community and social development. The goal is to promote the pursuit of OR's vision to become a global Thai-owned company that, alongside the course of its business operations, makes contributions to society and communities, reduces social disparities, elevates the quality of life, strengthens local economies to create a strong economic foundation of the country, and ultimately generates shared value for all stakeholders in a balanced manner.

OR is committed to leveraging its resources, including the knowledge capabilities of its personnel, and applying technologies in order to enhance the quality of life and contribute to the development of local economies in an extensive manner. OR also strives to integrate its CSR activities into its sustainable business practices and give opportunities for the disadvantaged as well as members

of the general public and/or communities to be part of its business value chain in line with its Empowering All Toward Inclusive Growth vision and its Corporate Citizenship and Philanthropic Framework, which is consistent with 10 UN's sustainable development goals. OR's CSR practices consist of three principles: Neighbors Together, Caring Nature, and Shared Value.

OR's CSR activities are undertaken within the framework defined in its sustainability management policy and focus on eco-friendly operations and responsibility towards all groups of stakeholders, in line with its reputation management and CSR policies. The intention is to leverage its capabilities and expertise to develop innovations and elevate the quality of life in communities through its CSR activities.

Guided by the concept "Developing Quality of Life and Local Economies Nationwide," OR places emphasis on good corporate citizenship and strives to set a good example to society. To this end, it has established a CSR strategy that focuses on providing opportunities for all, which encompasses enhancing the quality of life in communities surrounding its operation sites, fostering shared value and distributing wealth to society at large, and undertaking environmental protection and efficient resource management.

Throughout its CSR process, OR seeks to foster collaboration with local communities in order to solve problems and develop CSR projects and activities. As a result, OR has earned the trust of the general public, leading to the social license to operate in the long term.



Examples of ongoing projects are as follows:

- **Thaidet**

Thaidet Project was officially launched in 2018 with the goal of developing and expanding commercial distribution channels of a variety of good products as well as creating opportunity for Thai farmers, community enterprises, and SMEs entrepreneurs across the country to grow their businesses in a sustainable way. The project has been regarded as one of the vital projects that support society and communities according to the OR's development concept for PTT Station to become a community center or "Living Community", which is a value-creating area that leverages the quality of life in communities, while also creating favorable opportunities and generating more income for communities in every region of Thailand. For the year 2022, the overview of the Thaidet project performances is as follows:



#### Target

- 1  Increasing sales channels for community products through Thaidet Corners and Thaidet Shops.
- 2  Selecting more community enterprises and SMEs to join the project as well as community production development programs.
- 3  Developing a Thaidet order placement system to enable Thaidet Corner and Thaidet Shop dealers to place orders online.
- 4  Selecting **5-10** local products from communities near PTT Stations per year to undergo development in terms of production and quality, packaging, as well as marketing and sales channels.

#### Performance

- 1  Community enterprises and SMEs gained increased income through their participation in Thaidet. To date, **305** member community enterprises and SMEs have joined the project.
- 2  In 2022, Thaidet generated a total of THB **51** million in increased revenue for community enterprises and SME entrepreneurs.
- 3  Additional Thaidet Corners and Thaidet Shops, which offer Thaidet-branded local products, were established. There are now a total of **80** Thaidet Corners and **17** Thaidet Shops in operation.
- 4  **12** products were further developed into Thaidet Select products.
- 5  OR enhanced the confidence of communities in its business operations and the level of engagement towards OR.

- Café Amazon for Chance

This project seeks to develop careers for those with disabilities and the elderly through the concept of social enterprise, in which OR's strength is leveraged to solve problems and develop society sustainably. Currently, 63 branches of Café Amazon employ baristas who have hearing impairment and are senior citizens (as of December 31, 2021). Key achievements in 2022 are as follows.



#### Target

- 1 Converting Café Amazon outlet into Café Amazon for Chance (creating employment opportunities for 1-4 underprivileged individuals/outlet)
- 2 Having **62** outlets in total by 2022.
- 3 Having **500** outlets in total by 2026.



#### Performance

**There are currently 63** Café Amazon for Chance outlets in operation, which have created jobs for **137** underprivileged individuals, consisting of **27** people with hearing impairment, **103** senior citizens, **3** people with learning disabilities, **2** veterans with disabilities and families, and **2** violence survivors. The initiative generates approximately **17** Million Baht in income for these individuals.

- Pan Suk Space Project

As a result of prolonged economic volatility, farmers and local communities have encountered challenges in selling their produce in the market, causing an excess supply and a drop in prices, which has had a negative impact on their earnings. In response, PTT Stations have provided a sales channel for them through the Pan Suk Space Project, in which farmers and local residents can sell their produce and community products within the stations without any fee. This project not only increases income for local communities but also provides an additional sales channel for them in line with the position of PTT Stations as the center of local communities and improves the quality of life for local residents, thus fostering mutual growth.



#### Target



Carrying on the Pan Suk Space Project and opening up Pan Suk Spaces in **1,000** PTT Stations to assist farmers and local communities without any charge.



Mitigating the problem of low crop prices and developing additional sales channels to assist farmers during times of oversupply.



Coordinating with government agencies, farmer groups, and dealers nationwide to offer assistance to local farmers and communities.

#### Performance



A total of **1,139** PTT Stations joined the Pan Suk Space Project generating **15.55** million baht in revenue for local farmers.



The project supported the position of PTT Station as a Living Community, thus strengthening the ties between communities and OR.

- Sales Channel for Local Food Vendors

OR has launched a new sales channel for local food vendors in areas surrounding OASYS, which is operated through the Open Chat feature of Line Application, and used by workers across all manufacturing plants, thus giving communities access to more customers and enabling them to generate income from selling food. The project began with a selection of at least five local food vendors in a 3 km. radius of the facilities that offered delicious, fresh, and clean food and provided a delivery service. Subsequently, personnel in OASYS, consisting mostly of local people, were informed of the list of selected vendors. The objective was to increase the use of the newly-launched sales channels and encourage the participation of new vendors. As part of the project, surveys were conducted among users and food vendors to gauge their opinion on the functionality of the sales channel and the processes involved for further improvement and the development of standards.



#### Target

- 1** Creating a sales channel for local food vendors in areas surrounding OASYS through the Open Chat feature of Line Application.
- 2** Surveying and selecting at least 5 vendors in a 3 km radius of OASYS that offer delicious, fresh, and clean food and can deliver their food to OASYS.
- 3** Publicizing the project among employees in OASYS, most of whom are local people, to encourage at least 5 more vendors to join the project, thus offering more alternatives to customers.

#### Performance

- 1** Local food vendors from 3 communities around OASYS, namely Sanab Theub, Chamaeb, and Phai Tam, joined the project.
- 2** The project enhanced employee well-being by increasing food options and maintaining the food quality in 4 facilities, namely the coffee roasting plant, the powdered drink mix production facilities, the central bakery facilities, and the product distribution center.

- Yaek Laek Yim School Camp

The Yaek Laek Yim (Waste Sorting in Exchange of Smiles) School Camp Project seeks to educate teachers nationwide on waste management, the creation of waste management databases, carbon credit calculations, and the development of databases for assessing relevant aspects. The objective is to foster a better understanding of waste management among teachers and enable them to transfer the knowledge to students so as to cultivate awareness of proper waste management among them. As part of this project, OR also supports the co-development of waste management plans between teachers and students and hosts a waste management contest, in which the winner is chosen based on the amount of greenhouse gas emissions reduced and how creative and practical the innovation is. The project marks the beginning of further environmental projects on the community, societal, and national scale in the future.



## Target



**Providing waste management education to 17 participating schools in 2022**

Performance



In 2022, a total of 17 schools participated in the project with QR as targeted



The project aligned with the Healthy Environment goal of QR 2030 Goals



Further details on the Company's performance social policies and practices can be found on QR's official website in the "Community Development and Social Collaboration" menu.

## 4. Management Discussion and Analysis

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### Financial Highlights

Unit: THB Million	2021	2022	Variance (YoY)
Total sales and services	511,799	789,785	54.3%
EBITDA	20,335	20,608	1.3%
Net Profit*	11,474	10,370	(9.6%)
Earnings Per Share (Baht/share)	0.99	0.86	(13.1%)

\* Net profit of OR (the parent company)

## Performance 2022

OR's sales and services and EBITDA increased in the amount of THB 277,986 Million (+54.3%) and THB 273 Million (+1.3%), respectively, as a result of economic recovery from improving the COVID-19 situation, thus there was higher sale volume in all business segments. However, in the second half of 2022, we had high product cost of our Mobility business. In 2022, net operating expenses increased by 16.8%, mainly from transportation expenses in line with the sales volume growth, public relation, and repair and maintenance expenses. The share of income increased mainly from investment in Thai Petroleum Pipeline Co., Ltd. (Thappline) and improving performance from new investments in the lifestyle business during 2021. In addition, OR recorded a higher loss from derivatives due to losses on a forward contract of foreign currencies while there was a gain on foreign exchange from

the depreciation of THB. OR also recorded the provision for impairment of investment in Myanmar. Resulting in a net profit of THB 10,370 Million a decrease of THB 1,104 Million (-9.6%) compared to 2021, leading to earnings per share of 0.86 Baht.

Our financial position as of December 31, 2022, recorded total assets of THB 225,504 Million, an increase of THB 17,845 Million from 2021, mainly from trade accounts receivable, other receivables, and inventories, which varied according to global oil prices surging. OR recorded total liabilities of THB 121,743 Million, an increase of THB 13,956 Million, mainly from account payables. Shareholders' equity registered at THB 103,761 Million, an increase of THB 3,889 Million primarily from net profit during the period and dividend payment.



● Mobility  
90.9%  
● Lifestyle  
2.6%  
● Global  
6.4%  
● Other  
0.1%



● Mobility  
67.6%  
● Lifestyle  
25.5%  
● Global  
7.1%  
● Other  
-0.2%

<sup>(1)</sup>Amount before eliminations (%)

<sup>(2)</sup>Amount after eliminations (million baht)



## Performance Results: OR and Subsidiaries

Unit: THB Million	2021	2022	Variance (YoY)
<b>Total Sales and Services</b>	<b>511,799</b>	<b>789,785</b>	<b>54.3%</b>
: Mobility	475,537	736,408	54.9%
: Lifestyle	16,965	21,082	24.3%
: Global	28,424	52,154	83.5%
: Other	984	1,061	7.8%
<b>Gross Profit</b>	<b>36,241</b>	<b>39,181</b>	<b>8.1%</b>
: Mobility	26,559	26,312	(0.9%)
: Lifestyle	9,258	11,504	24.3%
: Global	1,459	2,424	66.1%
: Other	16	17	6.3%
<b>Other Income</b>	<b>3,273</b>	<b>3,509</b>	<b>7.2%</b>
<b>Operating Expenses</b>	<b>19,179</b>	<b>22,082</b>	<b>15.1%</b>
<b>EBITDA</b>	<b>20,335</b>	<b>20,608</b>	<b>1.3%</b>
: Mobility	15,382	13,911	(9.6%)
: Lifestyle	4,190	5,238	25.0%
: Global	742	1,470	98.1%
: Other	32	(33)	<(100%)
<b>Depreciation and Amortization Expenses</b>	<b>6,075</b>	<b>6,503</b>	<b>7.0%</b>
<b>Operating Profit</b>	<b>14,260</b>	<b>14,105</b>	<b>(1.1%)</b>
: Mobility	11,705	9,974	(14.8%)
: Lifestyle	2,419	3,321	37.3%
: Global	115	824	>100%
: Other	32	(36)	<(100%)
<b>Share of Profit (loss) from Investments in Joint Ventures and Associates</b>	<b>372</b>	<b>490</b>	<b>31.7%</b>
<b>Gain (Loss) on derivatives</b>	<b>(305)</b>	<b>(1,068)</b>	<b>&lt;(100%)</b>
<b>Gain (Loss) on exchange rate</b>	<b>771</b>	<b>1,112</b>	<b>44.2%</b>
<b>Others</b>	<b>341</b>	<b>(473)</b>	<b>&lt;(100%)</b>
<b>EBIT</b>	<b>15,439</b>	<b>14,166</b>	<b>(8.2%)</b>
<b>Finance Costs</b>	<b>1,250</b>	<b>1,155</b>	<b>(7.6%)</b>
<b>Tax Expenses (income)</b>	<b>2,718</b>	<b>2,638</b>	<b>(2.9%)</b>
<b>Net Profit (Loss) for the Periods*</b>	<b>11,474</b>	<b>10,370</b>	<b>(9.6%)</b>
<b>Earnings Per Share (Baht/Share)</b>	<b>0.99</b>	<b>0.86</b>	<b>(13.1%)</b>

\*Net profit of OR (the parent company)

## Profit for the Year Reconciliation from Separated Financial Statements to Consolidated Financial Statements

Unit: THB Million	2021	2022	Variance (YoY)
<b>Profit for the Years—Separate Financial Statements</b>	9,169	7,850	(1,319)
Add Share of Profit (loss) from Investments in Subsidiaries, Associated and Joint Ventures	266	383	117
Less Dividend Received from Subsidiaries, Associated and Joint Ventures	(664)	(580)	84
Add Depreciation and Amortization Adjustment	3,374	3,397	23
Less Deferred Tax Effect	(675)	(677)	(2)
<b>Profit for the Years—Consolidated Financial Statements</b>	<b>11,470</b>	<b>10,373</b>	<b>(1,097)</b>

The consolidated financial statements of the Company recorded oil business unit transferred from PTT at PTT' book valued under the accounting guidance for business combination under common control. Otherwise, on the separate financial statements recorded such assets at purchase cost. Therefore, there are differences on depreciation and amortization.

## Performance by Business Segment

### 1. Mobility Business

#### Performance of Mobility Business Segment

Description	2021	2022	Variance (YoY)
<b>Number of Station</b>			
PTT Station*	2,083	2,161	78
EV Station PluZ**	54	131	77
LPG Station***	232	233	1
<b>Volume Sold (MML)</b>			
Retail	11,777	13,133	11.5%
Commercial	11,368	13,713	20.6%
<b>Total Volume Sold</b>	<b>23,145</b>	<b>26,846</b>	<b>16.0%</b>
<b>Volume Sold by Product (%)</b>			
LPG	14.9%	13.6%	-
Aviation fuel	5.1%	8.6%	-
Diesel	47.0%	45.8%	-
Fuel oil	6.8%	8.3%	-
Gasoline	23.7%	21.6%	-
Lubricant	0.8%	0.6%	-
Others	1.7%	1.5%	-
<b>Total Volume Sold by Product</b>	<b>100.0%</b>	<b>100.0%</b>	-
<b>Gross Profit: Baht/Litre</b>	<b>1.15</b>	<b>0.98</b>	-
<b>Mobility EBITDA Margin (%)</b>	<b>3.2%</b>	<b>1.9%</b>	-

\*Includes ptt station in Thailand and Myanmar

\*\*Station in operation inside and outside service station

\*\*\*LPG Station located in PTT Station is not included

- Revenue from sales and services rose by THB 260,871 Million (+54.9%), mainly from the higher average selling prices as global oil prices surged and from the overall increase in sales volume by 3,701 mml (+16.0%) due to the reopening of the country leading to the recovery of tourism and related service sectors. Mainly from the commercial market, sales volume increased by 2,345 mml (+20.6%) from aviation fuel due to increased air travel. Furthermore, fuel oil and diesel increased from power plants due to a surge in natural gas prices including the expansion of bunker sales overseas. On the retail market side, sales volume rose by 1,356 mml (+11.5%) mainly from diesel owing to the delay in retail price adjustments at the PTT Stations to help alleviate the burden on the Thai people. Gasoline rose from higher passenger car demand after the COVID-19 situation was resolved. In addition, there were 78 new PTT Stations in 2022.
- Gross profit reduced by THB 247 Million (-0.9%) from a softer average gross profit per liter that decreased by 0.17 baht. For the retail market, the average gross profit per liter dropped from gasoline and diesel as a result of higher average costs from partially import during the refinery shutdown in 4Q/22. Gross profit for the commercial market increased mainly from diesel. Fuel oil rose from bunker sales. For aviation

fuel, gross profit per liter dropped from the effect of the M-1 selling price structure, however, the recovery of sales volume caused higher gross profit.

- EBITDA decreased by THB 1,471 Million (-9.6%) from lower gross profit, while the net operating expenses increased from the transportation and PTT Station repair and maintenance expenses. As a result, the EBITDA margin was recorded at 1.9% in 2022, a drop from 3.2% in 2021.



## 2. Lifestyle Business

### Performance of Lifestyle Business Segment

Description	2021	2022	Variance (YoY)
<b>Café Amazon*</b>			
Café Amazon (Outlet)	3,628	3,895	267
Café Amazon total cups sold (Million cup)	298	357	19.8%
<b>Convenience Store** (Outlet)</b>			
Convenience Store** (Outlet)	2,075	2,147	72
<b>Sales and Services (THB Million)</b>			
Food & Beverage	11,181	13,993	25.1%
Other Retail Business	5,784	7,089	22.6%
<b>Total</b>	<b>16,965</b>	<b>21,082</b>	<b>24.3%</b>
<b>Lifestyle EBITDA Margin (%)</b>	<b>24.7%</b>	<b>24.8%</b>	-

\*Includes Café Amazon in Thailand, Myanmar, Japan, Oman, Malaysia, and Saudi Arabia

\*\*Includes both Jiffy and 7-Eleven convenience stores in Thailand

- Revenue from sales and services increased by THB 4,117 Million (+24.3%) from the improvement of the COVID-19 situation in Thailand. As a result, revenue from sales of F&B business increased by THB 2,812 Million (+25.1%), mainly due to an increase in sales volume from F&B business outlet expansion. In addition, in 2021, the Lifestyle business provided help to Café Amazon franchisees by reducing royalty and marketing fees. Revenue from sales of Other Retail Business increased by THB 1,305 Million (+22.6%), mainly from higher average sales per day per store of convenience store.
- Gross profit increased by THB 2,246 Million (+24.3%), a movement in line with the increase in revenue from sales and services from both the F&B business and Other Retail Business.
- EBITDA increased by THB 1,048 Million (+25.0%) from higher gross profit. However, there is also an increase in expenses from outlet expansion and corporate public relations expenses. Thus, the EBITDA of the F&B business increased by THB 671 Million (+24.2%), and Other Retail Business increased by THB 377 Million (+26.7%). The EBITDA margin in 2022 was recorded at 24.8% increased from 24.7% in 2021.

### 3. Global Business

#### Performance of Global Business Segment

Description	2021	2022	Variance (YoY)
<b>PTT Station (Outlet)</b>	356	390	34
<b>Oil Volume Sold (MML)</b>			
<b>Philippines</b>	697	779	11.8%
<b>Cambodia</b>	363	461	27.0%
<b>Laos</b>	230	257	11.7%
<b>Total Volume Sold</b>	<b>1,290</b>	<b>1,497</b>	<b>16.0%</b>
<b>Café Amazon*</b>			
<b>Café Amazon (Outlet)</b>	303	358	55
<b>Café Amazon total cups sold (Million cup)</b>	16.5	23.9	44.8%
<b>Global EBITDA Margin (%)</b>	<b>2.6%</b>	<b>2.8%</b>	-

\*Includes number of outlets / cups sold in the Philippines, Cambodia, Laos, Singapore, Vietnam and China

- Revenue from sales and services increased by THB 23,730 Million (+83.5%), an increase in all three countries because of rising global oil prices coupled with increased overall sales volume in all countries. With economic growth recovering from the relaxation of the COVID-19 situation compared to 2021 when there were lockdowns and restrictions on traveling. Cambodia saw higher sales volumes across all products, especially gasoline, and diesel. The Philippines, sales volume is mainly from aviation fuel due to increased international flights, although sales volume from diesel decreased due to the decrease in sales revenue from the bidding compared to the same period of the previous year. Laos increased due to the increase in sales volume of all products. In addition, the economic recovery also resulted in an increase in the cups sold of Café Amazon over the same period last year, especially in Cambodia and Laos.
- Gross profit increased THB 965 Million (+66.1%) in all three countries: Cambodia, besides higher sales volume, also experienced an overall increase in gross profit in almost all products. The Philippines increased from average gross profit per liter of gasoline and diesel; Laos increased from average gross profit per liter from service station as selling prices were adjusted to be more reflective of the cost of global oil prices.

- EBITDA increased by THB 728 Million (+98.1%), mainly from Laos and Cambodia, due to higher average gross profit per liter, but also increased expenses which are in line with increased economic activities. The Philippines also increased from being able to improve profits and slightly lower operating expenses. Overall, in 2022 EBITDA margin was 2.8%, similar to the same period last year.

## Financial Position and Cash Flow



**Assets** As of December 31, 2022, OR Group recorded total assets in the amount of THB 225,504 Million, an increase of THB 17,845 Million (+8.6%) from December 31, 2021, and can be categorized as follows:

**Current assets** increased by THB 10,486 Million (+8.3%), mainly from:

- Trade accounts receivable and other accounts receivable increased by THB 34,500 Million (+>100.0%), from other accounts receivable by THB 26,653 Million (+>100.0%), mainly from accrued oil fund compensation. Also, trade receivable increased by THB 7,847 Million (+38.8%) due to an increase in global oil prices.
- Inventories, materials and supplies increased by THB 2,844 Million (+11.5%) due to the higher average cost of petroleum products from the rise in global oil prices, mainly from aviation fuel, gasoline, and diesel, while inventory stock decreased by around 78 Million liters (-8.9%)
- Current investments decreased by THB 18,500 Million (-92.3%) from matured short-term investments
- Cash and cash equivalents decreased by THB 8,263 Million (-17.9%), mainly from the payment of long-term borrowing and usage in operating activities

**Non-current assets** increased by THB 7,359 Million (+9.0%), mainly from:

- Investment increased by THB 6,951 Million (+70.9%), mainly from
  - Investments in non-current financial assets at THB 4,155 Million, such as investments in Traveloka and ORZON
  - Investments in joint ventures at THB 1,707 Million, such as investment in K-NEX Corporation Co., Ltd (KNEX), Dusit Foods Co., Ltd (DF), GLOBAL AERO ASSOCIATES Co., Ltd (GAA), and Phnom Penh Aviation Fuel Service Co., Ltd (PPAFS)
  - Investments in associates THB 1,088 Million such as Polar Bear Mission Co., Ltd (freshket) and KAMU KAMU Co., Ltd (KAMU)
- Property, plant, and equipment increased by THB 1,700 Million (+4.0%), mainly from the expansion of service stations, food and beverage outlets, warehouses, and investment in LPG cylinders and related equipment.
- Right-of-use assets and intangible assets decreased by THB 910 Million (-6.0%) due to depreciation and amortization. Deferred tax assets also decreased by THB 730 Million (-9.0%).

**Liabilities** As of December 31, 2022, OR Group recorded total liabilities in the amount of THB 121,743 Million, an increase of THB 13,956 Million (+12.9%) from December 31, 2021, from the following:

**Current liabilities** increased by THB 16,930 Million (+32.7%), mainly from:

- Bank overdraft & short-term borrowings increased by THB 4,597 Million (+>100.0%)
- Trade accounts payables and other accounts payables increased by THB 12,394 Million (+28.2%) from higher petroleum prices, where main creditors were refineries in the PTT group, which was offset by the payment to other accounts payables

**Non-current liabilities** decreased by THB 2,974 Million (-5.3%), mainly from:

- Long-term borrowings decreased by THB 5,013 Million (-17.0%) from loan repayment which was offset by the increased borrowings

- Deferred tax liabilities increased by THB 1,699 Million (+>100.0%) from accrued oil fund compensation and excise tax.

**Equity** As of December 31, 2022, OR Group recorded total equity in the amount of THB 103,761 Million, an increase of THB 3,889 Million (+3.9%) from December 31, 2021, primarily from net profit during the period, which was offset by dividend payment in the total amount of THB 6,480 Million (2H/21; THB 2,280 Million or THB 0.19 per share and 1H/22; THB 4,200 Million or THB 0.35 per share).

## Cash Flow Statement ended Dec 31, 2022

	(THB Million)
<b>Net Cash Provided (used in) by Operating Activities</b>	(4,200)
<b>Net Cash provided (used in) by Investing Activities</b>	5,753
<b>Net Cash provided (used in) by Financing Activities</b>	(9,853)
<b>Unrealized Gain (loss) Foreign Exchange Rate</b>	112
<b>Currency Translation Differences</b>	(75)
<b>Net increase (decrease) in Cash and Cash Equivalents</b>	(8,263)
<b>Cash and Cash Equivalents at Beginning of Periods</b>	46,173
<b>Cash and Cash Equivalents at End of Periods</b>	<b>37,910</b>

Net cash used in operating activities amounted to THB 4,200 Million, mainly from net income from operations before taxes in the amount of THB 13,011 Million there were partially adjusted by non-cash items, such as depreciation and amortization, income tax expenses, and financial costs. This also includes changes in operating assets and liabilities, mainly from an increase in other account payables along with a rise in inventories, trade accounts receivables, and trade accounts payables.

Net cash from investing activities was recorded in the amount of THB 5,753 Million, mainly from matured short-term investments of THB 18,500 Million offsets by investments in land, buildings, and equipment

investment for the expansion of service stations, food and beverage outlets, warehouses, and investment in LPG cylinders and related equipment of the company amounting to THB 6,110 Million. OR also made investments in non-current financial assets at THB 3,892 Million and investments in associates and joint ventures at THB 3,071 Million. In addition, OR also received a dividend from Thapline in the amount of THB 419 Million.

Net cash used in financing activities of THB 9,853 Million, mainly from loan repayment in the amount of THB 13,872 Million and dividend payment in the amount of THB 6,464 Million which were offset by the proceeding short-term and long-term borrowings in the total amount of THB 13,433 Million.

## 5. General and Other Important Information

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### 5.1 General Information

<b>Company Name</b>	PTT Oil and Retail Business Public Company Limited (OR)
<b>Head Office Location</b>	555/2 Energy Complex, Building B, 12 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok, 10900, Thailand
<b>Telephone</b>	+66-2196-5959
<b>Fax</b>	+66-2196-5000
<b>Website</b>	<a href="http://www.pttor.com">www.pttor.com</a>
<b>E-mail</b>	Investor Relations Management Department: <a href="mailto:ir@pttor.com">ir@pttor.com</a> Office of Chief Executive Officer and Corporate Secretary: <a href="mailto:corporatesecretary@pttor.com">corporatesecretary@pttor.com</a>

## References

<b>Securities Registrar</b>	Thailand Securities Depository Company Limited 93, 14 <sup>th</sup> Floor, Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok, 10400 Telephone +66-2009-9999
<b>Auditor</b>	EY Office Limited 193/136-137, Lake Rajada 33 <sup>rd</sup> floor, Ratchadaphisek Road, Khlong Toei, Khlong Toei, Bangkok (EY is the auditor for the 1 <sup>st</sup> quarter, 2 <sup>nd</sup> quarter, 3 <sup>rd</sup> quarter, and year 2022.)

## 5.2 Other Important Information

-None-

## 5.3 Legal Disputes

### 5.3.1 Company Lawsuits and/or Disputes

(A.) On July 29, 2020, a customer filed a civil lawsuit against OR in the Civil Court. It was claimed that OR, as the operator of the Café Amazon business, had caused damage to the plaintiff and therefore the plaintiff requested a compensation of THB 4 Million with 7.5 percent interest per annum from the filing date until the full payment date. On December 30, 2021, the Civil Court dismissed the case as OR's claimed act of tort against the plaintiff was inadmissible. On January 25, 2022, the plaintiff lodged an appeal against the verdict. On January 19, 2023, the plaintiff submitted a petition to the Supreme Court requiring to appeal the verdict of the Appeal Court to the Supreme Court. Currently, the petition is under the consideration of the Supreme Court.

(B.) On September 10, 2020, a labor lawsuit was filed against OR by a former OR employee in the Central Labor Court. The plaintiff demanded a compensation and severance pay of THB 16 Million with interest, due to unfair termination of employment (related to

a case where OR had taken disciplinary action and filed a complaint with the National Anti-Corruption Commission). On October 27, 2021, OR submitted a statement of defense to the Central Labor Court and filed a counter claim (as amended) for a compensation for the damages resulting from the plaintiff's action in the amount of approximately THB 30 Million. On October 31, 2022, the Central Labor Court dismissed the plaintiff's claim and ordered the plaintiff to compensate OR in the amount of approximately THB 30 Million including interest. However, on January 13, 2023, the plaintiff lodged an appeal against the verdict and submitted a petition requesting to suspend the execution. Currently, the case is under consideration of the Appeal Court.

(C.) On November 26, 2020, a civil lawsuit was filed against OR as an employer in the Civil Court. The plaintiff requested a compensation of THB 22 Million with interest, for an accident involving OR's employee that resulted in injuries. OR paid a certain amount to remedy the victims. The plaintiff then withdrew the lawsuit with approval of the Court.

(D.) On May 24, 2022, Atos IT Solutions and Services Co., Ltd. filed a lawsuit against OR in the Civil Court under contractual grounds, claiming the damages in the amount of approximately THB 271 Million with 5 percent

interest per annum. On July 12, 2022, OR submitted a statement of defense to the Civil Court and filed a counterclaim for a compensation in the amount of THB 522 Million.

Currently, the case is under the consideration of the Civil Court. OR Management believes that OR is in compliance with law and terms of contract, and believes that OR has no liable to pay such claimed amount.

### **5.3.2 Litigation and /or Disputes of Subsidiaries**

In 2007, the Philippines Bureau of Customs (“BOC”) claimed that PTT Philippines Trading Corporation (“PTTTC”) failed to declare the custom taxes for the importation of regular kerosene and calculate the inventory accurately during 2004 - 2006, resulting in a shortfall of custom taxes of 470.7 Million Philippines Pesos (or approximately THB 298.1 Million), and demanded PTTTC to pay for the amount, along with a penalty of 800 percent of the said shortfall or approximately 3,765.8 Million Philippines Pesos (approximately THB 2,384.9 Million). In order to prevent impact on its business operations, PTTTC paid the BOC’s assessed taxes in full in the fourth quarter of 2007 but did not pay the penalty charge and also reserved its right to file a contest to the court in the Philippines for a refund, dividing the claim into several court cases and arguing that (A) PTTTC had duly declared correct custom taxes and (B) the method for calculating PTTC’s inventory used by BOC was incorrect. Subsequently, the Court of Tax Appeals ordered that the cases filed by PTTTC to be joined into one and that the case be reconsidered. However, the BOC appealed the Court’s order to the Supreme Court. On August 24, 2021, PTTTC was informed that the Supreme Court of the Philippines upheld the ruling of the Court of Tax Appeals, which demanded for the joining of cases into one and the reconsideration of the case. Later, PTTTC was informed that the decision of the Supreme Court is final on June 29, 2022. The case will be remitted to the Court of Tax Appeals for a hearing, presentation of evidence, and consideration of the case.

PTTTC's legal advisor opined that, if PTTTC is able to submit complete evidence to prove that PTTC's customs declaration on the import of regular kerosene and PTTC's inventory calculations were correct, then PTTTC may have a chance to win the case, and may have no further liability on the penalty and also receive a refund of the paid taxes. However, if the Court of the Philippines rules in favor of the BOC, PTTTC may be required to pay the penalty charge including interest calculated from the date the payment was required to the date the penalty was paid. The payment of penalty charge of 3,765.8 Million Philippines Pesos (or approximately THB 2,384.9 Million) and such interest may have a significant adverse effect on the business, financial position, performance outcomes, and cash flow of the subsidiary in the Philippines and OR and may further delay OR's future business expansion in the Philippines.

Based on the opinion of the legal advisor, PTTTC management believes that PTTTC's request for a custom taxes refund is of a sound and reliable legal basis. As of December 31, 2022, PTTTC did not accrue any contingent liabilities as a result of the lawsuit in PTTTC's financial statements. In addition, PTTTC has now ceased the import of regular kerosene and expects no further issues related to incorrect calculation of the customs taxes.

### **5.4 Secondary Market**

OR has no listed securities in the stock exchange markets of other countries.

### **5.5 Frequently Contacted Financial Institutions (Only for the Case where the Company Issues Debt Instruments)**

OR did not issue any debt instruments in 2022.



**SECTION**

# **2**

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**Corporate Governance**



# 6. Corporate Governance Policy

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## 6.1 Overview of Corporate Governance Policy and Guidelines

### 6.1.1 Policies and Guidelines relating the Board of Directors

#### 6.1.1.1 Nomination of the Directors and Executives

##### (1) Directors Nomination

The Board of Directors has appointed the Nomination and Remuneration Committee to oversee nominating and selecting qualified candidates for OR's directors from shareholders' nomination and directors' pools, the database of directors from various fields of expertise developed by reliable agencies. The Committee considers the suitability of the candidates, namely qualifications required by relevant laws and regulations as well as knowledge and experience that benefit OR and align with its business strategies, in conjunction with the board skill matrix. The nomination consideration must be without discrimination based on gender, ethnicity, religion, or other perceived differences.



The nomination of directors can be categorized into two cases as follows:

(a) Nomination of Directors to Succeed Retiring Directors by Rotation

The Committee shall compile a list of qualified candidates according to nomination criteria and present it to the Board. Once approved, the list of nominees shall be proposed to the annual general meeting of shareholders for approval by casting a vote of shareholders present at the meeting according to the following criteria:

1. Each shareholder shall carry one vote per share.
2. Shareholders may cast their votes either for one individual or several candidates. In the latter case, shareholders may not split their votes.
3. Candidates receiving the highest number of votes in descending order will be elected as directors equal to the number of directors required for a particular election. If selected candidates with equal votes exceed the number of directors required, the Chairman of the meeting shall have a casting vote.

(b) Nomination of Directors for Vacancy apart from Retirement by Rotation

The Committee shall compile a list of qualified candidates according to nomination criteria and present it to the Board for appointment to fill a vacant director position. If the remaining office term of the director is less than two months, the replacing director shall only serve the remainder. The Board of Directors may only pass a resolution on this matter with at least three-fourths of the votes from the remaining directors.

(2) Nomination of Chief Executive Officer

For Chief Executive Officer nomination, the Committee is responsible for proposing qualified candidates with knowledge, experience,

competency, desired characteristics, and leadership to the Board meeting for approval and subsequent appointment per the procedure and method required by relevant laws and regulations.

#### **6.1.1.2 Remuneration of Directors and Executives**

##### **(1) Remuneration of Directors**

The Board of Directors, under the guidance of the Nomination and Remuneration Committee, shall review the remuneration structure and rates for OR's directors to ensure commensurateness with their responsibility to steer the organization towards its short- and long-term goals. The remuneration shall also be consistent with OR's strategies and long-term goals as well as the experience, duty, scope of accountability and responsibility, and contributions expected from each director and shall be comparable with other leading organizations in the same industry. The remuneration structure and rates, both monetary and non-monetary, shall be subject to shareholders' approval. The Board of Directors, under the guidance of the Committee, shall review fixed remuneration (such as monthly salary and meeting allowance) and remuneration based on OR's operating performance (such as bonuses and pension) according to the value OR creates for its shareholders. However, it should be to an extent that would not incentivize undue emphasis on short-term operating performance. The Committee shall establish criteria or methods for determining fair and reasonable remuneration that reflects the duties and responsibilities of each director. Directors appointed as sub-committee members shall be entitled to remuneration for their membership in such sub-committees for their additional duties and responsibilities.

Details of directors' remuneration are disclosed under "8.1.2 Meeting Attendance and Remuneration of Individual Directors."

## (2) Remuneration of Executives

The Board of Directors has established OR regulations regarding human resource management, which includes OR's policy to provide remuneration to create short and long-term incentives. The salary shall be determined in a comparable structure to leading organizations in the same industry. OR's salary structure is classified according to job level defined by job value, with the prescribed minimum and maximum salary for each job level.

### 6.1.1.3 Board of Directors' Independence from the Management

OR separates the roles and responsibilities of the Board of Directors and the Management. The Board of Directors is responsible for establishing policies and overseeing their consistency with OR's primary business objectives and goals. On the other hand, the Management is charged with administering day-to-day operations according to established policies and reporting to the Board of Directors periodically as deemed appropriate. Therefore, the Chairman of the Board of Directors and Chief Executive Officer shall not be the same. The Chairman shall be a non-executive director and not be involved in OR's Management.

### 6.1.1.4 Development of Directors and Executives

The Board of Directors emphasizes the development of directors and executives to enhance efficiency. To this end, new directors must attend an orientation session, which includes a speech by Chief Executive Officer and top executives. The orientation focuses on Good Corporate Governance principles, the nature of OR's businesses, the board structure and composition, and the organizational structure. Newly appointed directors are also presented with a compilation of essential information to familiarize them with OR's businesses and corporate governance, as well as given opportunities to enquire in-depth questions about OR's businesses to relevant executives.

Furthermore, OR encourages new directors to attend training programs relevant to directorial duties held by the Thai Institute of Directors (IOD) or other institutions,

keeping them informed about training programs beneficial to their discharge of directorial responsibilities. In 2022, OR's directors, following the board's policy, continuously enhanced their knowledge by participating in additional training programs related to their duties. Details of the directors' training are disclosed in section 8.4.1, "Corporate Governance Policies Compliance Report".

#### 6.1.1.5 Board Performance Assessment

The Board of Directors conducts annual performance assessments to enable the Board to consider and analyze its performance, problems, and obstacles throughout the year to determine guidelines for enhancing the Board's operational efficiency. In 2022, the Board of Directors approved three performance assessment forms, which had been reviewed and approved by the Nomination and Remuneration Committee, namely:

1. Assessment of the Board as a whole
2. Assessment of sub-committees
3. Assessment of individual directors (with both self-assessment and cross-assessment)

The Office of the President and Corporate Secretary distributes assessment forms to all directors and subsequently summarises and presents the assessment results to the Nomination and Remuneration Committee and the Board of Directors for acknowledgement. The scoring criteria are as follows.



In 2022, the assessment results show that the Board of Directors performed their duties in line with Good Corporate Governance principles and the OR Corporate Governance Handbook. The breakdown of the performance assessment is detailed below.

<b>Assessment</b>	<b>Percentage (%)</b>	<b>Assessment result</b>
<b>1. Assessment of the Board as a whole</b>	97.2	Effective performance
<b>2. Individual Assessment (Both self and cross-assessment)</b>		
2.1 Individual directors' assessment (self-assessment)	99.0	Effective performance
2.2 Individual directors' assessment (cross-assessment)	99.7	Effective performance
<b>3. Assessment of Sub-Committees as a whole</b>		
3.1 Nomination and Remuneration Committee	93.8	Effective performance
3.2 Enterprise Risk Management Committee	98.5	Effective performance
3.3 Corporate Governance and Sustainability Committee	98.9	Effective performance

#### Sub-Committee Assessment: Audit Committee

Audit Committee's Performance Assessment, to comply with the best practices of The Stock Exchange of Thailand (SET) and the State Enterprise Policy Office (SEPO), as well as OR's regulations on the Audit Committee and the Internal Audit Unit, the Audit Committee must assess its audit performance by undertaking self-assessment at least once a year. The individual self-assessment and the entire committee's assessment is to be presented annually to the Board, specifying problems leading to unfulfilled objectives.

In 2022, the Audit Committee Meeting No. 9/2022 on September 12, 2022, endorsed the assessment forms for the Audit Committee, Assessment of the Committee (entire Committee), Assessment of Individual Directors (self-assessment), Individual Assessment of Other Directors (cross-assessment). The Audit Committee Meeting No. 11/2022 of November 8, 2022, endorsed the assessment of its performance for 2022 and submitted the results together with the performance improvement plan to Board Meeting No. 11/2022 on November 23, 2022, with the following details:

- Assessment of the Committee (entire Committee): There are 4 levels of assessment criteria: 4 = excellent performance / 3 = good performance / 2 = moderate performance and 1 = no performance or little action. The results of the assessment for the entire Audit Committee were at "excellent performance" level, with an average score of 4.00.
- Assessment of Individual Directors (Self-Assessment): There are 4 levels of assessment criteria: 4 = excellent performance / 3 = good performance / 2 = moderate performance and 1 = no performance or little action. The results of the self-assessment were at "excellent performance" level, with an average score of 3.80.
- Individual Assessment of Other Directors (Cross-assessment): assessment criteria are the same as the Individual Self-Assessment. The results of cross-assessment were at "excellent performance" level, with an average score of 4.00.

#### The Board performance evaluation of 2022 by the independent external auditor

OR appointed PricewaterhouseCoopers ABAS Ltd. (PwC) as the independent external auditor for the board performance evaluation for the year 2022. The evaluation is set to take place every three years.

### **6.1.2 Policy and Guidelines Relating Shareholders and Stakeholders**

The Board of Directors attaches great significance to the rights of all stakeholders, both internal and external, as well as social and environmental responsibility. To this end, the Board has defined clear guidelines for treating each stakeholder group in the OR Good Corporate Governance Handbook, complying with ethical standards and the Code of Business Ethics, to which OR's directors, executives, and personnel are required to adhere in their operations. OR's stakeholders can be categorized into six following groups: 1) the nation, 2) shareholders, 3) customers and consumers, 4) OR's employees, 5) community and society and 6) business partners.

OR discloses its policies relating to stakeholders in the Good Corporate Governance and the Code of Business Conduct Guidelines, which is a part of Attachment 5 (Full version of Corporate Governance Policy and Guidelines and the Code of Business Conduct) displayed on OR's official website ([www.pttor.com](http://www.pttor.com)). Moreover, OR discloses activities related to stakeholders in Form 56-1 One Report under section 8.4.1, "Corporate Governance Policies Compliance Report".

### **6.2 Corporate Governance Policy and Business Code of Conduct**

The Board of Directors is determined to promote OR as an organization with efficiency and excellency in business conduct, corporate governance, and management, taking into account the sustainably of all stakeholders. OR emphasizes integrity and transparency in business, and thus, OR's Good Corporate Governance Policy has been formulated for all personnel from Directors, Management, and employees to comply as their word guidelines as follows:

1. The Board of Directors ("The Board"), Management, and employees shall commit to OR's six Good Corporate Governance Principles, namely Accountability, Responsibility, Equitable Treatment, Transparency, Vision to Create Long-Term Value and Ethics. The Company's organization structure shall fairly balance the roles of the Board, management and shareholders.

2. The Board shall perform its duties with dedication, a sense of responsibility and independence, and there shall be a clear segregation between the roles and responsibilities of the Chairman and the Chief Executive Officer. This also includes the definition of structure and composition of The Board for efficiency and effectivity in their performance.
3. The Board and Management shall play a vital role in formulating the Company's vision, strategies, policies and plans, while taking into consideration risk factors and consequences, while supervising, monitoring management direction, as well as allocating important resources. They must ensure that the accounting systems, financial reports and accounting audits are all reliable. OR shall conduct its business with ethics towards social and environmental responsibility, promote innovation in attempts for adaptability under challenging and ever-changing circumstances, and strengthen to ability for the long-term internal competition in sustainable manner.
4. The Board and Management shall be the role model for ethics and shall perform their duties in accordance with the Company's Good Corporate Governance guidelines, as well as overseeing and resolving conflicts of interest and Connected Transactions.
5. The Board may appoint specific sub-committees as deemed appropriate, to assist in reviewing critical matters.
6. The Board shall perform an annual self-assessment as a framework for reviewing the Board's performance.
7. The Board shall establish the Company's Good Corporate Governance Handbook, which the Board, Management, and employee at all levels must comply in parallel with Company's rules and regulations.
8. The Board, Management, and employee shall enable the disclosure of the Company's information, both financial and non-financial, shall be adequate, reliable and timely, so that the Company's shareholders and other stakeholders receive such information in a fair and equitable manner. The Corporate Communications Department and the Investor Relations Department shall be responsible for providing information to general public and investors.

9. OR's shareholders shall receive equitable treatment from the Board, Management, and OR's employees, shall have equal rights to access the Company's information and appropriate communication channels, and shall be encouraged for engagement with the Company.
10. There shall be an appropriate system for the selection and appointment of key management positions at all levels with a transparent and fair nomination process.
11. There shall be an effective anti-fraud and corruption policy and system to ensure that the Management is fully aware of and pays attention to anti-fraud and corruption practices and implementation.

### **6.3 Significant Changes and Developments in Corporate Governance Policy, Guidelines, and System in 2022**

The Board of Directors ensures the continuous improvement of OR's Corporate Governance policy, guidelines, and systems to enhance its corporate governance efficiency and elevate its corporate governance standards to meet the 2017 Corporate Governance Code (GC Code) of the Securities and Exchange Commission.

In 2022, the Board of Directors approved the revision of OR's Corporate Governance policy, guidelines, and system as follows:

<b>Corporate Governance Policy, Guidelines, and System</b>	<b>Improvement</b>
<b>Corporate Governance Policy and Guidelines and the Code of Business Conduct</b>	<ul style="list-style-type: none"> <li>• Improvement of guidelines for recruitment and development of senior executives and personnel management. A nomination committee is appointed to consider criteria and recruiting methods in search of the qualified Chief Executive Officer, ensuring these methods are consistent with the Standard Qualifications Act for Directors and State Enterprise Employees, B.E. 2518 (1975).</li> </ul>
<b>OR's Board of Directors Charter</b>	<ul style="list-style-type: none"> <li>• Amendment on the top executive title from "Chief Executive Officer and President" to "Chief Executive Officer" to be in line with OR's organizational restructuring. The authority scope of the Board of Directors were also adjusted to be consistent throughout the edition with no redundancy.</li> <li>• Amendment on the Company's top executives' recruitment requirements, providing more clarity and coverage on OR regulations, relevant laws, and principles for top executives' recruitment of companies listed on the Stock Exchange of Thailand that are state enterprises.</li> <li>• Amendments to the scope of duties and responsibilities related to personnel management of President and Deputy Chief Executive Officer level or equivalent. The amendments are aimed to be consistent with the opinions of OR's directors, OR organizational restructuring, and personnel management regulations.</li> <li>• Amendments to the scope of authority and responsibility regarding OR's salary structure to be consistent with the opinion of OR's directors, organizational restructuring, and personnel management regulations.</li> </ul>

<b>Corporate Governance Policy, Guidelines, and System</b>	<b>Improvement</b>
<b>Audit Committee Charter</b>	<ul style="list-style-type: none"> <li>• Amendment on regulations and requirements related to internal auditing practice, namely the Audit Committee's duties and responsibilities, and also the structure, personnel, duties and responsibilities of the internal audit department. The amendments were aimed to comply with the Ministry of Finance's criteria on internal audit standards and guidelines for government agencies B.E. 2561 (2018).</li> <li>• Amendment on the position name top executive from the "Chief Executive Officer and President" to "Chief Executive Officer". Moreover, the previous executive terms of "The first 4 Senior Executive Vice Presidents, including those holding positions equivalent to the 4<sup>th</sup>, Vice President, Finance, Accounting and Tax Control and Vice President, Corporate Finance" were changed to "The executives who hold a position after the top executive, i.e., President, Senior Executive Vice President, Vice President".</li> </ul>
<b>Nomination and Remuneration Committee Charter</b>	<ul style="list-style-type: none"> <li>• Amendment on the top executive title from "Chief Executive Officer and President" to "Chief Executive Officer" to be in line with OR's organizational restructuring.</li> <li>• Amendment on the Company's top executives' recruitment requirements, providing more clarity and coverage on OR regulations, relevant laws, and principles for top executives' recruitment of companies listed on the Stock Exchange of Thailand that are state enterprises.</li> <li>• Amendment on the Company's top executives' remuneration, providing more clarity and coverage on OR regulations, relevant laws, and principles for top executives' remuneration of companies listed on the Stock Exchange of Thailand that are state enterprises.</li> <li>• Adjustment on the scope of duties and responsibilities regarding personnel management related to President and Deputy Chief Executive Officer level or equivalent. The adjustment is aimed to be consistent with the opinions of the OR's directors, organizational restructuring, and personnel management regulations.</li> </ul>
<b>Enterprise Risk Management Committee Charter</b>	<ul style="list-style-type: none"> <li>• Improvement on the scope of responsibility for cybersecurity and information technology strategies.</li> </ul>
<b>Corporate Governance and Sustainability Committee Charter</b>	<ul style="list-style-type: none"> <li>• Name change from Corporate Governance Committee to Corporate Governance and Sustainability Committee.</li> <li>• Improvement on the scope of duties, power, and responsibility of the Good Corporate Governance Committee to be clearer and more beneficial to the Company.</li> </ul>



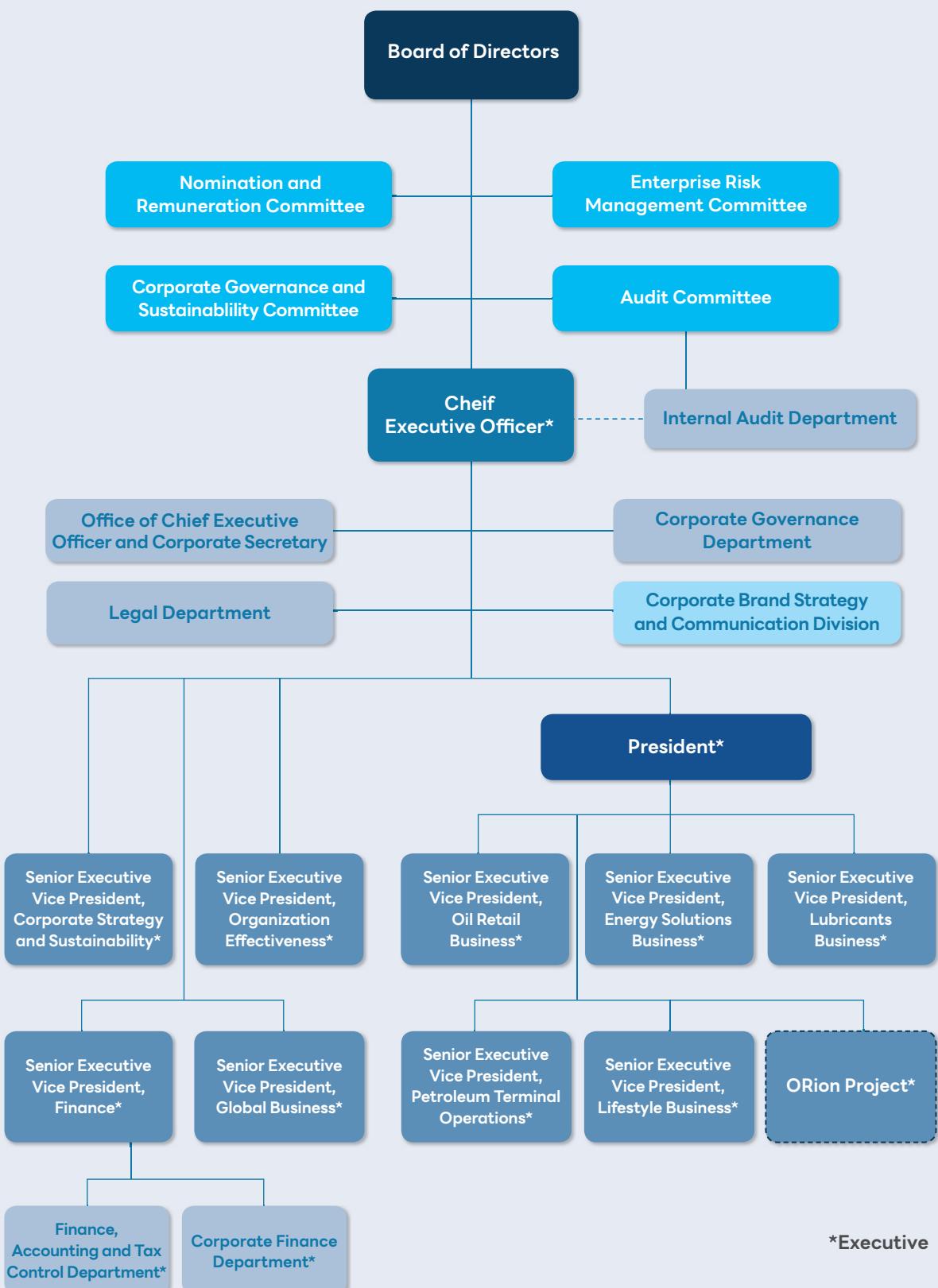
## **7. Corporate Governance Structure and Important Information regarding Board of Directors, Management, Employees and Others**

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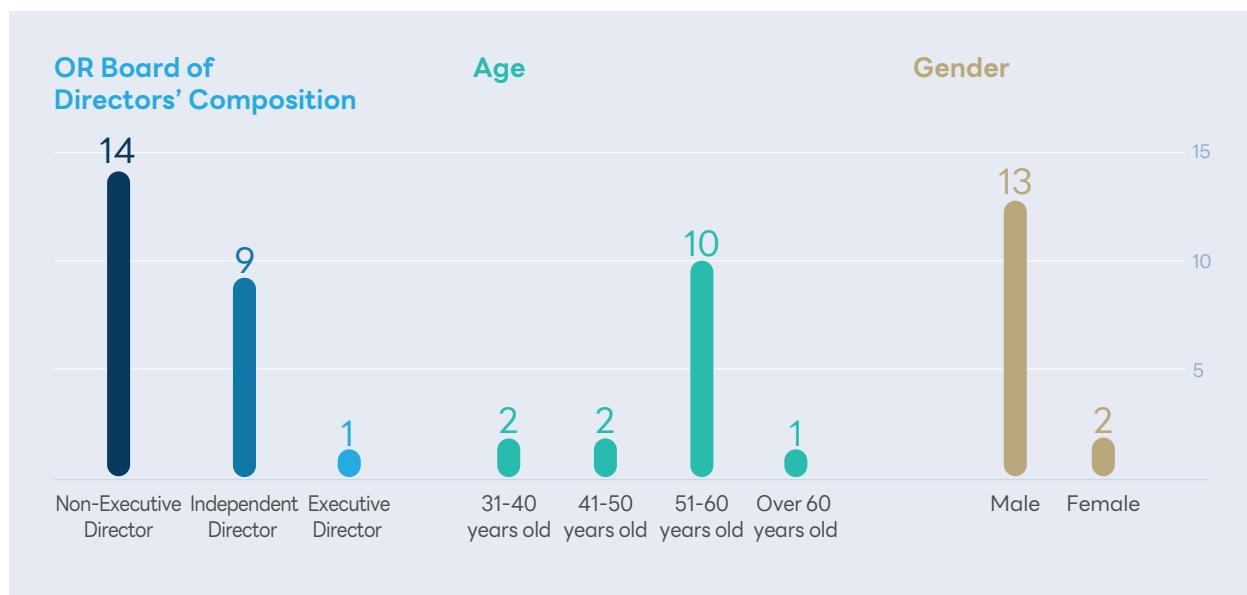
### **7.1 Corporate Governance Structure**

As of December 31, 2022, there are OR Board of Directors and 4 Sub-Committees who work on screening and prioritizing important tasks for the OR Board of Directors, namely the Audit Committee, the Nomination and Remuneration Committee, the Enterprise Risk Management Committee, and the Corporate Governance and Sustainability Committee. Chief Executive Officer is the head of company of OR.



## 7.2 Information about OR's Board of Directors

### 7.2.1 OR Board of Directors' Composition



Skills according to OR Board Skill Matrix (from 15 Directors)

PTT Oil and Retail Business Public Company Limited (OR)	Finance	Accounting	Law	Information Technology and Innovation	Business Management	Engineering and Energy	Oil Industry and Trade	Corporate Communications Marketing Communication	Marketing	International Business	Retail Business	Human Resource Management	Public Administration Management
1. Mr. Auttapol Rerkpiboon				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2. Mr. Chintapun Dansubutra			✓	✓									✓
3. Dr. Kobsak Pootrakool	✓	✓								✓			✓
4. Dr. Chaichana Mitprant				✓									✓
5. Asst. Prof. Dr. Duangkamol Chartprasert				✓			✓	✓			✓	✓	✓
6. Prof. Dr. Bundhit Eua-Arporn		✓	✓	✓	✓								
7. Mr. Rawit Hanutsaha	✓			✓	✓			✓	✓				✓

<b>PTT Oil and Retail Business Public Company Limited (OR)</b>	<b>Finance</b>	<b>Accounting</b>	<b>Law</b>	<b>Information Technology and Innovation</b>	<b>Business Management</b>	<b>Engineering and Energy</b>	<b>Oil Industry and Trade</b>	<b>Corporate Communications Marketing Communication</b>	<b>Marketing</b>	<b>International Business</b>	<b>Retail Business</b>	<b>Human Resource Management</b>	<b>Public Administration Management</b>
<b>8. Miss Dujduan Hettrakul</b>				✓			✓	✓	✓			✓	
<b>9. Mr. Supat Metheworapote</b>	✓	✓	✓	✓								✓	
<b>10. Mr. Poomsak Aranyakasemsuk</b>	✓	✓	✓								✓	✓	✓
<b>11. Mr. Komol Buaket</b>					✓						✓	✓	✓
<b>12. Mr. Terdkiat Prommool</b>				✓	✓					✓			
<b>13. Dr. Buranin Rattanasombat</b>				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>14. Mr. Tawatchai Cheevanon</b>	✓		✓	✓					✓				
<b>15. Mr. Disathat Panyarachun</b>					✓	✓			✓	✓	✓		

OR's Board of Director understands their roles and responsibilities towards shareholders and perform their duties well. OR's Board of Directors consist of individuals with recognized knowledge and competence responsible for making operational decisions beneficial for the Company, shareholders and all stakeholders, as well as determining the Company's objectives and goals by working with senior management in formulating strategies and operating policies for both short-term and long-term, monetary policy risk management, and overview of the organization, reviewing the Company's essential guidelines and plans yearly. The Board plays a vital role in allocating significant resources according to the goals, supervising, examining and evaluating the performance of OR and top management to be as planned independently.

As of December 31, 2022 OR has 15 directors in accordance with the relevant laws and the Company's

Articles of Association. There are 14 non-executive directors (representing 93% of the entire Board of Directors) and 1 director from the management, which is the Acting Chief Executive Officer (accounting for 7% of the entire Committee).

OR has 9 independent directors, more than half the total number of directors (accounting for 60% of the entire community), with 2 female independent directors. All 9 independent directors meet OR's qualifications for independent directors, which are more stringent than the criteria of the Capital Market Supervisory Board.

The Board of OR comprises members with gender diversity, possessing a wide range of qualifications, knowledge, expertise and experience necessary and beneficial to the Company's business operations with an appropriate balance of directors. Their performances are independent, transparent, and verifiable, with proper checks and balances for the Board of Directors.

## 7.2.2 Directors' Individual Information

Information of the Board of OR as of December 31, 2022 with positions in sub-committees and the date of appointment for the current term are as follows:

<b>Board Name List</b>	<b>Position(s)</b>	<b>Date of Appointment</b>
1. Mr. Auttapol Rerkpiboon	Chairman of the Board	April 7, 2022 (Term renewed)
2. Dr. Kobsak Pootrakool <sup>(1)</sup>	Independent Director	April 7, 2022
	Chairman of the Audit Committee / Member of the Enterprise Risk Management Committee	April 7, 2022
3. Prof. Dr. Bundhit Eua-Aporn <sup>(2)</sup>	Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee	January 10, 2023
4. Asst. Prof. Dr. Duangkamol Chartprasert	Independent Director / Chairman of the Corporate Governance and Sustainability Committee	April 7, 2021 (Term renewed)
5. Dr. Chaichana Mitrpant	Independent Director / Member of the Audit Committee	April 7, 2022 (Term renewed)
	Chairman of the Enterprise Risk Management Committee	May 14, 2019
6. Mr. Chintapun Dansubutra	Independent Director / Member of the Corporate Governance and Sustainability Committee	January 26, 2022
	Member of the Audit Committee / Member of the Enterprise Risk Management Committee	December 21, 2022
7. Mr. Rawit Hanutsaha	Independent Director	April 7, 2021
	Member of the Audit Committee	April 8, 2021
8. Miss Dujduan Hettrakul	Independent Director	March 30, 2020 (Term renewed)
	Member of the Nomination and Remuneration Committee	October 27, 2021
	Member of the Corporate Governance and Sustainability Committee	December 21, 2022
9. Mr. Supat Metheeworapote	Independent Director / Member of the Corporate Governance and Sustainability Committee	December 23, 2020
	Member of the Nomination and Remuneration Committee	October 27, 2021
	Member of the Audit Committee	December 21, 2022
10. Mr. Poomsak Aranyakasemsuk	Director / Member of the Nomination and Remuneration Committee	April 7, 2021 (Term renewed)
11. Mr. Komol Buaket <sup>(3)</sup>	Director / Member of the Corporate Governance and Sustainability Committee	December 26, 2022

<b>Board Name List</b>	<b>Position(s)</b>	<b>Date of Appointment</b>
<b>12. Mr. Terdkiat Prommool<sup>(4)</sup></b>	Director / Member of the Nomination and Remuneration Committee	December 26, 2022
<b>13. Mr. Tawatchai Cheevanon<sup>(5)</sup></b>	Independent Director / Member of the Corporate Governance and Sustainability Committee	December 26, 2022
<b>14. Dr. Buranin Rattanasombat</b>	Director / Member of the Corporate Governance and Sustainability Committee	December 26, 2022
<b>15. Mr. Disathat Panyarachun<sup>(6)</sup></b>	Director / Chief Executive Officer  Member of the Enterprise Risk Management Committee	December 1, 2022  December 21, 2022

**Remarks:**

- <sup>(1)</sup> Dr. Kobsak Pootrakool was appointed as an independent director by the resolution of the 2022 Annual General Meeting of Shareholders on April 7, 2022.
- <sup>(2)</sup> Mr. Yanyong Detpiratmongkol resigned from the position of independent director Chairman of the Nomination and Remuneration Committee and Audit Committee effective from May 31, 2022. The Board of Directors at the meeting No. 12/2022 held on December 21, 2022 approved the appointment of Prof. Dr. Bundhit Eua-Arporn, replacing Mr.Yanyong Detpiratmongkol as a new director to hold the position of independent director, and the Chairman of the Nomination and Remuneration Committee and Audit Committee. The appointment was approved by the State Enterprise Policy Committee (Public Organization) on December 26, 2022, effective from January 10, 2023 onwards.
- <sup>(3)</sup> Dr. Twarath Sutabutr resigned from the position of director and Member of the Enterprise Risk Management Committee Effective from November 1, 2022. Mr. Komol Buaket was appointed as a new director in place of the resigned director. According to the resolution of the Board of Directors in the meeting No. 12/2022 on December 21, 2022, the appointment was approved by the State Enterprise Policy Committee (SEPO) on December 26, 2022.
- <sup>(4)</sup> Mr. Kris Imsang resigned from the position of director and member of the Nomination and Remuneration Committee effective from September 30, 2022. Mr. Terdkiat Prommool was appointed as a new director in place of the resigned director. According to the resolution of the Board of Directors in the meeting No. 11/ on November 23, 2022, the appointment was approved by the State Enterprise Policy Committee (SEPO) on December 26, 2022.
- <sup>(5)</sup> Mr. Disathat Panyarachun resigned from the position of director and member of the Corporate Governance and Sustainability Committee effective from October 18, 2022. Mr. Tawatchai Cheevanon was appointed as a new director in place of the resigned director. According to the resolution of the Board of Directors in the meeting No. 12/2022 on December 21, 2022, the appointment was approved by the State Enterprise Policy Committee (SEPO) on December 26, 2022.
- <sup>(6)</sup> Mr. Disathat Panyarachun was appointed as a director board secretary and Chief Executive Officer Effective from December 1, 2022 onwards.

### 7.2.3 Scope of Power and Duties of OR's Board

#### 7.2.3.1 Scope of Power, Duties, and Responsibilities of the Board of Directors

The power, duties, and responsibilities of the OR Board of Directors are set forth with reference to the Public Limited Companies Act B.E. 2535 (including amendments), the Securities and Exchange Act B.E. 2535 (including amendment), Regulations of the Stock Exchange of Thailand, and OR's Articles of Association.

#### Scope of Power, Duties, and Responsibilities of OR's Board

1. To follow the laws, OR's corporate goals, articles of association, and resolutions of shareholders' meetings, as well as performing its duties with

a sense of responsibility, care, honesty, and acting in the best interest of OR.

2. To oversee the shareholders' best interest, ensuring OR's information disclosure to OR's investors is accurate, standardized, and transparent.
3. To define Good Corporate Governance policies and a code of business conduct comprising appropriate guidelines and best practices for directors, management, and employees. The Committee aim to foster professional responsibility and understanding, which are to be strictly complied with the rules and regulations of OR to ensure equity for all stakeholders. In addition, OR will assess its performance under the Good Corporate Governance policies and code of business conduct at least once a year.

4. To review and approve OR and its subsidiaries' vision, missions, business strategies, directions, policies, targets, plans, and budget proposed by the management.
5. To effectively oversee and ensure that the management's operations align with OR's vision, missions, business strategies, directions, policies, targets, plans, and budget approved by the Board for the best interest of OR and its shareholders.
6. To ensure that OR and its subsidiaries establish reliable accounting systems, adequate and effective internal control and internal audit systems, as well as internal control adequacy monitoring systems regularly.
7. To command for OR's financial statements at the end of each accounting year to be proposed for approval at the annual general meeting of shareholders and oversee yearly and quarterly financial reports are audited by auditors and be submitted promptly to the SET.
8. To make proper decisions on the selection of auditors as well as determine the appropriateness of the remuneration submitted by the Audit Committee before proposing for approval at the annual general meeting of shareholders.
9. To prioritize social and environmental responsibilities in OR's business operation for a better and sustainable quality of life.
10. To consider and approve the appointment of qualified candidates with no prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) (including amendments) and the Securities and Exchange Act B.E. 2535 (including amendments, as well as laws, notifications, regulations, and/or other relevant rules as the seat of directors is vacated with other reasons besides term completion, as well as consider the appointment of directors to replace the directors retired by term completion and determine the appropriateness of the remuneration submitted by the Nomination and Remuneration Committee before proposing for approval at the shareholders' meeting.
11. To appoint and define the roles and responsibilities of sub-committees, such as the Audit Committee, Nomination and Remuneration Committee, to assist and support the Board in their operations. The sub-committees' remuneration shall be reviewed before proposing for approval at the shareholders' meeting.
12. To appoint, conduct performance assessment, determine the remuneration of OR's President and Chief Executive Officer, and grant a power-of-attorney to the President and Chief Executive Officer to appoint executives as defined by the SEC Board or the Capital Market Advisory Board.
13. To ensure a fair, transparent, and fair nomination process for selecting and appointing key management positions at all levels.
14. To appoint the Corporate Secretary to support the Board's matters and define the Corporate Secretary's qualifications and experiences to perform duties, including disclosing the qualifications and experience of the Corporate Secretary in OR's annual report and on OR's website.
15. To approve expenditures for investments, operations, loaning, or application for credits from financial institutions, and being a guarantor as part of OR and its subsidiaries' regular operations without budget limits following the rules and regulations of OR and laws and regulations stipulated by the SET and the Capital Market Supervisory Board.
16. To consider and approve connected transactions undertaken by OR, its subsidiaries, and associate companies as prescribed by the Securities and Exchange Act B.E. 2535 (1992) (including amendments) and related regulations under the SET and the Capital market Supervisory Board. To provide the management with clear operating guidelines under associated laws and regulations, the Board shall define OR's ordinary business transactions, which OR, its subsidiaries, and associate companies could enter with OR directors, executives, and their related persons.

17. To ensure that OR and its subsidiaries' operations align with OR policies, the securities and exchange law, and regulations under the Capital Market Supervisory Board, the SEC, and the SET, as well as ensuring OR's adequate internal control and internal audit systems.
18. To approve payment of interim dividend.
19. To decide and amend the list of authorized directors.
20. To seek independent professional advice as considered necessary.
21. To oversee OR's operational effectiveness and act in the stakeholders' best interest.
22. To provide each shareholder group with proper communication channels and ensure that the information disclosure is complete, precise, transparent, reliable, and of the highest standards.
23. To arrange an annual general meeting of shareholders within 4 months after the end of each OR fiscal year, to oversee the meeting's effectiveness and transparency, and to provide the shareholders with an opportunity to exercise their rights. After the meeting, ensure that the meeting resolutions and meeting minutes are timely prepared and disclosed.
24. To compile and disclose the annual report and financial statements of OR and its subsidiaries, stating OR's financial status and operations, to be proposed for consideration and approval at annual general meetings of shareholders.
25. To perform self-assessment of the Board as a whole and as an individual annually to serve as a framework for the Board's performance evaluation and a reflection on problems and obstacles. The evaluation results should be used to strengthen the effectiveness of the Board.
26. To consider potential risk factors, formulate comprehensive risk management guidelines, ensure that the management operates with efficient systems and processes, and predict possible risks arising from new business opportunities.
27. To monitor and remedy issues related to potential conflicts of interest and connected transactions, prioritizing major transactions that will result in maximum benefits for shareholders and stakeholders.
28. The Board may authorize and/or designate individuals to perform specific tasks on its behalf. The power granted to attorneys or sub-attorneys shall conform to the scope defined in the authorization letter and/or in compliance with the rules, regulations, or orders prescribed by the Board of and/or OR. The authorization of the Board's roles and responsibilities shall not be in such a manner that enables the Board or the appointed attorneys or sub-attorneys to approve transactions that may benefit themselves or others who may have a conflict of interest (as defined in the notifications of the SEC or the Capital Market Supervisory Board) in any manner or create conflicts of interest with OR or its subsidiaries. The exception is for transactions that follow the policies and criteria approved by shareholders' meetings or the Board. The business-related approval shall be OR's ordinary business transactions as defined in the notifications of the SEC, the Capital Market Supervisory Board, and/or the SET or other related institutions.
29. To review the Board charter at least once a year.
30. To encourage OR's directors and management to attend courses and seminars organized by the Thai Institute of Directors (IOD) or by other institutions that are relevant to their roles and responsibilities.
31. To consider and approve the criteria and processes for OR's executives at the president or vice president levels for their recruitment and appointment, transfers, promotions, disciplinary actions, resignation, and termination of employment in case of resignation, retirement before term ends, and early retirement before the age of sixty.
32. To approve the salary structure of the Company.

### **7.2.3.2 Authorized Directors to Bind the Company**

Directors authorized to bind the Company consist of the President to sign and affix with the Company's seal or two other directors to jointly sign and connect the Company's seal. The exception is made for independent directors to maintain independence according to the principles of Good Corporate Governance. As of December 31, 2022, the authorized directors to bind the Company are as follows: Mr. Disathat Panyarachun can sign and affix the Company's seal, or (2) Mr. Poomsak Aranyakasemsuk, Mr. Attapol Rerkpiboon, Dr. Buranin Rattanasombat, Mr. Terdkiat Prommool, or Mr. Komol Buaket, two of these five directors can jointly sign and affix the Company's seal.

### **7.2.3.3 Independent Directors**

OR's Good Corporate Governance Handbook stipulates that the number of independent directors following the rules of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand is at least one-third of the total number of directors. Currently, OR has eight independent directors, which is more than the criteria mentioned above. OR's independent director's term of office is at most 9 years from the date of first appointment as an independent director. In the case of appointing such independent directors to continue holding office, the Board of Directors will consider such a necessity. However, until now, no independent director has been in office beyond the stipulated term.

In addition, OR Corporate Governance Handbook also requires independent directors to hold meetings among independent directors at least once a year. In 2022, the meeting as mentioned above was held once.

All independent directors of OR are knowledgeable, competent, and possess independence with no prohibited qualifications as required by law. They are independent of the Company's Management and major shareholders, with qualifications according to OR's definition of an independent director of OR as follows:

1. Holding at most 0.5% of the total share numbers with voting rights of either OR or its subsidiary, associated company, and not a major shareholder or controlling person of OR, including the shareholding of related persons of that independent director.

2. They are not currently or used to be a director who participates in management, an employee or a consultant with a salary basis. Neither is a controlling person of OR, its subsidiary or associated company, same-level subsidiary, major shareholder or controlling person of OR, unless such nature has ended at least 2 years before being appointed as OR's independent director. However, such prohibited characteristics do not include the case where the independent director used to be a government official or an advisor to a government agency who is a major shareholder or controlling person of OR.
3. They are not related by blood or by legal registration in the form of father, mother, spouse, siblings, and children, including the spouse of the child of other directors, executives, major shareholders controlling person or a person who will be nominated as a director, executive or controlling person of OR or its subsidiaries.
4. Does not have or have had a business relationship with OR, its subsidiary or associated company, major shareholder or OR's controlling person that may impede the exercise of their independent judgment, including. They are also not or were not a significant shareholder or a controlling person of a person having a business relationship with OR, its subsidiary or associated company, major shareholder or controlling person of OR. The exception is made if the above relationship has ended more than 2 years before the time of the appointment.

The business relationship under the first paragraph includes trade transactions generally done for business, such as real estate rental, transactions relating to assets or services, giving or receiving financial assistance, accepting or lending, guaranteeing or placing holdings as collateral for liabilities, and other similar behaviors. As a result, OR or the counterparty has a debt obligation to be paid to the other party at least 3% of OR's net tangible assets or 20 million baht or more, whichever is lower. However, the calculation of such indebtedness shall follow the calculation of connected transactions value under the Notification of the Capital Market Supervisory Board regarding Rules on Connected Transactions mutatis mutandis. But consideration of such debt

obligations shall include debt obligations incurred 1 year before the date of the business relationship with the same person.

5. They are not or were not an auditor of the following parties: OR or its subsidiary, associated company, major shareholders, OR's controlling person. They are also not a significant shareholder, controlling person or partner of the audit firm with auditors working for OR, its subsidiary or associated company, major shareholder, or a controlling person of OR unless the previous relationship has ended for at least 2 years before the appointment.
6. They are not currently or were a professional service provider of any kind, including legal or financial advisory services, receiving service fees of more than 2 million baht per year from OR, its subsidiary or associated company, major shareholder or controlling person of OR. They shall not be either a major shareholder, a controlling person, or a partner of that professional service provider. Exception made if they were discharged from the nature above for at least 2 years before being appointed.
7. They are currently not a director appointed to represent OR's directors, major shareholders, or those related to significant shareholders.
8. They are not operating a business of that exact nature and are in competition with OR or its subsidiaries' businesses. They shall not be a significant partner or a director who takes part in the management, an employee, a consultant who receives a regular salary, or holding more than 1% of the total share numbers with voting rights of other companies which operate the exact nature and compete with OR or its subsidiaries' businesses.
9. They have no other characteristics that prevent independent opinions on OR operations after being appointed as independent directors, with the features under number 1 to number 9. The Board of Directors may assign an independent director to make operational decisions for OR, its subsidiary or associated company, same-level subsidiary, major shareholder, or the controlling person of the OR with a collective decision.

At present, there are no independent directors of OR who hold other positions as independent directors in the subsidiary and same-level subsidiary of OR.

#### **Roles, Duties, and Responsibilities of OR Independent Directors**

1. Recommend significant and beneficial matters to the Company's shareholders and minority shareholders, to the Board of Directors and/or Chief Executive Officer, as the case may be.
2. Give opinions on the roles and duties of the Board of Directors that should be performed, as well as giving views on the functions and responsibilities of independent directors beneficial for the Company, shareholders, and minority shareholders.
3. Review the Company's compliance with the laws related to independent directors, including the definition of independent directors, ensuring it is appropriate and complete according to the law.
4. To perform any other acts as assigned by the Board without affecting the independence in duties and performance
5. The term of independent director starts with having full qualifications according to the definition of an independent director in the Company's Good Corporate Governance. The term ends when lacking qualifications under the definition mentioned above or retirement from the position of the Company's director.
6. Independent directors must set up a meeting at least once a year.

#### **7.2.3.4 Chairman of the Board**

Auttapol Rerkpiboon, a PTT's representative director, is the Board's Chairman. Although he is not an independent director, OR considers the Chairman has the knowledge, capabilities, and good understanding towards the nature of OR's business, which is necessary for decision-making in the best interests of OR and shareholders. Overall, OR has a mechanism that can build confidence for shareholders and all stakeholders that decisions of the Board of Directors are made independently, cautiously, prudently, and without domination or guidance as follows:

1. The OR Board complies with the principles of Good Corporate Governance of the Office of the Securities and Exchange Commission and OR's Good Corporate Governance Handbook. The Board promotes the balance of power between the OR Board of Directors and the Management considering 1) the composition of the Board of Directors OR to consist of more than half of independent directors and 2) the appointment of Ms. Dujduan Hetrakul, Independent Director and a member of the Nomination and Remuneration Committee and Corporate Governance and Sustainability Committee as a participant in determining the agenda of the OR Board of Directors' meeting.
2. The Chairman of the Board is not an executive director and is different from the Chief Executive Officer, with no relationship to the Management, and has separated power and duties between formulating governance policies and managing routine tasks. The Chairman of the Board is the leader who controls the meeting of the OR Board, ensuring efficiency and effectiveness. All directors are encouraged to participate in the meeting, assist, advise, oversee and support the Management's business operations through the Chief Executive Officer, but will not interfere with the Management's routine or day-to-day business, which the Chief Executive Officer is responsible for.
3. The Board of Directors assigns sub-committees to consider, screen and monitor the Company's operations to prevent unreasonable conflicts of interest transactions and balance the needs of each party. The Board appoints the Audit Committee to review the accuracy of financial and non-financial disclosures, including connected transactions. It also assigns the Nomination and Remuneration Committee to oversee the nomination and remuneration of directors and executives clearly and transparently.

The Chairman of the Board possesses a leading role in the Board of Directors. The duties of the Chairman as specified in the OR Corporate Governance Handbook cover the following matters:

1. Supervise, follow up and ensure that the performance of duties of the OR Board is efficient and achieves the objectives and main goals of the organization.

2. Ensure that all directors foster an ethical corporate culture following the Good Corporate Governance policy.
3. Determine the agenda and measures of the OR Board of Directors meeting by discussing with the Chief Executive Officer to ensure that important matters are included in the meeting agenda.
4. Allocate sufficient time for the Management to propose agendas and enough for the directors to discuss essential issues thoroughly, encouraging directors to use prudent discretion and freely express their opinions.
5. Strengthen good relationships between executive and non-executive directors, the Board of Directors, and the Management.

#### **7.2.3.5 Power and Duties of the Chief Executive Officer**

OR's Chief Executive Officer is the highest rank of a supervisor appointed by the OR Board of Directors under OR's Articles of Association. The duties and responsibilities of the CEO are to oversee management as assigned by the Board and strictly comply with the policies, plans, and budgets within the framework of power approved by the Board with utmost honesty. They shall carefully maintain the best interests of OR and shareholders. It shall not conduct any action that conflicts with OR's benefits or interests.

##### **Roles, Duties, and Responsibilities of the Chief Executive Officer**

1. Operate the business and/or manage the day-to-day operations of OR.
2. Assign, appoint, remove, transfer, promote, reduce, cut off salary or wages, discipline employees, and request employees to retire from office per the rules prescribed by the Board of OR.
3. Ensure the preparation and delivery of OR's business policies, such as plans and budgets, to the Board for approval. They must report the progress according to the approved plans to the Board every 3 months.
4. Operate and/or work under the policy, plans and budgets approved by the Board of Directors.

5. Hold a position and perform duties as a secretary to the Board.
6. Manage cash flows, investments, budgets, plans and risk management processes under the guidelines and frameworks approved by the Board comprehensively and efficiently.
7. Approve the budget for investment, procurement, and procurement, including the operating expenses of OR under the business plan and the annual budget approved by the Board.
8. Represent OR in dealings with third parties.
9. Take any action to support OR's business operations and perform any other duties as assigned by the OR Board.

In addition, OR's Board of Directors has authorized the Company's management to the Chief Executive Officer. The principles and scope of power are as follows:

1. The Board is authorized to manage OR's business under the objectives, policies, rules, regulations, orders, and resolutions of OR's Board of Directors' meeting and/or resolutions of the shareholders' meeting in all respects.
2. They are authorized to command, contact, order, and conduct operations, as well as sign the contract,

documents, orders, notices, or any letters used in contact with government agencies, state enterprises and persons having the authority to do any necessary and appropriate actions for the achievement of the above.

3. They are authorized to supervise employees in all positions, including recruiting, appointing, dismissing, deleting, reducing, cutting off salaries or wages, discipline, as well as to force a resignation from office by the rules, regulations or orders prescribed by the Board of Directors of the Company. However, in the case of an employee of the advisory level, Senior Executive Vice President or a person holding an equivalent or higher position, such matter must be approved by the Board first. Authorization also applies to the power to determine the work conditions of employees and issue regulations on the Company's operations without conflict or inconsistency with the rules, regulations or orders prescribed by the Board.
4. Authorized to sub-authorize and/or assign other persons to perform specific tasks on his behalf. Such sub-authorization and/or assignment must follow the rules, regulations or orders established by OR and/or the Board.

Nevertheless, the power mentioned above will be terminated if the Chief Executive Officer has an interest or may have a conflict of interest in any manner with the Company in exercising such power.



## 7.3 Sub-Committees

As of December 31, 2022, OR has four sub-committees, namely the Audit Committee, Nomination and Remuneration Committee, Enterprise Risk Management Committee and Corporate Governance and Sustainability Committee, according to the resolution of OR's Board of Directors' meeting No. 11/2022 held on November 23, 2022.

Each sub-committee has a charter approved by the Board, describing its mission, composition and properties, term of office, responsibilities, and meetings. The Charter must be reviewed as deemed appropriate, and sub-committees must report the operation results to the Board.

In 2022, the sub-committees comprised the Nomination and Remuneration Committee, Enterprise Risk Management Committee, and the Good Corporate Governance Committee. Each committee's charter has been reviewed to suit OR's mission and responsibility to be following the best practices of companies listed on the Stock Exchange of Thailand. The revision was presented to the Board for consideration, and approval is already completed. The Audit Committee has considered reviewing their charter to be in accordance with the

rules, announcements and manuals related to the current version of the operation. It was presented to the OR Board for approval on December 21, 2022, and was notified to the Stock Exchange of Thailand on December 23, 2022.

### 7.3.1 Audit Committee

The Audit Committee consists of one Chairman and at least two but not more than four Committee members, all of whom must be independent directors. The head of OR's internal audit department shall be the secretary. At least one member of the Audit Committee must have knowledge, understanding, and experience in accounting or finance and be qualified and equipped to audit financial statements' credibility. The Audit Committee has the same term of office as the Company's directorship.

Ms. Worrapanit Sittibusaya, Vice president of Internal Audit Department as Secretary of the Audit Committee.

PTT Oil and Retail Business Public Company Limited's Regulations on Audit Committee and Internal Audit Department require that the Audit Committee's meeting be held at least once a quarter. In 2022, there were 12 meetings held by the Audit Committee as follows:

Audit Committee Members	Position	Meeting Attendance/ Number of Meeting in 2022
Dr. Kobsak Pootrakul (Independent Director) <sup>(1)</sup>	Chairman of the Audit Committee	9/9
Assoc. Prof. Dr. Pipop Udorn (Independent Director) <sup>(2)</sup>	Chairman of the Audit Committee	3/3
Dr. Chaichana Mitrpan (Independent Director)	Audit Committee	12/12
Mr. Yanyong Detpiratmongkol (Independent Director) <sup>(3)</sup>	Audit Committee	5/5
Mr. Rawit Hanutsaha (Independent Director) <sup>(4)</sup>	Audit Committee	10/12
Mr. Chintapun Dansubutra (Independent Director) <sup>(5)</sup>	Audit Committee	0/0
Mr. Supat Metheeworapote (Independent Director) <sup>(5)</sup>	Audit Committee	0/0
Prof. Dr. Bundhit Eua-Arporn (Independent Director) <sup>(6)</sup>	Audit Committee	-

**Remarks:**

<sup>(1)</sup> Appointed as the Chairman of the Audit Committee effective from April 7, 2022.

<sup>(2)</sup> Retire by rotation at the 2022 Annual General Meeting of Shareholders on April 7, 2022.

<sup>(3)</sup> Resigned from the position of OR's director effective from May 31, 2022.

<sup>(4)</sup> Retired from the member of the Audit Committee before the end of term with effective from 21 December 2022 onward.

<sup>(5)</sup> Appointed as the Audit Committee effective from December 21, 2022.

<sup>(6)</sup> Appointed as the Audit Committee effective from January 10, 2023.

## **Scope of Duties and Responsibilities of the Audit Committee**

1. Prepare the internal audit charter of the Audit Committee in accordance with the scope of responsibility OR's operation, subject to the approval of the Board of Directors, and disclose the charter to shareholders through various channels. The review of the charter sustainability should be conducted at least once a year.
2. Review the effectiveness and efficiency of internal control, risk management and good corporate governance process, including fraud risk management and Whistleblowing system.
3. Review and ensure OR has an accurate and reliable financial reporting.
4. Review OR's operation to ensure it complies with the law, regulations, rules and procedures, Cabinet Resolution Securities and Exchange Law, regulations of the Stock Exchange of Thailand, announcements or orders related to the Company's operations.
5. Review and ensure that OR has an appropriate internal control system and adequate internal audit system. Consider the adequacy of the budget, personnel, and the independence of the internal audit unit.
6. Consider connected transactions or transactions that may have conflicts of interest or potential fraud that may affect OR's operations in accordance with the laws and regulations of the Stock Exchange of Thailand, ensuring that such transactions are reasonable and in the best interests of the Company.
7. Give recommendations to OR Board of Directors on the appointment, transfer, dismissal, promotion, performance assessment, or removal of the company's head of Internal Audit Unit. OR may assign Chief Executive Officer to involve in evaluating the performance of OR's head of Internal Audit Unit.
8. Consider, select, nominate an independent person to act as the auditor of OR and propose the auditor's remuneration to the OR board, including attending a meeting with the auditor without the Management at least once a year.
9. Coordinate with the auditor regarding the audit results and consider about problems or limitations that arise from the audit of the financial statements for solutions and improvement. When deemed necessary, consider and recommend reviewing or examine any items which need revision, and ensure there are any plans to review the methods and controls of electronic data processing.
10. In the event that the auditor reports to the Audit Committee any suspected corruption or violation of laws related to the performance of duties of directors and executives, the Audit Committee shall consider and proceed to conduct a preliminary audit and report the results of such audit to the Office of the Securities and Exchange Commission and the auditor within 30 days from the date of notification from the auditor.
11. Report the results of the internal audit of the Audit Committee to the OR Board at least once per quarter within 60 days from the end of each quarter, except for the operating results report in the fourth quarter, which shall be prepared as the annual performance report. Such reports must be signed by the Chairman of the Audit Committee and sent to the ministry in charge and the Ministry of Finance for acknowledgment within 90 days from the end of OR's fiscal year.  
Operation result report under the first paragraph shall at least contain the information specified by the State Enterprise Policy Office Ministry of Finance and the Stock Exchange of Thailand.
12. Evaluate the results of the internal audit of the Audit Committee at least once per fiscal year, including report of the assessment, problems and obstacles, as well as plans to improve the operation to the OR Board of Directors for acknowledgment.
13. Disclose the annual performance report of the Audit Committee and the auditor's remuneration in the OR's annual report or OR's official website.
14. Chairman of the Audit Committee or member of the Audit Committee must attend OR shareholders' meeting to clarify matters or agenda related to the Audit Committee or the appointment of an auditor.
15. Ensure that the Management has an appropriate process for receiving and supervising the receipt of complaints.
16. Perform any other tasks as required by law or assigned by the OR Board, which must be within the scope of duties and responsibilities of the Audit Committee.

### 7.3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) consists of at least three directors, of which at least one person must be an independent director, or more than half of the members must be independent directors. The Chairman of the Nomination and Remuneration Committee is an independent director. The Nomination and Remuneration Committee has a term of office according to the terms of the Company's directorship.

Mrs. Kanchanee Udomkulwanich, manager of the Office of the President and Corporate Secretary is acting as the secretary of the Nomination and Remuneration Committee.

Nomination and Remuneration Committee Charter stipulates that the Nomination and Remuneration Committee should hold at least two meetings a year. In 2022, 12 meetings were held in total, with the Nomination and Remuneration Committee attending the following meetings:

<b>Nomination and Remuneration Committee Members</b>	<b>Position</b>	<b>Meeting Attendance/ Number of Meeting in 2022</b>
<b>Prof. Dr. Bundhit Eua-Arporn<sup>(1)</sup> (Independent Director)</b>	Chairman of Nomination and Remuneration Committee	-
<b>Mr. Supat Metheworapote (Independent Director)</b>	Nomination and Remuneration Committee	12/12
<b>Miss Dujduan Hettrakul (Independent Director)</b>	Nomination and Remuneration Committee	12/12
<b>Mr. Poomsak Aranyakasemsuk (Non-Executive Director)</b>	Nomination and Remuneration Committee	12/12
<b>Mr. Terdkiat Prommool (Non-Executive Director)<sup>(2)</sup></b>	Nomination and Remuneration Committee	0/0

**Remarks:**

<sup>(1)</sup> Prof. Dr. Bundhit Eua-Arporn was appointed as the Chairman of the Nomination and Remuneration Committee, effective from January 10, 2023.

<sup>(2)</sup> Mr. Terdkiat Prommool was appointed as a member of the Nomination and Remuneration Committee, effective from December 26, 2022.

#### Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

- To provide recommendations on the structure, composition, and qualifications for OR's directors and sub-committees' members.
- To set criteria and processes for nomination of OR's directors and President and Chief Executive Officer as well as to select qualified candidates

- to be nominated as OR's directors, President and Chief Executive Officer, and other management positions when assigned by the Board, to replace vacant positions before proposing to the Board and/or shareholders' meeting (depending on the case) for approval.
- To review and nominate qualified directors as sub-committee members before proposing to the Board for appointment as deemed appropriate.

4. To review the succession plan for the Chief Executive Officer and the list of candidates qualified for the succession every year.
5. To provide recommendations on appropriate remuneration policy, monetary and non-monetary remuneration, including fixed rate compensation (such as retainer fee and meeting allowance) and non-fixed rate compensation (such as performance bonus and pension). Related factors are taken into consideration, such as comparison with shareholders' return and motivation to create long-term value for OR, before proposing to the Board and shareholders' meetings for approval.
- This also includes the performance assessment and the guidelines for remuneration for the Chief Executive Officer once he/she is appointed as Chief Executive Officer of the Company before proposing to the Board's meeting for approval.
6. To comply with the Good Corporate Governance policy, the NRC shall set the directors' remuneration to be in line with the Stock Exchange of Thailand's guidelines, considering related factors such as compatibility with industry practice, experiences, obligations, the scope of work, accountability and responsibilities, and contribution of each director. Directors with additional roles and responsibilities, such as committee members, should be entitled to additional remuneration.
7. To disclose the directors' remuneration policy that reflects the duties and responsibilities of each individual, including the pay components and level received by each director. The remuneration disclosed for each director should also include payment for what each individual gets from holding directorship at OR's subsidiaries.
8. To set performance assessment criteria for the Board of Directors and sub-committees and present them to the Board of Directors for approval.
- The performance assessment is used as a reference for appropriate improvement of the performances or effective resolution of any problems.
9. To consider and determine the criteria for performance evaluation of the Chief Executive Officer according to the specified criteria and consider appropriate remuneration before presenting to the Board of Directors for approval.
10. To report the NRC's performance to the Board and compile reports of the NRC, signed by the NRC Chairman, to be disclosed in OR's annual report.
11. Consider and approve the criteria and process for recruitment, appointment, transfer approval, promotion, disciplinary action, resignation and termination of employment in case of resignation or early retirement before the age of sixty for executives at the level of President and Executive Vice President or equivalent. The Committee shall review the criteria before presenting them to the Board of Directors' meeting for approval.
12. To perform any other duties as assigned by the Board of Directors.

### **7.3.3 Enterprise Risk Management Committee**

Enterprise Risk Management Committee (ERMC) consists of at least three directors, and one person must be an independent director. The Chairman of the ERMC must also be an independent director. The ERMC members have a term of office according to the terms of the Company's directorship.

Mr. Wison Suntharachan Senior Executive Vice President, Corporate Strategy and Sustainability is acting as the secretary of the ERMC.

Enterprise Risk Management Committee Charter stipulates that the ERMC should hold a meeting at least once a quarter. In 2022, 6 meetings were held in total, with the attendance of the ERMC members as follows:

<b>Enterprise Risk Management Committee Members</b>	<b>Position</b>	<b>Meeting Attendance/ Number of Meeting in 2022</b>
<b>Dr. Chaichana Mitrpant (Independent Director)</b>	Chairman of Enterprise Risk Management Committee	6/6
<b>Assoc. Prof. Dr. Pipop Udorn (Independent Director)<sup>(1)</sup></b>	Enterprise Risk Management Committee	1/1
<b>Dr. Twarath Sutabutr<sup>(2)</sup></b>	Enterprise Risk Management Committee	5/5
<b>Dr. Buranin Rattanasombat</b>	Enterprise Risk Management Committee	6/6
<b>Dr. Kobsak Pootrakul (Independent Director)<sup>(3)</sup></b>	Enterprise Risk Management Committee	4/5
<b>Miss Jiraphon Kawswat (Executive Director)<sup>(4)</sup></b>	Enterprise Risk Management Committee	5/5
<b>Mr. Chintapun Dansubutra (Independent Director)<sup>(5)</sup></b>	Enterprise Risk Management Committee	0/0
<b>Mr. Disathat Panyarachun (Executive Director)<sup>(6)</sup></b>	Enterprise Risk Management Committee	0/0

**Remarks:**

- <sup>(1)</sup> Assoc. Prof. Dr. Pipop Udorn's term of office ended according to the 2022 General Meeting of Shareholders' resolution on April 7, 2022.
- <sup>(2)</sup> Dr. Twarath Sutabutr's resignation from OR's director and the member of Enterprise Risk Management Committee was acknowledged and approved at the Board of Director's meeting No. 10/2022 held on October 26, 2022. The resignation is effective from November 1, 2022.
- <sup>(3)</sup> The special meeting of the Board of Directors No. 1/2022 held on April 7, 2022 resolved to appoint Dr. Kobsak Pootrakul to serve as a member of Enterprise Risk Management Committee.
- <sup>(4)</sup> The Board of Directors' special meeting No. 4/2022 held on September 8, 2022, resolved to allow Miss Jiraphon Kawswat to return to work at PTT Public Company Limited by ending her term of office on September 30 2022
- <sup>(5)</sup> The Board of Directors' meeting No. 12/2022 held on December 21, 2022 resolved to appoint Mr. Chintapun Dansubutra to serve as a member of Enterprise Risk Management Committee.
- <sup>(6)</sup> The Board of Directors' meeting No. 12/2022 held on December 21, 2022 resolved to appoint Mr. Disathat Panyarachun to serve as a member of Enterprise Risk Management Committee.

#### **Scope of Duties and Responsibilities of the ERMC**

1. Define and review risk management policy, organizational risk management framework and stakeholder management framework.
2. Supervise and support the implementation of enterprise risk management and stakeholder management following OR's business strategies and goals in rapidly changing circumstances.
3. Monitor and regulate the cybersecurity and information technology security strategy.
4. Provide recommendations for monitoring and evaluating risk management and stakeholder

management to OR's Management Committee (ORMC) for further implementation.

5. Examine the corporate risk management reports, comment on the potential risks that may arise, suggest guidelines for determining control or mitigation plan, and develop an effective corporate risk management system for ORMC.
6. Examine the stakeholder management report, comment on action plans to expand positive results or reduce and compensate the potential impact that may occur to the stakeholders, and develop a consistently efficient stakeholder management system for ORMC.

7. Report enterprise risk management and stakeholder management results to the Board of Directors for acknowledgement. In case of any factors or events that may significantly impact the Company or stakeholders, the ERMC must report to the Board of Directors immediately for urgent consideration and decision-making.
8. Consider, scrutinize and comment on agendas with long-term commitments, business complexity, and potential risk that may affect the Company or have a significant impact on the stakeholders before presenting them to the Board of Directors.
9. Consider screening and giving opinions on agenda related to investment as stated in the Company's Strategic Investment Management regulation.
10. Perform other duties as assigned by the Board of Directors.

#### **7.3.4 Corporate Governance and Sustainability Committee**

The Corporate Governance Committee and Sustainability consist of at least three directors, and one person must be an independent director. The Chairman of the Committee must also be an independent director. The Committee has a term of office according to the terms of the Company's directorship.

The Corporate Governance Sustainability Committee has Mrs. Sukanya Sereeyothin, Divisional Manager under the Chief Executive Officer, to supervise the corporate governance section and act as the Committee's secretary.

The Corporate Governance and Sustainability Committee charter stipulates that the Committee should hold a meeting at least once a quarter. In 2022, 6 meetings were held in total, with the following members attending the meeting:

<b>Corporate Governance and Sustainability Committee Members</b>	<b>Position</b>	<b>Meeting Attendance/ Number of Meeting in 2022</b>
<b>Asst. Prof. Dr. Duangkamol Chartprasert (Independent Director)</b>	Chairman of the Corporate Governance and Sustainability Committee	6/6
<b>Mr. Chintapun Dansubutra<sup>(1)</sup> (Independent Director)</b>	Corporate Governance and Sustainability Committee	6/6
<b>Mr. Supat Metheeworapote<sup>(1)</sup> (Independent Director)</b>	Corporate Governance and Sustainability Committee	6/6
<b>Mr. Disathat Panyarachun<sup>(2)</sup> (Executive Director)</b>	Corporate Governance and Sustainability Committee	3/3
<b>Miss Dujduan Hetrakul<sup>(3)</sup> (Independent Director)</b>	Corporate Governance and Sustainability Committee	0/0
<b>Mr. Rawit Hanutsaha<sup>(3)</sup> (Independent Director)</b>	Corporate Governance and Sustainability Committee	0/0
<b>Mr. Tawatchai Cheevanon<sup>(3)</sup> (Independent Director)</b>	Corporate Governance and Sustainability Committee	0/0
<b>Mr. Komol Buaket<sup>(3)</sup> (Non - Executive Director)</b>	Corporate Governance and Sustainability Committee	0/0

**Remarks:**

<sup>(1)</sup> The Board of Directors resolved to transfer his position to other sub-committees from December 21, 2022.

<sup>(2)</sup> Resigned from the position of OR's director, effective October 18, 2022, onwards.

<sup>(3)</sup> The Board of Directors Resolved to appoint a member of the Good Corporate Governance and Sustainability Committee Effective from December 21, 2022, for Mr.Thawatchai Cheevanon and Mr. Komol Buaket to take effect when the State Enterprise Policy Committee has approved the appointment of directors.

## **Scope of Duties and Responsibility of the Corporate Governance and Sustainability Committee**

### **1. Good Corporate Governance**

- 1.1 To define Good Corporate Governance policies and a code of business conduct comprising appropriate guidelines and anti-corruption practices according to the policies and propose to the Board of Directors to set as the Company's rules and regulations, consistent with the principles, standards and requirements of various institutions or regulators, such as the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC).
- 1.2 To regulate, support and monitor the implementation of Good Corporate Governance and report to the Board of Directors to ensure that the company follows established policies and guidelines to continuously develop and enhance OR's Corporate Governance. In case of essential factors or events that may potentially affect the company significantly, the Committee must report to the Board of Directors immediately for urgent consideration and decision-making.
- 1.3 To effectively approve OR's vision, missions, strategies, and management framework, including reviewing OR's Good Corporate Governance policies and ensuring they align with the Company's goals and strategy.
- 1.4 To establish policies, set out governance frameworks, support and follow-up on complaints handling, fraud reports, and non-compliance with the law or organizational rules and regulations.
- 1.5 Encourage and cultivate a Good Corporate Governance culture among executives and employees at all levels for more understanding and practical compliance in OR and OR's subsidiaries.

### **2. Sustainability**

- 2.1 Formulate policies, operational guidelines and sustainable development strategies for the Company's operations that consider the balance of Environmental, Social and Governance (ESG) consistent with principles and best practices according to national and international standards.
- 2.2 Supervise and monitor the progress of sustainable development operations and report to the Board of Directors. The Committee must ensure the Company effectively integrates its sustainable development operations into its goals and business strategies and can achieve the specified sustainable development goals. Effective sustainability performance is evaluated and disclosed for maximum benefit to the Company and stakeholders.
- 2.3 Provide advice and suggestions on sustainable development practices to the Board of Directors, as well as encourage the Board, executives, and employees at all levels to conduct operations concerning stakeholders, following the Company's sustainable development guidelines.

### **3. Others**

- 3.1 To annually review the suitability of the Corporate Governance Committee Charter. In the event of revision, the Committee will propose to the Board of Directors for approval.
- 3.2 To perform any other duties as assigned by the Board.

## 7.4 Executives Information

### 7.4.1 Executives Information

As of December 31, 2022, OR has 14 executives in total, consisting of the following name list:

Executives <sup>(1),(2)</sup>	Position
1. Mr. Disathat Panyarachun	Chief Executive Officer
2. Mr. Suchat Ramarch	President
3. Mr. Wison Suntharachan	Senior Executive Vice President, Corporate Strategy and Sustainability
4. Miss Wilaiwan Kanjanakanti	Senior Executive Vice President, Finance
5. Mr. Wisarn Chawalitanon	Senior Executive Vice President, Organization Effectiveness
6. Mr. Racha U-Thaichan	Senior Executive Vice President, Global Business
7. Mr. Piman Poolsri	Senior Executive Vice President, Oil Retail Business
8. Mr. Songpon Thepnumsommanus	Senior Executive Vice President, Energy Solutions Business
9. Mr. Paisan Udomkulwanich	Senior Executive Vice President, Lubricants Business
10. Mr. Soonthorn Chursuk	Senior Executive Vice President, Petroleum Terminal Operations
11. Mr. Somyot Kongprawet	Senior Executive Vice President, Lifestyle Business
12. Miss Rajksuda Rungsiyakull	Senior Executive Vice President, assigned as ORion Project Director
13. Mr. Surachart Chintavalakorn	Vice President, Corporate Finance
14. Miss Patranit Kitta	Vice President, Finance, Accounting and Tax Control

**Remark:**

<sup>(1)</sup> According to the Notification of the Securities and Exchange Commission No. 17/2551 on Determination of Definitions in Notifications Regarding Issuance and Offering of Securities (including any amendments thereto), Executive means the manager or personnel holding the first four management positions after the manager down, a personnel holding an equivalent position with aforementioned four managerial positions, which shall include a personnel holding an executive position in Accounting or Finance who is a department manager level up or equivalent.

<sup>(2)</sup> Mr. Chumpol Siripuchaka, Senior Executive Vice President seconded to PTT Retail Management Company Limited in Managing Director position according to information shown on page 90, does not qualify as an executive under the definition of (1).

Relevant information and details of OR's executives is disclosed in Attachment 1 (details regarding Directors, executives, authorized persons, persons assigned hold the highest responsibility in Accounting and Finance, persons directly responsible for accounting supervision and Company Secretary tasks), which is also disclosed on the OR website ([www.pttor.com](http://www.pttor.com)).

## **7.4.2 Executives Remuneration**

### **1. Monetary Remuneration**

OR has paid the remuneration to 12 executives in 2022 (excluding Vice President, Finance, Accounting and Tax Control and Vice President, Corporate Finance) in the total amount of 149,234,900.34 Baht in the form of monetary remuneration such as salary, bonus, etc. In this regard, such remuneration includes remuneration that OR pays to PTT for OR's executive under the Personnel Secondment Agreement.

In addition, OR's subsidiaries have paid remuneration to 13 of OR's executives who are also a director or an executive of OR's subsidiaries in 2022 in the amount of 414,182.44 Baht in total. The monetary remuneration consists of salary, meeting allowances, and bonuses.

### **2. Other Remuneration**

OR has provided provident fund and contribution to the provident fund to the executives at the rate of 10-15% of their salary (based on tenure years). In 2022, contributions to the provident fund are made to the executives (excluding Vice President, Finance,

Accounting and Tax Control and Vice President, Corporate Finance) of 12 executives in total, at the amount of 8,907,229.60 Baht. The said amount includes provident fund contributions made by OR to PTT as provident fund contributions to OR's executives under the Personal Secondment Agreement.

In addition, OR has provided other benefits such as alternative benefits, child education subsidy, funeral assistance, life insurance premiums, and medical expenses etc., to all executives and employees equally. In 2022, OR has provided other welfare payments to its Executives (excluding Vice President, Finance, Accounting and Tax Control and Vice President, Corporate Finance) in the amount of 2,969,935.60 Baht. In addition, the aforementioned amount has already included other welfare that OR pays to PTT for welfare benefits of OR's executives under the Personal Secondment Agreement.

In this regard, the subsidiaries of OR do not pay any other remuneration to the OR's executives who is also a director or executive of OR's subsidiaries.

### **3. Compensation or Accrued Benefits**

- None -



## 7.5 Employees Information

### 7.5.1 Number of Employees

As of December 31, 2022, OR has a total of 1,723 employees with the following details:

Department	Number of Employees
1. Chief Executive Officer (direct report included)	4
2. President (direct report included)	39
3. Office of the Chief Executive Officer and Company Secretary	10
4. Legal Department	15
5. Internal Audit Department	11
6. Corporate Governance Department	4
7. Corporate Brand Strategy and Communication Division	5
8. Senior Executive Vice President, Finance	106
9. Senior Executive Vice President, Organization Development	101
10. Senior Executive Vice President, Corporate Strategy and Sustainability	124
11. ORion Project	32
12. Senior Executive Vice President, Oil Retail Business	135
13. Senior Executive Vice President, Lifestyle Business	319
14. Senior Executive Vice President, Energy Solutions Business	146
15. Senior Executive Vice President, Global Business	14
16. Senior Executive Vice President, Lubricants Business	118
17. Senior Executive Vice President, Petroleum Terminal Operations	540
<b>Total<sup>(1)</sup></b>	<b>1,723</b>

Remark:

<sup>(1)</sup> Among these numbers, there are 132 employees under the Personal Secondment Agreement as of December 31, 2022.

In this regard, OR has made a management contract with Business Services Alliance Company Limited, MBC Land Company Limited, and PTT Retail Business Management Company Limited to hire aforementioned companies to manage OR's service stations, Café Amazon, and several 7-Eleven convenience stores. This also includes recruiting personnel to perform the tasks as specified in the management contract, such as personnel to provide services at the gas stations, Café Amazon, and 7-Eleven convenience stores, oil and natural gas refueling services for vehicles, production and distribution of products as specified by OR, financial responsibility tasks, and cleaning, etc. The personnel recruited are under the command of the said companies, and therefore are not regarded as an OR employee.

As of December 31, 2022, all subsidiaries of OR have a total of 5,871 employees.

### **7.5.2 Employee Remuneration**

In 2022, OR has paid remuneration to its employees in the total amount of 3,531,725,434.45 Baht. The remuneration include salary, bonuses, overtime pay, contributions to the provident fund, and various employee benefits such as alternative benefits, child education, funeral assistance, life insurance premium, and medical expenses, etc. However, such remuneration has already included the remuneration paid by OR to PTT for OR employees' payment under the Personnel Secondment Agreement.

In addition, all subsidiaries of OR have paid remuneration to employees in 2022 totaling 1,789,746,744.54 Baht.

### **7.5.3 Employee Development Policy**

OR places a great importance on human resource development, and therefore has established a policy to promote and support employees to be both ethical and intelligent, as well as taking part in the development and contribution to society. In order to operate OR's business while considering all stakeholder groups in a balanced and sustainable manner (3P: People, Planet and Performance) under the principles of effective Corporate Governance, Risk Management and Compliance (GRC) to promote the foundation of sustainable business operations, as well as highlighting Knowledge Management, the following actions are taken:

1. OR promotes, drives, and cultivates its organizational culture through the core behavior known as OR DNA, which acts as a guideline and principle of decision-making and teamwork in an OR way, in order to prepare OR's employees to become future leaders with knowledge and experience throughout with the ability to adapt to the changing business environment and business competition in the future.
2. OR establishes a Career Management System to plan, develop and manage the employees. This is to ensure that employees are equipped with knowledge, skills, and competence according to the Success Profile, which consists of Competency and Exposure to support the Company's strategy in achieving sustainable growth by focusing on the following matters:
  - Reskill & Upskill of knowledge and various skills to cope with business changes and meet corporate's business direction and strategy. OR has developed a learning system that focuses on a variety of learning forms such as lectures, practical exercises, as well as self-learning with the application of technology that allows employees to develop their skills more conveniently.
  - Establishes a leadership development program to develop skills, knowledge, and abilities both in leadership and business skills dimensions, preparing executives before stepping up to a higher position through programs such as the Leadership Development Program and the Leadership Essential: Everyday Engager Program, which focus on building people capabilities to serve OR Strategy and organization transformation. Furthermore, Core Courses for all employees are designed to align with goals and directions of OR's business operations, to help develop necessary Core Competency of employees at each level. There are also Functional Courses to develop professional employees through the OR Academy.
3. OR set a systematic succession plan by establishing Succession Plan for critical positions, and assessing the leadership skill, organizational management skill and experiences. OR aims for development plans and programs to prepare employees for business expansion and transformation, to ensure

continuity in OR operations in and outside of Thailand. Those considered as future successors will be systematically developed in order to be equipped and ready before taking the position assigned.

4. Promote OR's Knowledge Management (KM) to ensure OR employees are equipped with knowledge and potential to meet Corporate's vision and mission. The knowledge management process and results are monitored by using the following tools to promote

knowledge management; a creation of a learning community that gathers people with common knowledge and interests (Community of Practice: CoP); providing a digital KM platform based on the Knowledge Landscape by using KM Hub; to create knowledge and experience exchange between experts; to promote Practice Sharing to develop the Best Practice and continue to improve towards innovation for the organization.



## 7.6 Other Important Information

### 7.6.1 Accounting Supervisor and Auditor Fee

#### 7.6.1.1 Accounting Supervisor

Ms. Patranit Kitta, Vice President, Finance, Accounting and Tax Control, is the person directly responsible for supervising accounting, accounting transactions, and payment of OR with utmost efficiency and in accordance with OR's rules and regulations and accounting standards. The details regarding profile of personnel directly responsible for accounting control are disclosed in attachment 1 (details regarding Executive Director who has control over the person assigned to the highest responsibility in accounting and finance, responsible directly in the supervision of accounting and Corporate Secretary), which are displayed on the OR website ([www.pttor.com](http://www.pttor.com)).

#### 7.6.1.2 Auditor Fee

##### Audit Fee

On April 7, 2022 at the 2022 Annual General Meeting of Shareholders approved the appointment of EY Office Limited (EY) as the Company's auditor to perform financial review for the 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> quarter of 2022, and perform 2022 financial audit, with the audit fee of 3,500,000 Baht.

In addition, OR's subsidiary has resolved to approve the payment of audit fee to the auditor of the subsidiary, which are EY Office Limited (EY), KPMG Phoomchai Audit Company Limited (KPMG), Thai Abacus Accounting Services Company Limited, Win Thin & Associates, and SENSIBA SAN FILIPPO LLP., in the total amount of 11,220,030 Baht.

#### **Non-Audit Fee**

OR paid other non-audit fees to OR's auditors, which were the fee for verification and confirmation of fuel sales volumes at Don Mueang and Suvarnabhumi Airport for 200,000 baht, and income data auditing fees for the operation of a 7-Eleven convenience store located at the opposite of the long-term parking lot, Eastern side of Suvarnabhumi Airport, at the amount 100,000 Baht.

### **7.6.2 Secretary of the Board of Directors and Corporate Secretary**

#### **7.6.2.1 Secretary of the Board of Directors**

##### **(1) Secretary of the Board of Directors**

The OR Board of Directors has resolved to appoint Mr. Disathat Panyarachun, OR's Chief Executive Officer, to perform duties as the secretary of the Board of Directors. Effective from December 1, 2022, to be the focal point between the Board of Directors and the Management. She is primarily responsible for the examination of the meeting agenda documents and the meeting reports before submitting to OR's Board.

#### **7.6.2.2 Corporate Secretary**

The OR Board of Directors Meeting No. 9/2020 held on September 23, 2020, resolved to appoint Ms. Kanjanee Udomkulvanich, Office Manager and Corporate Secretary to hold a position as the Corporate secretary effective from October 1, 2020, having duties and responsibilities as stipulated in Section 89/15 of the Securities and Exchange Act B.E. 2535 (1992) (including amendments). Ms. Kanjanee graduated in law and has received training in important courses that are beneficial to the performance as the Cooperate Secretary. The details of the profile and training of the Corporate Secretary

appears in Attachment 1 (details of Directors, Executives, Persons with Controlling Power, Persons Assigned to the Highest Responsibilities in Accounting and Finance assigned direct responsibility for supervision, bookkeeping, and Company secretary), which are listed on the OR website ([www.pttor.com](http://www.pttor.com)).

#### **7.6.3 Head of Internal Audit**

Currently, Ms. Worrapanit Sittibusaya is holding a position of OR's Vice President, Internal Audit Department. She is a person with thorough understanding of OR's business, skills and experience in internal Auditing Knowledge, equipped to work according to OR's principles of Good Corporate Governance, Risk Assessment, and Internal Control. The Audit Committee has made an appointment, a transfer, and an annual assessment of the Internal Audit Vice President's performance and merits.

The profile of Head of Internal Audit is disclosed in Attachment 3 (details of head of internal audit), which is displayed on the OR website ([www.pttor.com](http://www.pttor.com)).

#### **7.6.4 Head of Investor Relations**

In order to disclose important information accurately, timely mannered, and transparently, OR has established the Investor Relations Management Department and assigned Ms. Pitirat Rattanachote as the Manager of Investor Relations Department, acting as a center for disclosing important information to shareholders and investors both domestically and internationally. The disclosure includes financial information such as operating results and quarterly financial statements, management discussion and Analysis (MD&A) quarterly reports, strategies and future trends of OR. These topics of information are regularly disclosed in equal and complete manner.

Investor Relations Department can be reached directly at Tel. +66-2196-5038, +66-2196-5040, +66-2196-5041, +66- 2196-5550. Business hours are Monday to Friday 8:00 AM - 5:00 PM. E-mail: [ir@pttor.com](mailto:ir@pttor.com)

Get an update on OR's information through the website [www.pttor.com](http://www.pttor.com), which offers important information for investors in both Thai and English.



## 8. Corporate Governance Report



### 8.1 Performance Summary of OR's Board of Directors

#### 8.1.1 Nomination, Development, and Assessment of OR's Board of Directors

Information regarding the nomination, development, and performance evaluation of the Board appears in 6.1.1 "Board of Directors' Policy and Guidelines".

## **8.1.2 Meeting Attendance and Remuneration for Individual Directors**

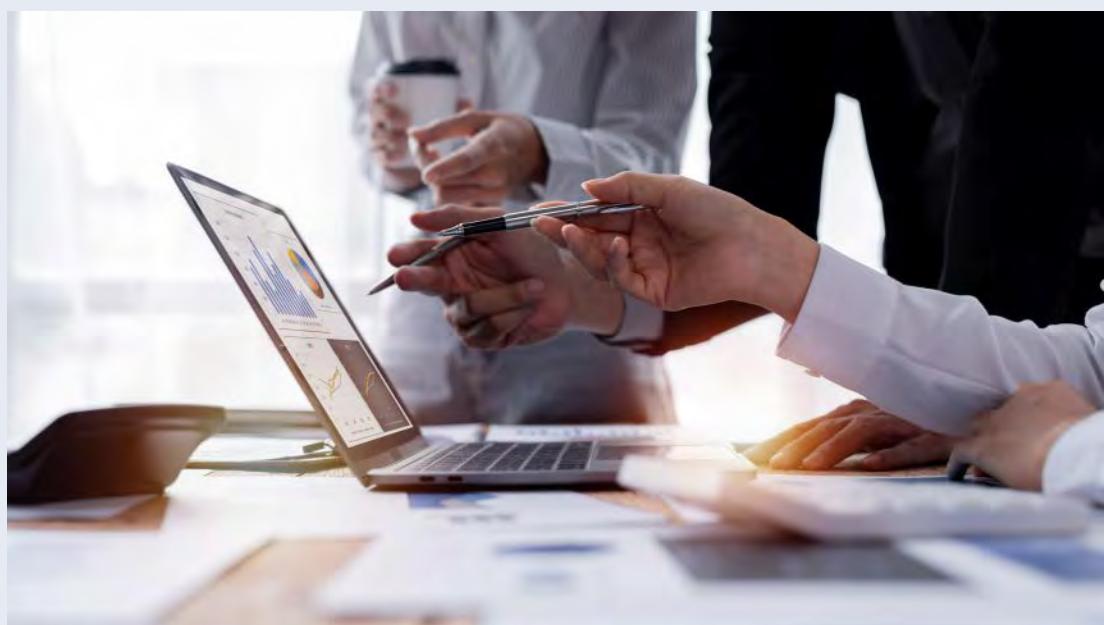
### **8.1.2.1 Meeting Attendance**

Board meetings are scheduled every month, with each director expected to attend at least one meeting per month or as necessary, which must equate to no less than 75% of the total board meetings held each year. The Secretary will create a board meeting schedule for the year in advance to ensure directors have time to prepare for and attend each meeting. The meeting agenda is set beforehand, and meeting invitations and related documents are sent out to directors at least 7 days prior to each meeting in order to provide the directors with adequate time to review the information. At each meeting, high-ranking executives lead discussions and field questions from the Board of Directors.

The Chairman of the Board provides an opportunity for all directors to express their opinions openly before voting on resolutions and agenda items. However, directors with either direct or indirect interests in any particular agenda item must refrain from voting and must leave the meeting during the discussion of that certain agenda item.

OR keeps minutes of meetings in writing, and the original files are kept with the meeting invitation and other documents. An electronic copy of the minutes is also stored for the convenience of the directors and other individuals involved in auditing.

In 2022, OR held a total of 17 Board of Director meetings, which had an overall attendance of 99.15%. In addition, one Non-Executive Director meeting and one Independent Director meeting were arranged. Details of attendance for all meeting types are as follows:



Name	Position	Board of Directors meetings attended (from 17 in total)	Non-Executive Directors meetings attended (from 1 in total)	Independent Directors meetings attended (from 1 in total)
1. Mr. Auttapol Rerkpiboon	Chairman of the Board / Director (Non-Executive Director)	17/17	1/1	-
2. Dr. Khobsuk Phutrakul <sup>(1)</sup>	Independent Director (Non-Executive Director)	14/14	1/1	1/1
3. Prof. Dr. Bundit Eue-Arporn <sup>(2)</sup>	Independent Director (Non-Executive Director)	-	-	-
4. Dr. Chaichana Mitrpant	Independent Director (Non-Executive Director)	17/17	1/1	1/1
5. Asst. Prof. Dr. Duangkamol Chartprasert	Independent Director (Non-Executive Director)	17/17	1/1	1/1
6. Mr. Tawatchai Chiwanont <sup>(3)</sup>	Independent Director (Non-Executive Director)	-	-	-
7. Mr. Chintapun Dansubutra <sup>(4)</sup>	Independent Director (Non-Executive Director)	16/16	1/1	1/1
8. Mr. Rawit Hanutsaha	Independent Director (Non-Executive Director)	17/17	1/1	1/1
9. Miss Dujduan Hettrakul	Independent Director (Non-Executive Director)	17/17	1/1	1/1
10. Mr. Supat Metheworapote	Independent Director (Non-Executive Director)	17/17	1/1	1/1
11. Mr. Poomsak Aranyakasemsuk	Director (Non-Executive Director)	17/17	1/1	1/1
12. Mr. Komol Buaket <sup>(5)</sup>	Director (Non-Executive Director)	-	-	-
13. Mr. Terdkiat Prommool <sup>(6)</sup>	Director (Non-Executive Director)	-	-	-
14. Dr. Buranin Rattanasombat	Director (Non-Executive Director)	17/17	1/1	-
15. Mr. Disathat Panyarachun <sup>(7)</sup>	Director / Chief Executive Officer / Board Secretary	14/14	1/1 <sup>(8)</sup>	-

**Remarks:**

<sup>(1)</sup> Appointment effective from April 7, 2022

<sup>(2)</sup> Appointment effective from January 10, 2022, replacing Mr. Yanyong Detpiratmongkol, whose resignation was effective from May 31, 2022.

<sup>(3)</sup> Appointment effective from December 26, 2022, replacing Mr. Disathat Panyarachun, whose resignation was effective from October 18, 2022.

<sup>(4)</sup> Appointment effective from January 26, 2022

<sup>(5)</sup> Appointment effective from December 26, 2022, replacing Dr. Twarath Sutabutr, whose resignation was effective from November 1, 2022.

<sup>(6)</sup> Appointment effective from December 26, 2022, replacing Mr. Kris Imsang, whose resignation was effective from September 30, 2022.

<sup>(7)</sup> Resignation from his directorship of the company and any sub-committees effective from October 18, 2022. Appointment as Chief Executive Officer and re-appointment as a company director was effective from December 1, 2022.

<sup>(8)</sup> Meeting took place on September 28, 2022

## Summary of Meeting Attendance for Resigned Directors in 2022

Name	Position	Board of Directors meetings attended (from 17 in total)	Non-Executive Directors meetings attended (from 1 in total)	Independent Directors meetings attended (from 1 in total)	Directorship Role Details
1. Assoc. Prof. Dr. Pipop Udorn	Independent Director (Non-Executive Director)	3/3	-	-	Did not extend role at the 2022 AGM and resignation was effective from April 7, 2022
2. Mr. Yanyong Detpiratmongkol	Independent Director (Non-Executive Director)	5/5	-	-	Resignation effective from May 31, 2022
3. Dr. Twarath Sutabutr	Independent Director (Non-Executive Director)	14/14	1/1	-	Resignation effective from November 1, 2022
4. Mr. Kris Imsang	Director (Non-Executive Director)	12/13	1/1	-	Resignation effective from September 30, 2022
5. Miss Jiraphon Kawswat	Director / Acting Chief Executive Officer and President (Non-Executive Director)	13/13	-	-	Resignation effective from September 30, 2022

### 8.1.2.2 Remuneration for Individual Directors

The current remuneration for OR's Board of Directors follows the resolution of the 2022 Annual General Meeting of Shareholders, which was held on April 7, 2022. Details of which are as follows:

#### 1. Director remuneration, comprising of:

- Monthly remuneration of 25,000 Baht/month/person, with Chairman of the Board receiving an additional 25% on top of said salary.
- A meeting stipend of 40,000 Baht/meeting payable only to directors who attend the meeting, with the Chairman of the Board receiving an additional 25% on top of said allowance. Meeting stipends are limited to no more than one payment per month. In necessary circumstances, more than one payment per month may be considered, though this must not occur on more than 15 occasions per year.

#### 2. Auditing Committee remuneration

Comprising of monthly remuneration of 40,000 Baht/month, with Chairman of the Auditing Committee receiving an additional 25% on top of said salary and the Secretary of the Audit Committee receiving monthly remuneration of 20,000 Baht/month.

### 3. Remuneration of sub-committees

Consisting of the Nomination and Remuneration Committee, Enterprise Risk Management Committee, Corporate Governance and Sustainability Committee, and other sub-committees that may be appointed by the Board of Directors as necessary in the future. Members receive a meeting stipend of 20,000 Baht/meeting attended, with the Sub-Committee Chairman receiving an additional 25% on top of said allowance. Directors may receive this remuneration from no more than 2 sub-committees, and no more than once a month per sub-committee.

### 4. Board of Director bonuses

Bonuses paid for 2022 performance represent 0.3% of the company's net profits, up to a maximum of THB 60 million. Bonuses are paid to company directors holding office in 2022, including directors who retired or resigned in that year. Their bonuses are calculated in accordance with each director's length of service, with the Chairman of the Board eligible for a 25% higher bonus than other directors.

### 5. Additional benefits

- None -

**Table Displaying Remuneration Details for Individuals in 2022 (Unit: THB)**

	Monthly Remuneration	Meeting Allowance	Total	AC Monthly Remuneration	ERMC Meeting Allowance
<b>Directors who held office during 2022</b>					
Mr. Auttapol Rerkpiboon	372,000.00	750,000.00	1,122,000.00		
Dr. Khobsuk Phutrakul	220,000.00	480,000.00	700,000.00	440,000.00	80,000.00
Dr. Chaichana Mitrpant	300,000.00	600,000.00	900,000.00	480,000.00	125,000.00
Asst. Prof. Dr. Duangkamol Chartprasert	300,000.00	600,000.00	900,000.00		
Mr. Chintapun Dansubutra	280,000.00	560,000.00	840,000.00	14,666.67	
Mr. Rawit Hanutsaha	300,000.00	560,000.00	860,000.00	466,666.67	
Miss Dujduan Hettrakul	300,000.00	600,000.00	900,000.00		
Mr. Supat Metheworapote	300,000.00	600,000.00	900,000.00	14,666.67	
Mr. Poomsak Aranyakasemsuk	300,000.00	600,000.00	900,000.00		
Dr. Buranin Rattanasombat	300,000.00	600,000.00	900,000.00		100,000.00
Mr. Disathat Panyarachun	264,166.67	480,000.00	744,166.67		
Prof. Dr. Bundit Eue-Arporn					
Mr. Tawatchai Chiwanont					
Mr. Komol Buaket					
Mr. Terdkiat Prommool					
<b>Directors who resigned in 2022</b>					
Assoc. Prof. Dr. Pipop Udorn	80,833.33	120,000.00	200,833.33	161,666.67	20,000.00
Mr. Yanyong Detpiratmongkol	125,000.00	200,000.00	325,000.00	200,000.00	
Dr. Twarath Sutabutr	250,000.00	520,000.00	770,000.00		80,000.00
Mr. Kris Imsang	224,166.67	440,000.00	664,166.67		
Miss Jiraphon Kawswat	224,166.67	480,000.00	704,166.67		80,000.00
<b>Directors who resigned in 2021</b>					
Mrs. Arawadee Photisaro					
Mr. Chayodom Sabhasri					
Mr. Noppadol Pinsupa					
Mr. Surapol Nittipairoj					
<b>Total</b>	<b>4,140,333.34</b>	<b>8,190,000.00</b>	<b>12,330,333.34</b>	<b>1,777,666.68</b>	<b>485,000.00</b>



**Report on the Change of Securities Holding of the Company's Directors**

<b>Name List</b>	<b>Ordinary Shares (Unit: Share)</b>		<b>Increase/ (Decrease) during the year</b>
	<b>As of January 1, 2022</b>	<b>As of December 31, 2022</b>	
1. Mr. Auttapol Rerkpiboon • Spouse • Children	2,363 1,005 -	2,363 1,005 -	- - -
2. Dr. Kobsak Pootrakool • Spouse • Children	- - -	- - -	- - -
3. Prof. Dr. Bundhit Eua-Arporn • Spouse • Children	- - -	- - -	- - -
4. Dr. Chaichana Mitrpan • Spouse • Children	- - -	- - -	- - -
5. Asst. Prof. Dr. Duangkamol Chartprasert • Spouse • Children	- - -	- - -	- - -
6. Mr. Tawatchai Cheevanon • Spouse • Children	- - -	- - -	- - -
7. Mr. Chintapun Dansubutra • Spouse • Children	- - -	- - -	- - -
8. Mr. Rawit Hanutsaha • Spouse • Children	- - -	- - -	- - -
9. Mr. Supat Metheworapote • Spouse • Children	- 682 -	- 682 -	- - -
10. Miss Dujduan Hetrakul • Spouse • Children	- - -	- - -	- - -
11. Mr. Poomsak Aranyakasemsuk • Spouse • Children	- - -	- - -	- - -
12. Mr. Komol Buaket • Spouse • Children	- - -	- - -	- - -
13. Dr. Buranin Rattanasombat • Spouse • Children	5,900 4,400 -	5,900 4,400 -	- - -
14. Mr. Terdkiat Prommool • Spouse • Children	- - -	- - -	- - -
15. Mr. Disathat Panyarachun • Spouse • Children	- - -	- - -	- - -



### **8.1.3 Governance of Subsidiaries and Associated**

In order to operate OR's business in line with its policies and goals, while ensuring a suitable return on investment for shareholders, OR Board has established a governance mechanism, known as OR Group Way of Conduct. In addition, there is a policy in which OR managements and employees are required to work in Key Strategic Positions that will adhere to Assignment Agreement as well as Shareholder Agreement and Business Conditions. For subsidiaries and associates in order to achieve effective and efficient supervision of each OR group company, considering its individual business operation and risks. The supervision policies and management are divided into 2 groups as follows:

1. Strategic Alignment Group: A group of key policies that require companies in the OR group to operate in the same direction, leading collective energy, cooperation, supports OR group goal achievement, which comprises 9 policies, namely Good Corporate Governance and Anti-Corruption, Risk Management, Compliance with the law and regulation, Internal Control, Strategic Planning, Finance, Accounting, Tax and Core Values.
2. Performance Excellence Group: A group of policies implemented to increase competitiveness which will lead OR Group to achieve business objectives with sustainability and excellency in business operation to the international level.

#### **8.1.3.1 Governance of Subsidiaries and Associated Companies Operations**

##### **Directors Selection for Subsidiaries and Associated Companies**

Selection of Directors for Subsidiaries and associated companies follows the OR Group's Corporate Governance guidelines, which are divided into the following four groups:

1. OR Group companies which OR directly or indirectly owns 100% of shares (Strategic Owner). OR has the power to appoint the Board of Directors and the chairman of subsidiaries companies, and the right to assign an executive or other OR employee to work in a position of Managing Director, or work in finance department, marketing department, or

planning department of its subsidiaries or associated companies.

2. OR Group companies which OR is a majority shareholder or has a direct or indirect ownership of shares more than or equal to other shareholders, (Strategic Owner). OR has the power to appoint the Board of Directors and the chairman, and the right to assign an executive or other OR employee to work in a position of Managing Director or other OR employees to work in a position of managing director, or work in finance department of its subsidiaries or associated companies.
3. OR Group companies which OR has direct or indirect shareholding lower than other shareholders (Financial Investors). OR has the power to appoint the Board of Directors of associated companies as directors.
4. OR group companies which operate businesses with main income generated from holding shares in other companies (Holding Company) and have no significant business operations of their own. It could be an investment in a local and/or an overseas company. However, it must not be an investment company, and must hold shares in at least one OR subsidiary that operates in the country or aboard and participate in the management of such subsidiary according to its shareholding proportion. The holding company must always hold shares in such subsidiary while remaining as a listed company. It also has the authority to appoint the Board of Directors, and the Chairman.

The appointment of directors of subsidiaries and associated companies must be approved by OR's related meeting resolution prior to approval from the board of directors' meeting and/or the shareholders' meeting of the subsidiary or associated companies (depending on the case)

The appointment of directors of the Holding Company's subsidiaries and associated companies must also be approved by OR's related meeting resolution and the Holding Company's Board of Directors' meeting prior to approval from the board of directors' meeting and/or the shareholders' meeting of the subsidiary or associated companies (depending on the case)

The directors must possess the qualifications in accordance with the Articles of Association and the laws of the country in which the company is established. They must also perform their duties according to the objectives, regulations and laws, as well as the resolutions of the shareholders' meetings of each company and do so with honesty, ethics, and moral business conduct. In addition, they must strive to protect the interests of OR and its shareholders through supervising the business operations of subsidiaries and associated companies to achieve the goals that are in line with OR's policy and in accordance with the OR Way of Conduct.

#### **8.1.3.2 Governance of Investments**

OR has applied the regulations and requirements regarding investment criteria and investment management, along with the investment supervision guidelines of share-holding companies, to govern the investments of subsidiaries and associated companies. The supervisory groups are divided into two following categories:

1. For the investment governance of OR Group companies which OR directly or indirectly owns 100% of the shares, the investments and investment budgets are supervised under OR's investment regulations. In addition, the Board of Directors of such a company are responsible for scrutinizing and approving diverse types of investments, such as projects, plans, and equipment, following the criteria and regulations defined by OR.
2. For the investment governance of OR Group companies in which OR directly or indirectly owns less than 100% of shares, the directors, executives, employees, or persons whom OR assigns are obliged to attend shareholders' meetings as shareholders or on behalf of OR's Board of Directors. However, OR's representatives assigned the role of Chief Executive Officer, President, Director, Managing Director, or the subsidiary's top executives are excluded from this obligation. Such a person has the following responsibilities:
  - 2.1 To ensure OR group companies have operational and management guidelines that are consistent and strictly under OR's business policy framework and strategic directions, such as the OR Way of

Conduct, Good Corporate Governance Policy, Legal Policy, Financial and Accounting Policy, Quality, Safety, Health and Environment (QSHE) Management Policy, Personnel Management Policy, and other important policies.

- 2.2 During OR group companies' shareholders' meetings or the Board of Directors meetings, the vote concerning the following agendas must seek approval from OR before the resolution:
  - 2.2.1 Project investment in a new business that is not a normal operation with unfamiliar beginning and ending periods of investment
  - 2.2.2 Establishment of a company or legal entity, joint venture, merger and acquisition, trading of partial or complete shares/enterprises/assets of the companies in OR group
  - 2.2.3 An increase or a reduction of OR group companies' capital
  - 2.2.4 Business dissolution
  - 2.2.5 To start a financial obligation as specified by OR, which is likely to create a binding or an impact on OR

The directors, executives, employees, or personnel assigned by OR are considered OR's representatives and are obliged to attend shareholders' meetings as shareholders or on behalf of OR's Board of Directors. However, this excludes OR's representatives assigned as Chief Executive Officer, President, Director, or Managing Director of OR group companies. Such representatives must abide by the rules mentioned above as they do not conflict with or is inconsistent with the agreement of shareholders and/or joint ventures and/or other relevant laws (if applicable).

If the Board of Directors of OR group companies must vote on an urgent resolution or OR representatives cannot be informed of the meeting agenda beforehand, OR's representatives shall consult with the unit that owns the investment and consider voting on approving/disapproving/abstaining/taking any other action, considering OR's benefits as the priority, and implement the criteria specified by OR at the earliest possible opportunity.

#### **8.1.4 Corporate Governance Policies Compliance Report and Principles**

OR empathizes the importance of Good Corporate Governance by establishing the goals, vision, objectives, policies and related practices as OR's "Good Corporate Governance and Business Ethics Policy". OR also fosters real practices and compliance to build confidence among all groups of stakeholders for the business to grow sustainably. The suitable policies will help business to operate efficiently and build more understanding among employees towards Good Corporate Governance, anti-bribery, anti-corruption, conflict of interests and insider trading avoidance. OR has also implemented measures on complaints and reporting of illegal acts, ethics violation, or behavior that may imply fraud or misconduct.

In 2022, OR's Board followed up on the following principles to ensure that Corporate Governance Code (CG Code) of the Securities and Exchange Commission (SEC) and OR's good corporate governance principles are being followed.

##### **Principle 1:**

##### **Establish Clear Leadership Role and Responsibilities of the Board as Leaders of Sustainable Business Value**

1.1 Demonstrate a thorough understanding of leadership role, assume responsibilities in overseeing the Company and strengthen good governance

- The Board is responsible for approving important matters relating to OR, namely OR's vision, mission, values, organizational strategies, business planning, and significant investment.
- The Board reviews and approves OR's action plan which consists of corporate strategic plan, short-term and long-term business plan (3-5 years), annual budget, enterprise risk management plan, and performance indicators (KPIs).
- The Board monitors OR's performance results quarterly at the minimum, and perform a year-end evaluation annually.

1.2 Exercise its leadership and role in Good Corporate Governance, striving for the following achievements:

(1) Competitiveness and performance with long-term perspective (2) Ethical business conduction with responsibility for both shareholders and stakeholders (3) Benefits to the society and minimization of environment impact (4) Corporate resilience

- The Board has established a vision of "Empowering All Toward Inclusive Growth" which represents OR's strong intention to grow its business alongside the good quality of life for people in the society and community under rich environment. This vision also reflects the creation of long-term sustainable value for OR's business by balancing equal treatment to all stakeholders in 6 areas, namely the nation, society, environment, shareholders, customers, business partners, and employees.
  - The Board places importance on conducting business in accordance with the principles of Good Corporate Governance. This can be seen from the Good Corporate Governance compliance assessment result of Thai listed companies (CGR scores), which OR has been continuously receiving an excellent level of assessment since its first year as a listed company on the Stock Exchange of Thailand.
  - The Board acts as leaders in Good Corporate Governance and consider all stakeholders' benefits, including themselves, on every agenda at every OR's Board meeting.
  - The Board has established a written Corporate Governance and Business Ethics policy.
  - The Board assigns the Corporate Governance and Sustainable Development Committee to supervise "Good Corporate Governance" (CG).
- 1.3 Ensure that all directors and executives perform their duties with duty of care and duty of loyalty, and that their operations comply with laws, regulations, and shareholders' resolutions
- It is within OR's Board's scope of duties and responsibilities to act in accordance with the laws, regulations and shareholders' resolutions.
  - OR has issued orders and regulations regarding investment approvals and approval authority

tables for progressive and transparent decision-making on important matters the directors and executives make.

- 1.4 Demonstrate a thorough understanding of the Board's and the Management's division in responsibilities. The Board shall clearly define the roles and responsibilities of the Management and monitor the Management's proper performance of its duties as assigned

- The scope of duties and responsibilities are established in writing, divided into the scopes of duties for the Board, Management Committee, and Chief Executive Officer.
- The Board oversees and ensures Chief Executive Officer, as well as the Management perform their duties as assigned by the Board at Board of Directors' meetings. Such assignments and progress reports are recorded in writing.

**Principle 2:**  
**Define Objectives that Promote Sustainable Value Creation**

**OR's Performance Report**

- 2.1 Define objectives that promote sustainable value creation and governance outcomes as a framework for the Company's business operation

- OR strives for business conduct that carries OR's vision and mission on sustainability towards society, community, environment, and economy.
- The concept of "OR DNA" has been defined to reflect on OR's business conduct which enables growth and sustainability for both the Company, society, community, and environment. This ideology is communicated to OR's employees on a regular basis.
- OR focuses on equal treatment of all stakeholders, with stakeholder's treatment guidelines in the OR Good Corporate Governance Handbook.

- 2.2 Ensure that the Company's annual and medium-term objectives, goals, strategies, and plans are consistent with the long-term objectives, while utilizing innovation and technology effectively and safely

- The Board sets strategic and business plans divided into short (annual) and long term (3-5 years) plans based on OR's vision and mission, considering both internal and external factors that could affect OR's business.
- The Board sets goals covering the important 3Ps, namely people, planet, and performance, which OR calls "OR 2030 Goals". These goals, objectives, and strategies are communicated and conveyed throughout the organization via various channels.
- The Board assigns the Chief Executive Officer and the Senior Executive Vice President of Corporate Strategy Innovation and Sustainability to be responsible for performance monitoring by utilizing innovation and technology, such as performance data analysis by Tableau and Power-BI system and the Geoanalytics system used for new location analysis.

**Principle 3:**  
**Strengthen the Board's Effectiveness**

**OR's performance Report**

- 3.1 Defining and reviewing the Board of Directors' structure with a Board Skill Matrix to ensure the Board consists of various qualified directors both in skills and experiences that are consistent with OR's strategy and the needs of stakeholders

- The Board has created a Board Skill Matrix to ensure the Board consists of various qualified directors both in skills and experiences that are consistent with OR's strategy and the needs of stakeholders. The expertise of OR's Board, according to the Board Skill Matrix, consists of finance, accounting, law, information technology and innovation, business administration, engineering and energy, oil industry and trade, corporate and marketing communication, marketing, international business, retail business, human resource management, and public administration.

- The Board consists of executive and non-executive directors' proportion that reflects the appropriate balanced power. Most of the Board are

non-executive directors who are independent to freely express their opinions on the management's operation.

- The Board comprises 8 independent directors out of 15 directors, in accordance with SEC regulations, which require at least one-third (minimum 3 persons) of the total number of Board to be independent directors.
- OR's qualifications for independent directors regarding their shareholding proportion are stricter than those of the SEC.
- The policy regarding the diverse composition of the Board and each director's profile are disclosed in the annual report and on the Company's website.
- The Board selects the suitable Chairman of the Board based on their qualifications, experiences, and expertise.
- OR separates Chairman of the Board from the Chief Executive Officer position, and the duties of the Board of Directors and the Management are clearly divided.

3.2 Select an appropriate person as the Chairman and ensure that the Board composition serves the best interest of the company, enabling the Board to make decisions and exercise independent judgement

- The Chairman of the Board shall be a person with knowledge, ability, and possess an excellent understanding of OR's nature of business, which is essential to make decisions for the best interests of OR and the shareholders. In order to facilitate the exercise of independent judgment in decision-making, the Board therefore appoints an independent director (Ms. Dujduan Hettrakul) to consider the agenda of the Board of Directors' meetings together with the Chairman of the Board.
- The Chairman of the Board's roles and duties are defined in writing.
- Independent directors may hold their positions no more than 9 consecutive years.
- The Board appoints sub-committees, namely the Audit Committee, the Nomination and

Remuneration Committee, the Enterprise Risk Management Committee, and the Good Corporate Governance and Sustainable Development Committee, to consider, scrutinize specific issues and information, and propose guidelines prior to further approval from the Board.

- The Board ensures that the roles and duties of the Board, sub-committees, the details regarding meeting numbers and each director's attendance in the past year, and performance report of all sub-committees are disclosed on the 56-1 One Report form.

3.3 Ensure that the policy and procedures for selection and nomination of the directors are clear and transparent

- The Board establishes a Nomination and Remuneration Committee in which the Committee Chairman is an independent director.
- The Nomination and Remuneration Committee establishes criteria regarding Board of Directors' nomination and recruitment.
- The Nomination and Remuneration Committee is responsible for considering the qualifications of the persons nominated as directors before proposing at the Board of Directors' meeting and/or the shareholders' meeting. The Nomination and Remuneration Committee must ensure that the information of the nominated candidates is sufficient for decision-making.
- The Board assigns the Nomination and Remuneration Committee to consider the policy and criteria for directors' and sub-committees' remuneration.
- The Nomination and Remuneration Committee considers the appropriate level of remuneration for directors and sub-committee members annually, considering the operating performance, the Board's responsibilities, as well as comparison to other companies of similar business nature in the same industry.
- Shareholders approve the structure and the rate of directors' remuneration both in monetary and

non-monetary forms. The Board considers the suitability of the remuneration prior to the presentation at the shareholders' meeting each year.

- The information regarding OR's directors' remuneration is disclosed in 56-1 One Report.
- 3.4 In proposing the Board's remuneration to the shareholders for approval, the Board should consider the suitable remuneration structure and rates for their responsibilities, in order to motivate them to lead the organization towards both short-term and long-term goals achievement
- The Board established a Remuneration Committee, which most of the committee members and the chairman should be independent directors. The Committee's responsibility is to consider policies and criteria for determining remuneration.
  - Directors' remuneration shall be consistent with the Company's strategies and long-term goals, their experience, duties, accountability and responsibility, including the expected benefits from each director. Directors with additional duties and responsibilities, such as being members of sub-committees, will also receive appropriate additional remuneration, in a manner comparable to the level practiced in the industry.
  - Shareholders must approve the structure and rate of remuneration for directors, both in monetary and non-monetary forms. The Board also considers the appropriation of remuneration, both fixed-rate (such as regular remuneration and meeting allowance) and remuneration according to the Company's performance (such as bonus), where both forms of remuneration shall be linked to the value that the Company created for shareholders. Nevertheless, the remuneration should not be too high, as it might motivate Directors to focus only on short-term results.
- 3.5 Ensure all directors' proper and accountable performance, and allocate sufficient time for their duties and responsibilities effectively
- The Board provides a mechanism to support directors in understanding their roles and duties by providing important information for new directors

before their first OR's Board of Directors' meeting, in order to equip them with thorough and sufficient understanding about OR's business to perform their duties effectively.

- To ensure that the directors can allocate sufficient time to carry out their duties, the Board sets the following criteria regarding directors with director positions in other state enterprises and/or legal entities:
    - (1) The position of director cannot be held in more than 3 state enterprises and/or legal entity which the state enterprises hold shares in.
    - (2) The position of director cannot be held in more than 3 listed companies of the Stock Exchange of Thailand. However, the holding of director positions under (2) must not contradict the criteria in (1),

The holding of office as directors in (1) and (2) must not exceed 5 companies in total.

  - Directors are required to update information in Report of Interest twice a year, whereas information regarding their positions in other companies are disclosed on OR's website.
- 3.6 Establish a framework and a mechanism for governing policies and operations of subsidiaries, affiliates, and other entities OR invests in
- OR has established a framework and mechanism for governing policies and operations of the invested companies, in accordance with OR Group Way of Conduct, OR's requirements, regulations, and guidelines for investment governance.
- 3.7 Arrangement of annual performance evaluation of the Board, Sub-committees, and individual directors
- The Board and Sub-committees complete a self-assessment once a year through the assessment form created by the Nomination and Remuneration Committee and the assessment results are approved by the Board prior to sending to the Evaluation Committee. The assessment form consists of the Board of Directors assessment form as a whole, individual director assessment

- form (self and other directors' assessment), and assessment form for the 3 sub-committees.
- The Corporate Secretary reports the self-assessment results of the directors, and the Board consider the assessment results for further development guidelines.
  - Criteria, procedures, and overview of assessment results are disclosed in 56-1 One Report.
- 3.8 Ensuring all directors receive information concerning their duties on a regular basis
- At the orientation for new directors, they are provided a handbook of listed company directors, the Good Corporate Governance handbook, list of relevant laws, certificate, objectives and regulations of the company, the minutes of 2022 Annual General Meeting of Shareholders, minutes of the past Board of Directors' meetings, annual reports, the latest financial statements, etc.
  - The directors continually participate in training to develop necessary knowledge. In 2022, the directors attended the following training courses organized by Thai Institute of Directors (IOD):

List of OR's Directors	Training Courses
<b>Dr. Kobsak Pootrakool</b>	Director Accreditation Program (DAP 196/2022)
<b>Dr. Chaichana Mitprant</b>	Successful Formulation & Execution of Strategy (SFE 39/2022)
<b>Asst. Prof. Dr. Duangkamol Chartprasert</b>	Successful Formulation & Execution of Strategy (SFE 39/2022)
<b>Mr. Chintapun Dansubutra</b>	Director Certification Program (DCP 323/2022)
<b>Miss Dujduan Hettrakul</b>	Director Leadership Certification Program (DLCP 4/2022)
<b>Mr. Rawit Hanutsaha</b>	Director Certification Program (DCP 314/2022)
<b>Dr. Buranin Rattanasombat</b>	Director Leadership Certification Program (DLCP 4/2022)

- The information relating the director's training and continual development is disclosed in Form 56-1 One Report.

3.9 Ensure the Board performs their duties effectively with access to accurate information. The Board shall appoint a Corporate Secretary with necessary qualifications, knowledge, skills, and experience to support the Board in performing their duties

- The Board sets meeting dates and agendas in advance for all directors to allocate their time for attendance.
- OR delivers meeting documents to the directors at least 7 business days prior to the meeting date.
- Chief Executive Officer and President assigns high-level executives to attend every OR Board meeting and present details related to relevant agendas.
- The Board may request additional information related to the agenda from the Chief Executive Officer and President, Corporate Secretary, or the management.
- The Board requires non-executive directors to hold meetings among themselves in order to discuss various issues regarding management without the Management team and report the meeting results to the Chief Executive Officer.
- The Corporate Secretary, appointed by the Board, must possess a degree in law. The qualifications of Corporate Secretary are disclosed on OR's website.

#### **Principle 4: Recruitment and Development of Executives and Human Resource Management**

##### **OR's Performance Report**

- 4.1 Ensure that a proper mechanism is in place for the nomination and development of the Chief Executive Officer and key executives, making sure they possess the knowledge, skills, experience, and characteristics necessary to drive the Company to achieve its mission and goals.

- OR has a management succession plan according to the position levels, which are divided into 4 following levels: 1) Chief Executive Officer 2) Executive Vice President 3) Department Manager and 4) Manager. The selection criteria are based on the analysis of the Company's needs in the past 5 years prior to the selection. The potential executives are selected from personnel within the organization and/or personnel from companies in the PTT Group, based on the OR Versatile Leadership Development Program. The leadership program equips employees with experiences, knowledge, and the ability to adapt to changing business's environment to be resilient and competitive in the future businesses. This includes a rotation plan for competency development and accumulation of the experience necessary for the position, ensuring that selected executives are knowledgeable, competent, experienced, and able to act as a role model in accordance with corporate values.
  - The Board is responsible for establishing Chief Executive Officer Nomination Committee to review and select the candidates for Chief Executive Officer position.
  - The Board, with input from the Nomination and Remuneration Committee, are responsible for the candidate selection for President and Executive Vice President positions.
  - Chief Executive Officer, President, and senior management are trained to develop knowledge and experience that are beneficial to continuous operation.
- 4.2 With input from the Nomination and Remuneration Committee, ensure that an appropriate compensation structure and performance evaluation are in place
- OR provides its employees with remunerations in various forms such as salary, annual bonus, provident fund, medical coverages for employees and family members, life insurances etc. OR focuses on strengthening stability of its employee, lightening the financial burden both during employment and after their retirement. OR also utilizes a comparative benchmark of companies in the same sector to compare its remuneration structure.
  - The Board, with input from the Nomination and Remuneration Committee, sets the criteria for performance evaluation and sets remuneration for Chief Executive Officer. KPIs will be deployed from the management to employees.
- 4.3 Understanding the Company's shareholder structure and relationships which may impact the management and operation of the Company
- The Board acknowledges OR's shareholding structure and considers PTT Group's policies for decision-making in various agendas, with PTT representatives providing relevant information.
  - In making decisions, the Board ensures that the policies of OR Group will not be an obstacle to the Board's performance or impact the interests of stakeholders.
- 4.4 Ensure the Company's effective human resource management and development for knowledgeable, skilled, and motivated employees
- OR has a systematic recruitment process focusing on internal recruitment of knowledgeable, competent, and moral employees for vacant positions available first, ensuring the growth in their career paths for its internal employees. Then, OR would proceed to select competent candidates outside of the organization who possess OR's Corporate Values (OR DNA). The selection criteria is based on the applicant's qualifications, knowledge, competency, and their valubales towards OR's business operation. Moreover, as OR is shifting its business operation focus to mobility and lifestyle, OR needs to adapt to changing environment, and hence will consider external recruitment of qualified candidates based on qualifications and criteria which OR's internal human resources lack.
  - OR focuses on developing knowledge by placing an emphasis on skills, attributes, and competencies development which match the job description and are in line with Corporate Values (OR DNA). OR also invests in career path

development in order to ensure employees are ready to work in higher positions when given the opportunity.

- In addition, OR has a career management for each position, with the aim of planning, developing and managing employees to be knowledgeable and capable of exercising business mindset and leadership skill in accordance with the OR's mission to meet the needs in business operations, correspond to the business model and the strategic direction of the organization. Individual Development Plan (IDP) is also set for all employees.
- OR strives to retain qualified and competent employees to work for the Company by keeping the remuneration standard in accordance with their performance. Human Resource Management system and process is transparent, suitable for current economic conditions, and comparable to that of the companies in the same business sector. At the same time OR has a provident fund system to encourage the consistent savings of employees. The company also provides relevant investment information as guidelines for their employees in making appropriate investment decisions according to their investment risks and personal needs.

#### **Principle 5:** **Nurture Innovation and Responsible Business Conduct**

##### **OR's performance report**

- 5.1 Prioritize and promote innovation that creates value for the Company's business, together with benefits for its customers or stakeholders with the sense of responsibility towards society and the environment

- The Board promotes innovation integration in OR's business operations together with creating benefits for customers or related parties, while maintaining social and environmental responsibility. The Board assigns the Chief Executive Officer, President and Senior Executive Vice President of Corporate Strategy Innovation and Sustainability to take charge of driving performance through

innovation and technology, such as insight analysis of Blue Card members via Big Data Analytics which enable OR to deliver products, services and marketing campaigns that meet the needs of customers.

- The Board promotes innovation aiming to add value to OR's business in the changing environmental factors by setting up a department responsible for this task, while the Management is assigned to report the progress of new investment to the Board periodically. Moreover, OR has restructured the organization by establishing the ORion project responsible for seeking new business (New S Curve) and having Vice President Executives responsible for this project full time.

5.2 Monitoring the Management's responsible business operations towards society and environment

- The Board ensures that OR conducts its business in an ethical manner while guiding the organization to achieve its main objectives sustainably, by setting policies and practice concerning business ethics that cover the following matters: responsibility to employees and workers, human rights, responsibility to customers, business partners, community, society, environment, and anti-corruption.
- The Board assigns the Good Corporate Governance and Sustainable Development Committee to oversee and supervise OR's sustainability management (SM) and Corporate Social Responsibility (CSR) according to the Good Corporate Governance system, in order for OR to conduct business operations with social and environmental responsibility.

5.3 Monitor and ensure efficient allocation and resource management by OR's management, taking into account the impact and development of resources along the value chain, in order to achieve clear objectives and main goals

- Support and encourage continuous improvement of processes and work to ensure OR's business operations will achieve the objectives and main goals of OR's business. The utmost efficiency on natural resources usage and reduction of unnecessary wastage are also crucial for OR's sustainable business value.

- Ensure that efficient and effective use of resources is reviewed, with consideration of the changes in internal and external factors.
- 5.4 Establish a framework for governance and management of Information Technology at an organizational level to be in line with the Company's needs, as well as ensuring that Information Technology is utilized effectively to increase OR's business values
- OR appoints OR Digital Steering Committee to oversee information management, ensuring OR's information technology management is efficient and suitable for corporate strategy.
  - OR has established compliance regulations regarding Information and Communication Technology Policy to ensure the supervision and direction of information and communication technology are clear for compliance. It also aims for OR Group companies to understand best practices for the management of OR Information and Communication Technology, to comply with the practices in the same efficiency and standard.
  - OR has established an Enterprise Data Governance Policy to ensure and secure the quality and standard of data governance, and information privacy is maintained in an appropriate manner, complying with OR's risk level and business operations. This is a crucial mechanism for managing and driving OR's current and future business operations.

#### **Principle 6: Strengthen Effective Risk Management and Internal Control**

##### **OR's performance report**

- 6.1 Ensure that the Company has effective and appropriate risk management and internal control system that are aligned with the Company's goals and comply with applicable law and standards
- The Board assigns the Enterprise Risk Management Committee to consider, give opinions, and approve the establishment of an annual corporate risk management plan to be in accordance with the strategic direction, business plan, and key indicators.
  - OR has internal assessment system which monitors and controls OR's subsidiaries' operations by having control self assessment for executive management, department and section manager respectively. The assessment on various aspects of OR's internal control system was based on internal control practice framework and the Risk Management policy of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which consists of 5 components: control environment; control activity risk assessment, information and communication, and assessment result follow-up. The internal assessment results are reported to the Board and the supervisors on an annual basis.
- 6.2 Establishment of the Audit Committee with efficiency and independence in duty performance
- The Board has established an Audit Committee consisting independent directors in accordance with the SEC regulations.
  - The Board sets the duties for the Audit Committee in writing, which covers the regulations set by the Stock Exchange of Thailand.
  - The Audit Committee may invite relevant persons to provide necessary information and consult with the auditors regarding account findings, which includes seeking independent opinions from specialized professional advisors for the benefit of the Audit Committee. The Internal Audit Unit also supports the operation of the Audit Committee.
  - The Board has established an internal audit unit, independent from the management, to work directly under the Audit Committee.
  - The Audit Committee has reported on the sufficiency of the risk management system and the internal control system, both of which are disclosed in Form 56-1 One Report.

6.3 Manage and monitor conflicts of interest that might occur between the Company and the Management, the Board, or shareholders. The Board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties

- OR has a Code of Conduct for stakeholders regarding conflicts of interest and stakes as part of the Company's business ethics.
- The Board requires employees at all levels to disclose their conflict of interests and stakes annually. For 2022, the Board commanded all directors, executives, and employee to report and disclose the potential conflict of interests they might have, in which none were found.
- The Board requires all directors to report their interests and stakes prior to considering the agenda at the Board's meetings. Reported interests and stakes are recorded in the meeting minutes, and directors with direct interests shall leave the meeting room and refrain from voting on the said agenda.
- For OR's best interests, the Board requires all directors and executives to disclose theirs and their relevant persons' interests and stakes for the Board to consider if any of OR's transaction has a conflict of interest that needs to be addressed. Directors and executives who have interests tied to OR's transactions will not be involved in the decision-making process of such transactions. Also, the Board has set up a report form on the interests of directors, executives, and related persons, along with the reporting criteria which include the guidelines for first reporting, semi-annual changes reporting, changes during the year reporting, and the annual reporting of stakeholders.
- OR has taken measures regarding the use of internal information by establishing a policy on confidentiality, data retention, and the use of internal information for the Board of Directors, executives and employees to follow through OR's

intranet system. The policy is also specified in the Good Corporate Governance Handbook, ethical standards, and business ethics published on the OR's website.

- The Board commands that the Company's directors must report the purchase-sales/holding of the Company's securities to the Board of Directors' meeting for acknowledgment.
- OR prohibits directors, executives, including their spouses and minor children, and employees of OR who are related to information gained from inside trading to trade the Company's securities during 45 days of quarterly statements, and 60 days of annual statements. More importantly, they must not trade securities or future contracts related to securities of the listed company until 24-hour after the public disclosure of such information. In case of necessity, they must notify the Company Secretary at least 2 days in advance using the form specified in the Company's Good Corporate Governance handbook.
- OR's directors and executives have the obligation to report any changes in OR's securities holding by themselves, their spouses, and their minors to the Securities and Exchange Commission via the electronic system within 3 business days after the change. They also must notify the Corporate Secretary at least 2 days beforehand, in accordance with Good Corporate Governance handbook, and OR's Code of Ethics and Business Conduct.
- Notify the directors, executives, and relevant employees of the Black-Out Period which OR sets for the disclosure of important information that may affect OR's stock price in order to ensure that relevant information is publicized first.
- In 2022, no directors, executives or related employees were found to trade securities during the period that OR suspended.

6.4 Establish clear anti-corruption policies and practices, and communicate related information to all levels of internal and external personnel for real implementation

In 2022, OR carried out the following actions to prevent corruption:

- The anti-fraud and corruption policy is reviewed annually to ensure suitability that applies to all levels of OR's personnel.
- The Board annually reviews the Good Corporate Governance handbook, Ethical Business Standards, and the Code of Business Conduct.
- OR declared its intention to join the Thai Private Sector Collective Action Coalition Against Corruption in 2021, and is preparing to apply for membership certification in 2023. Furthermore, OR conducted examination, monitoring, and control on the risks that may occur in the operational process, which OR did not find any significant issues or flaws related to fraud litigation and corruption due to non-compliance with relevant laws or regulations.
- OR arranged the “2022 PTT Group CG Day” for PTT Group companies on November 23, 2022, to ensure Good Corporate Governance of the 7 PTT Group Flagship members; namely PTT, PTT Exploration and Production Public Company Limited, PTT Global Chemical Public Company Limited, Thai Oil Public Company Limited, IRPC Public Company Limited, Global Power Synergy Public Company Limited, and OR. PTT Group CG Day is organized annually, in line with the objectives and plans which are as follows:
  - To promote, support, and disseminate activities regarding Good Corporate Governance (CG)
  - To raise awareness and stimulate the implementation of Good Corporate Governance principles that can be applied in operations and lead to the creation of a good corporate culture
  - To build the unity in accordance with PTT Group Way of Conduct
  - To expand and improve the standard of OR's corporate governance, including guidelines development for good corporate governance according to international standards

• OR communicates its policies and practices to employees through new employee orientation land CG Tips e-mails twice a month. OR also communicates anti-corruption policy to employees and third parties through OR's website and intranet system, and sends out notification letters to distributors, customers, business partners and all groups of dealers nationwide.

• In 2022 OR has conducted an evaluation on its Good Corporate Governance and anti-corruption E-learning through OR Intranet system. This was aimed to increase OR's employee's convenience to study and deepen their understanding towards Good Corporate Governance and anti-corruption.

#### 6.5 Establish a mechanism to handle complaints and whistleblowing

- In 2022, OR announced 2022 edition of OR regulations regarding complaints and whistleblowing of fraud, violation of laws and company regulation. The regulation includes the scope of complaint, complaint channel, procedure and protection of whistleblowers or witnesses in order to establish rules and guidelines for complaint and whistleblowing to authorities that are clear, transparent, fair, verifiable and responsible to stakeholders, all in accordance with the principles of Good Corporate Governance and OR's business operation philosophy.
- OR assigns various departments to review the complaints such as Internal Audit Manager, Corporate Governance Division, Senior Executive Vice President of Organization Effectiveness, Chief Executive Officer, Chairman of the Audit Committee, or OR's Chairman of the Board. Whistleblowers may report fraud, anti-corruption, and/or violation of law and company regulations, including violation of stakeholders' rights via several channels as follows:
  - Website: [www.pttor.com](http://www.pttor.com)
  - Email: [pttorvoice@pttor.com](mailto:pttorvoice@pttor.com)
  - Mails: PTT Oil and Retail Business Public Company Limited. 555/2 Energy Complex Center, B building, 12<sup>th</sup> floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900

## Complaints Handling Process



- According to the regulation regarding complaints and whistleblowing of fraud and/or non-compliance with law and company regulations B.E. 2565 (2022) section 4: Protection of Complainants or Witnesses, superiors in the executive level and the vice president will provide adequate protection for complainants or witnesses who provide any information relating to corruption without changing their positions or taking any other acts which are unfair treatment towards such persons. If the complainants or witnesses feel unsafe, they may request to their superiors in the executive level and the vice president to provide further measures as needed.

### Principle 7:

#### Ensure Financial Integrity and Information Disclosure

##### OR's performance report

- 7.1 Ensure the integrity of the Company's financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with applicable requirements
- OR has a disclosure policy which covers relevant disclosure standards, such as financial reporting standards, regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, etc. There are designated persons with the right to disclose important information, and additionally, OR's financial reports require auditors' opinions and observations.
  - The Board oversees OR's disclosures of information, including the registration statements, financial statements, and 56-1 One Report form, of which

the Board examines the drafts prior to public disclosure.

- OR prepares Management Discussion and Analysis (MD&A) for the disclosure of financial statements to support the disclosure of the quarterly and annual financial statement.

#### 7.2 Monitor the company's financial liquidity and solvency

- OR prepares cash flow forecast both in short and long-term to ensure its financial liquidity. Also, Debt Service Coverage Ratio (DSCR) is taken into account to ensure OR's debt payment credential. Such information is subject to OR's management and the Board's acknowledgement.
- Financial liquidity and debt repayment ability are regularly reported to the Management and the OR committee.

#### 7.3 Ensure that risks to the financial position of the Company or financial difficulties are promptly identified, managed, and mitigated, and that the Company's governance framework provides for the consideration of stakeholders' rights

- OR has an assessment system of short and long-term cashflow forecast that enables OR to foresee financial problems or difficulties in advance and set the Minimum Cash Requirement in accordance with business operations and related situations. In case of financial problems or lack of liquidity OR is secured with various source of commercial bank loans, either short or long-term, as subject to the Board's approval, including the management of the Company's loan to comply with the conditions of the loan agreement in a complete and correct manner. If the said short and long-term loans are insufficient OR will seek approval from the Board for more short- and/or long-term credit to eventually meet the demand.

#### 7.4 Preparation of Sustainable Report

- The OR Sustainability Report is disclosed on 56-1 One Report and on OR's official website. The report considers topics related to business operations both inside and outside the organization,

including issues relating the expectations of all stakeholders. The report is used in assess the organization's key sustainability issues, applying Materiality Assessment principle for issues critical to sustainability and practices for sustainable organization of Global Reporting Initiative: GRI Standard, the international standard regarding economic, social, and environmental guidelines and performance. The report is also useful for finding and fixing the Company's gap in moving towards sustainability. OR's sustainable policies and performance are disclosed to the public in this form of report.

#### 7.5 Ensure the establishment of a dedicated Investor Relations function responsible for effective, fair, and timely-mannered communication with shareholders, analysts, and investors

- OR has an Investor Relations Department acting as a center for disclosing important information to both domestic and international shareholders and investors. This includes financial information such as operating results, quarterly financial statements, Quarterly Management Discussion and Analysis (MD&A) reports, and OR's future strategies and trends in a complete, truthful, equal and regular manner. After being listed on the Stock Exchange of Thailand (SET) on February 11, 2021 OR has the opportunity to meet analysts and institutional investors both domestic and international regularly through Conference Call, Analyst Meeting, and Non Deal Roadshow every quarter to summarize OR's operating results. OR also consistently participates in the Opportunity Day event held.

#### 7.6 Encourage the effective use of Information Technology such as the Company's website to disseminate information in addition to information dissemination according to the criteria and channels specified by the Stock Exchange of Thailand

- Apart from publicizing information in accordance with criteria and via channels of the Stock Exchange of Thailand, OR also discloses information in both Thai and English via OR's website, which is updated regularly.

**Principle 8:**  
**Ensure Engagement and Communication with Shareholders**

**OR's Performance Report**

8.1 Ensure that shareholders can participate effectively in decision-making involving significant corporate matters

- OR encourages all shareholders to enjoy their basic rights, including the right to receive dividends, sufficient and timely information in a format suitable for decision-making, the right to attend and vote in shareholders' meetings, and all other rights of shareholders according to the law.
- The Board makes sure that all important matters of OR have been approved in the shareholders' meetings with strict compliance to the laws and the Company regulations.
- The Board allows shareholders to submit meeting agendas and the directors' name list in advance of the 2022 Annual General Meeting of Shareholders. The criterion for submission is disclosed on OR's official website.
- The Board ensures that notices of shareholders' meetings contain correct, complete, and sufficient information to exercise shareholders' rights, and are delivered to shareholders in accordance with the time required by law.
- The Board allows shareholders to submit questions in advance of the Shareholders' Annual General Meeting. The criterion for submission is specified in the meeting notice.

- OR prepares the documents for the shareholders' meeting in both Thai and English.

8.2 Ensure that the disclosure of shareholders' meetings are held as scheduled and conducted properly, with transparency and efficiency, and their ability to exercise their rights

- The Board will set the date, time and place of the meeting, considering the convenience of shareholders, namely working days and location that is accessible by public transportation. OR has a policy to promote and facilitate shareholders, including institutional investors, to attend the shareholders' meeting. OR allows shareholders who are unable to attend the meeting to give proxy to others or appoint an independent director to attend and vote on their behalf.
- The Board shall ensure that there is no action to restrict the opportunity to attend the meeting or create undue burdens on the shareholders, such as not requiring the shareholders or proxies to present documents or evidence of identity that exceeds normal regulations and guidelines.
- OR will apply and maximize the use of technology at shareholders' meetings regarding shareholder registration, vote counting, and display of results so that the meeting can be arranged promptly, accurately and precisely.
- The Chairman of the Board will chair at the shareholders' meeting to make sure the meeting is in accordance with the relevant law and rules of the company's regulations. The Chairman will also allocate appropriate time for each agenda



specified in the meeting notice and allow the shareholders to fully express their opinions and raise questions at the meeting in matters involving the Company.

- Before the meeting starts, shareholders will be informed of the number of shareholders attending the meeting in person and the number of shareholders who appoint proxies, as well as meeting method and voting procedures.
- For the election of directors OR will hold separate votes for each nominee.
- OR will provide ballots for every agenda and arrange witnesses for vote counting, consisting legal advisors and shareholders' representatives present at the meeting.
- OR will disclose the results of voting and divide the votes into agreeing, disagreeing and abstaining in each agenda and record the results in the minutes of the meeting.

8.3 Ensure accurate, timely and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings

- OR will disclose the resolutions of the shareholders' meeting along with the voting results within the next business day through the news system of the Stock Exchange of Thailand and on the company's website.
- OR will deliver a copy of the shareholders meeting to the Stock Exchange of Thailand within 14 days after the shareholders' meeting.
- OR will prepare the minutes of the shareholders' meeting with a complete record of information such as names of directors and executives attending the meeting, the proportion of directors attending, voting method and counting of votes, meeting resolution and voting results (agree, disagree, abstain) of each agenda item, questions and answers in the meeting, including full name of the questioners and the respondents.

**OR's Practices and Operations that are Different from the SEC Guidelines are as follows:**

<b>Guidelines Recommended by the SEC</b>	<b>OR's Operations</b>
<b>3.1.2 The Board should consider the appropriate number of directors that will enable them to perform their duties efficiently, with at least 5 directors but no more than 12 directors, depending on the size, type, and complexity of the business.</b>	OR has 15 people as its directors , which exceeds the SEC's guideline recommendation of no more than 12 directors. The number of OR's directors is appropriate because OR is in the process of expanding its business, both in terms of business size, business type, including overseas expansion. Therefore, it is necessary for OR to have directors with suitable knowledge, skills and experience.
<b>3.2.1 The Board's chairman should be an independent director</b>	Although OR's Chairman of the Board is not an independent director, the Board has appointed the chairman considering his/her knowledge, ability and understanding of OR's business nature, which is necessary for decision-making leading to the best interests of the Company and shareholders as a whole. Moreover, for the Board's operation to be conducive for independent discretion, the Board has appointed an independent director (Ms. Dujduan Hettrakul) to consider and set meeting agenda for the Board's meetings together with the Chairman of the Board.

## **8.2 Report on the Sub-Committees' Performances from the past year**

Information regarding performances of the sub-committees appears in the report under the performance of the sub-committees on page 234

## 9. Internal Control and Connected Transactions

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### 9.1 Internal Control

#### 9.1.1 OR Board's View on Internal Control

The Board of Directors recognizes the significance of a good internal control system and considers it an important duty to ensure OR's internal control system is suitable, adequate, consistent with its targets and objectives. The system must be in compliance with relevant laws and regulations in order to manage risks and prevent potential harms to OR and stakeholders, and to safeguard OR's assets from fraud, damage, or loss. The Board also demands accuracy and reliability of reporting as well as complete, adequate, and disclosure of information in a timely manner. The board meeting No. 12/2022 on December 21, 2022, attended by seven independent directors, deemed that OR's internal control was appropriate and adequate. OR's internal control was also assessed in various aspects in accordance with the five components of the internal control and risk management framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), as summarized below.

## 1) Control Environment

OR has fostered internal control awareness and atmosphere as follows:

- OR is committed to integrity and ethical practices and has established policies and protocols in writing, along with corporate governance practices, an ethical standard, and a code of conduct known altogether as the Corporate Governance (CG) Handbook in accordance with international standards. The executives and employees follow the work philosophy and models in accordance with the corporate governance policy and practices, while rules, regulations, business code of conduct, as well as disciplinary actions are communicated to employees for acknowledgment. OR's personnel are also required to disclose conflicts of interest with OR to prevent activities that may lead to conflicts of interest. All executives and employees at all levels are required to sign their names in acknowledgment of the corporate governance policy and the CG Handbook to demonstrate their commitment to earnestly applying them to their work. OR also places importance on anti-corruption practices and has established an anti-corruption policy to provide guidelines for transparent and accountable practices, thus strengthening OR from inside out and fostering a corporate culture of fraud and corruption prevention.
- The Board of Directors consist of directors who possess knowledge on and expertise beneficial to OR's business operations and is composed of a suitable number of knowledgeable and reliable independent directors who perform their duties independently. OR has also defined the roles of the Board of Directors and the sub-committees, namely the Audit Committee, the Enterprise Risk Management Committee, the Nomination and Remuneration Committee, and the Corporate Governance and Sustainability Committee, separately from those of management. The segregation of key duties provides checks and balances, leading to efficient internal control. The Audit Committee plays a vital role in promoting an atmosphere of independence from the management with respect to control and audit, with the Internal Audit Department reporting directly to it. OR has also put in place an internal control process to ensure timely detection and management of issues and independence in reporting such issues to the executives. In addition, OR has put in place disciplinary and rectification process to address any violation of the principle of integrity and the code of conduct in a suitable and timely manner.
- The organization structure is appropriate and aligns with OR's business strategies. OR has also delegated authority and responsibilities in writing and established a table of authority to limit the scope of authority of the board and executives in approving operations or entering into various transactions. In addition, OR has prescribed key performance indicators (KPIs), which are reviewed annually, as an operational guideline for employees, and regularly monitor employee performance against the defined annual goals. All employees acknowledge their roles, authority, and responsibilities. Employee assessment encompasses both performance and behavior. The assessment results serve as supplementary data for compensation review to provide incentives as well as identify the strengths and areas that need improvement, which are communicated to employees appropriately.
- OR has prescribed essential knowledge and skills as well as required educational background and practical experience for each job and defined job descriptions to serve as criteria for hiring new employees to ensure their suitability for the roles and responsibilities. Furthermore, OR promotes competency development according to annual personnel development plans and annually reviews its manpower to ensure alignment with business directions. OR has also put in place processes for recruitment, development, and retention of executives and employees at all levels, together with succession plans for key positions.

- OR has prescribed that all executives and employees are responsible for the internal control of their processes, and that the executives could improve operational processes when necessary.

In summary, OR's control environment is sound and adequate, thus enabling employees across the organization to understand the necessity and significance of internal control.

## 2) Risk Assessment

OR recognizes the significance of risk management, compliance with laws and regulations, accuracy and reliability of reporting. Its risk analysis takes into account both internal and external factors, categorized into dimensions relevant to OR. All types of risks that may impact its business operations are identified and analyzed by considering the corporate, business unit, division and department levels to ensure the achievement of objectives across the organization. As risk management is a critical component of all business processes that should be interconnected at all levels, OR has established an enterprise risk management policy and a risk management handbook, which are communicated through OR's intranet to ensure acknowledgement and compliance among the executives and employees. OR has also established a corporate risk profile to identify and analyze the risks relevant to each department along with identification of existing and additional controls to reduce impact or likelihood of the risks and keep them within OR's risk appetite. In addition, the Enterprise Risk Management Committee has been established as a sub-committee to steer and support corporate risk management to keep in line with business strategies and goals even though prevailing circumstances. ERMC should recommend guidelines, monitor and evaluate performance to maximize the effectiveness of OR's overall risk management.

## 3) Control Activity

OR has put in place control measures to reduce risks that may prevent the achievement of the corporate objectives as follows:

- OR has defined policies, rules, regulations, work plans and procedures in writing, which are reviewed and communicated to all employees for acknowledgment so as to ensure proper compliance.
- OR has clearly defined the scope of authority, duties, and approval authorities of executives in writing and prescribed segregation to ensure effective checks and balances. Another case in point is the authority to approve financial operations, which clearly states the scope of authority to ensure transparency and clarity.
- OR develops general control activities over technology to support the achievement of objectives such as the Intelligent Document System (iDoc), which controls documents to be proposed for approval, and the Data Loss Prevention Project, which prevents leakage of OR's key data. OR Digital and Data Governance Committee has also been appointed to ensure the efficiency of data and technology management. Preventive control, detective control and corrective control are implemented.
- OR has established a strict policy on connected or related-party transactions in compliance with the criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand, which prescribe that those who may have interested in a transaction are not eligible to vote for approval. The related party transactions are defined on an arm's length basis. In addition, OR has established a policy on confidentiality, data retention, and insider information to prevent misuse of information which may directly or indirectly conflict with his or her personal interests.



#### 4) Information and Communication

- To ensure that all employees remain fully informed, OR communicates with employees through various channels, such as intranet, bulletin boards, town halls, and e-mail, with the goal of steering the organization towards the same direction and urging employees to perform their duties to foster a corporate culture of cooperation.
- OR recognizes the significance of data and has thus established data governance standards and adjusted processes to optimize data management and utilization as well as to ensure accuracy, security, and compliance with the Personal Data Protection Act. B.E. 2562 (2019).
- OR uses standardized data storage systems for vital business data storage and backup. OR's policy is to store both paper and electronic data for at least 10 years in order to supplement analyses and ensure the availability of accurate and reliable data in case the main data center is affected during a crisis or emergency. The rights to access and edit data have also been defined to protect data security and prevent unauthorized persons from accessing vital or confidential information.
- OR requires that all meeting documents be sent to the Board of Directors for review at least 7 days prior to a meeting according to the legally required minimum period so as to provide them sufficient information for decision making and allow them to acquire additional information from the management

to consider the data thoroughly. Meeting minutes, consisting of the board's deliberation, inquiries, and opinions of the Board, must also be prepared for an audit of the board's performance and approved in the subsequent meeting. All documents must also be stored and arranged into categories. In the event that either an external or an internal auditor recommends improvements or rectifications, OR shall consider implementing such recommendations as deemed appropriate, with the Internal Audit Department responsible for tracking the status of such improvements or rectifications.

- OR has established various channels for comments, suggestions, complaints, compliments, and whistleblowing through [www.pttor.com](http://www.pttor.com), 1365 Contact Center, e-mail: [1365@pttor.com](mailto:1365@pttor.com) and [pttorvoice@pttor.com](mailto:pttorvoice@pttor.com). The identity of the whistleblower will be kept confidential and will not be disclosed to a third party. The Investor Relations Department has also been established to communicate with investors and/or stakeholders.

#### 5) Monitoring and Evaluation

OR has put in place an internal control monitoring and evaluation system to ensure the integrity and appropriateness of its internal control, as follows:

- OR has established a process of monitoring compliance with business ethics and restrictions on any conduct that may constitute a conflict of interest among executives and employees. The Corporate Governance Department is responsible

for monitoring, overseeing, and assessing governance performance on a yearly basis and reporting to the Corporate Governance and Sustainability Committee. The Internal Audit Office performs audits according to its annual audit plan and reports any material irregularities or deficiencies detected to the Audit Committee and the top executives. In addition, OR conducts internal control self-assessment, both at the executive and process levels, to assure all stakeholders that OR operation will successfully achieve its objectives by suitable resource consumption, as well as ensuring stewardship of assets and the prevention or reduction of errors, damage, losses, wastage, or corruption. To this end, OR has prescribed that internal control implementation shall be considered a duty of all employees and part of their job.

- OR's internal control system is monitored and evaluated by knowledgeable internal auditors who independently perform their duties. Compliance with the defined internal control system is also audited, monitored at the defined interval, and evaluated in accordance with the circumstances. The results of the internal control audit are directly reported to the Audit Committee. In this regard, OR encourages internal auditors to perform their duties according to international professional standards for internal auditing, as well as urging internal audit officers to attend all relevant training programs.
- In the event that a deficiency is discovered, a protocol is put in place to ensure that such the detected flaw

is examined, reviewed, rectified in a timely manner, and reported to the Audit Committee. In the event of law violation or an act that may significantly impact the reputation or financial status of the Company, the Internal Audit Department must report the situation along with solutions and rectification progress to the Chief Executive Officer and the Audit Committee, to be further reported to the Board of Directors.

In summary, the Board of Directors agree that OR's internal control system is adequate and appropriate. No significant issues or defects have been discovered, which is consistent with the view of EY Office Limited, OR's external auditor for the accounting year ending on December 31, 2022, that material information is fairly presented according to financial reporting standards.

### **9.1.2 Head of Internal Audit**

The Audit Committee Meeting No. 1/2018 on September 27, 2018 reviewed and approved the qualifications, educational degrees, and experience of Ms. Worrapanit Sittibusaya, appointing her as Head of Internal Audit, reporting directly to the Audit Committee.

The Audit Committee is responsible for proposing the appointment, transfer, removal, promotion, title promotion, and assessment of the Head of Internal Audit to the Board for its consideration and to the Chief Executive Officer for his opinions to supplement the Board's review. The profile of the current Head of Internal Audit appears in Attachment 3 (Details on the Head of Internal Audit), which is published on OR's website ([www.pttor.com](http://www.pttor.com)).

## **9.2 Connected Transactions**

In the day-to-day operations of OR and its affiliates, OR enters into transactions and agreements with natural and juristic persons that may lead to potential conflicts of interest. These transactions, which will continue, can be classified into the 4 following types:

### **1) Petroleum Products and Other Product Transactions**

PTT and PTT Group companies supply most of OR and its affiliates' petroleum products. These transactions are generally under product offtake agreements, both short and long term, except for purchases of some specific seasonal products to meet particular customer needs. In addition, OR purchases raw materials, such as coffee beans and other products, for its retail operations.

These transactions are based on market prices, adjusted upward or downward according to negotiation outcomes, to ensure OR's market competitiveness.

Company	Relationship to OR	Description/Agreement	Transaction Value as of December 31, 2022 (THB Million)
<b>Thai Oil Public Company Limited (“TOP”)</b>	<ul style="list-style-type: none"> <li>• PTT holds 45.03% of the TOP shares.</li> <li>• Shared board members with OR include Dr. Buranin Rattanasombat and Mr. Terdkiat Prommool</li> <li>• Mr. Suchat Ramarch, a director at OR, also holds a directorship at TOP.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Product Offtake and Crude Oil Supply Agreement</b> OR agrees to purchase petroleum products from TOP at a minimum of 49.99% of TOP's refining capacity.</li> </ul>	Cost of Sales and Services 222,276.8 Trade Accounts Payable 12,364.0
<b>PTT Global Chemical Public Company Limited (“GC”)</b>	<ul style="list-style-type: none"> <li>• PTT holds 45.18% of GC shares.</li> <li>• Mr. Disathat Panyarachun, a director at OR, also holds a directorship at GC (his tenure as director at OR expired in October 2022).</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Product Offtake Agreement with GC</b> OR agrees to purchase refined products at a minimum of 70.0% of GC's existing refinery's capacity, and all refined products from GC's new refinery at a minimum of 50.0% of the refinery's capacity for domestic consumption.</li> </ul>	Cost of Sales and Services 177,676.2 Trade Accounts Payable 9,711.9
<b>PTT International Trading Pte Ltd. (“PTTT”)</b>	<ul style="list-style-type: none"> <li>• PTT holds 100.0% of PTTT shares.</li> <li>• Mr. Disathat Panyarachun, a director at OR, also holds a directorship at PTTT, (his tenure as director at OR expired in October 2022).</li> </ul>	OR has short-term and annual spot agreements related to petroleum product procurement with PTTT.	Cost of Sales and Services 49,726.9 Trade Accounts Payable 5,585.0
<b>IRPC Public Company Limited (“IRPC”)</b>	<ul style="list-style-type: none"> <li>• PTT holds 45.05% of IRPC shares.</li> <li>• Mr. Kris Imsang, a director at OR, also holds a directorship at IRPC (his tenure as director at OR expired in September 2022).</li> </ul>	OR has an agreement with IRPC to procure petroleum products, which mainly comprise short-term and annual contract types.	Cost of Sales and Services 41,096.8 Trade Accounts Payable 2,455.2

Company	Relationship to OR	Description/Agreement	Transaction Value as of December 31, 2022 (THB Million)
<b>PTT Public Company Limited (“PTT”)</b>	<ul style="list-style-type: none"> <li>• PTT is a major shareholder of OR with a 75.0% shareholding.</li> <li>• The Ministry of Finance is a major shareholder.</li> <li>• Mr. Auttapol Rerkpiboon, an OR director, is PTT's President and Chief Executive Officer.</li> <li>• Dr. Buranin Rattanasombat and Mr. Terdkiat Prommool, directors at OR, are directors at PTT.</li> <li>• Mr. Kris Imsang, an OR director, is a director at PTT (his tenure as director at OR expired in September 2022).</li> <li>• Miss Jiraphon Kawswat, OR's director and executive, is PTT's executive (her tenure expired in September 2022).</li> <li>• Mr. Disathat Panyarachun, a director at OR, is a director at PTT (his tenure at OR expired in October 2022).</li> </ul>	<p>OR has a purchase and sale agreement for liquefied petroleum gas and propane with PTT, Thailand's major liquefied gas distributor, to be sold to OR's customers.</p> <hr/> <p>OR purchases methanol from PTT to be sold to customers domestically. Since there is only a limited number of methanol distributors in Thailand, OR only purchases methanol from PTT.</p> <hr/> <p>OR purchases other products from PTT, such as compressed natural gas (CNG) and liquefied natural gas (LNG) to sell to its customers.</p>	Cost of Sales and Services 38,326.9 Trade Accounts Payable 2,315.5
<b>Thai Lube Base Public Company Limited (“TLB”)</b>	<ul style="list-style-type: none"> <li>• TOP holds 100.0% of TLB shares.</li> </ul>	OR purchases lube-based products from TLB for its own lubricant production operations and has purchase agreements, primarily short-term and annual types, with TLB for supplying asphalt and byproducts for consumer consumption.	Cost of Sales and Services 4,378.9 Trade Accounts Payable 224.6

Company	Relationship to OR	Description/Agreement	Transaction Value as of December 31, 2022 (THB Million)
<b>Global Green Chemicals Public Company Limited (“GGC”)</b>	<ul style="list-style-type: none"> <li>GC holds 72.29% of GGC shares.</li> </ul>	<ul style="list-style-type: none"> <li><b>The Purchase agreement for biodiesel (methyl ester and fatty alcohols) with GGC</b> OR has purchase agreements, mostly short-term and annual types, with GGC for supplying methyl ester for OR's diesel production purposes, which it sells to its customers.</li> </ul>	Cost of Sales and Services 3,005.7 Trade Accounts Payable 147.0
<b>Other connected persons</b>	<ul style="list-style-type: none"> <li>“Connected persons” are individuals or legal entities according to the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Operations of Listed Companies on Connected Transactions B.E. 2546, (2013).<sup>(1)</sup></li> </ul>	OR has engaged with other potentially conflicted parties within the PTT Group and the Ministry of Finance Group, such as the oil fund tax with the Excise Department; the purchase of Type 1 lube-based products from IRPC Oil Co., Ltd. (OIRPC) to produce lubricants; ethanol sales contracts with Sapthip Co., Ltd. (SAPTHIP); ammonia sales contracts with PTT Asahi Chemical Co. Ltd. (PTTAC); and the hiring of Business Services Alliance Co., Ltd. (BSA) as an outsourced party for supporting functions.	Cost of Sales and Services 1,300.3 Trade Accounts Payable 196.9

**Remark:**

<sup>(1)</sup> For example, the Ministry of Finance or agencies under the Ministry of Finance that the ministry controls and holds significant shares of, or other potentially conflicted parties.

## 2) Transactions Related to Product Sales and Other Services

OR and its affiliates sell petroleum and other products as part of its regular business operations to PTT, PTT Group Companies, and the Ministry of Finance Group. As OR is one of the major retailers, such transactions are regarded as OR's regular business practices. Sales and distribution between related parties with potential conflicts of interest with OR are thus conducted through bidding, proposals, or sales transactions.

Pricing is based on market prices, adjusted upward or downward by negotiation outcome. Fees for services provided or received are invoiced based on (1) market reference prices and (2) actual costs incurred.

Company	Relationship to OR	Description/Agreement	Transaction Value as of December 31, 2022 (THB Million)
PTT	<ul style="list-style-type: none"> <li>• PTT is a major shareholder of OR, holding 75.0% of shares.</li> <li>• The Ministry of Finance is a major shareholder.</li> <li>• Mr. Auttapol Rerkpiboon, an OR director, is a director and holds an executive position at PTT.</li> <li>• Dr. Buranin Rattanasombat and Mr. Terdkiat Prommool, directors at OR, hold executive positions at PTT.</li> <li>• Mr. Kris Imsang, an OR director, holds an executive position at PTT (his tenure at OR expired in September 2022).</li> <li>• Miss Jiraphon Kawswat, an OR director and holder of an executive position, holds an executive position at PTT (her tenure at OR expired in September 2022)</li> <li>• Mr. Disathat Panyarachun, a director at OR, holds an executive position at PTT (his tenure at OR expired in October 2022).</li> </ul>	<p><b>• Product Offtake Agreement with PTT</b>            OR supplies petroleum products to PTT under an agreement by both parties to be resold to government agencies and state enterprises as required under the Government Procurement and Inventory Management Act B.E. 2560 (Procurement and Purchasing Act 2017). The act requires government agencies and state enterprises to procure fuel or petroleum products supply of more than 10,000 liters by specific methods from PTT only (Government Supply); otherwise, general solicitation or selection methods can be applied. Prior to PTT's organizational restructuring, its oil business unit secured the supply for the government. However, after the restructuring, PTT was no longer able to distribute to the government due to restrictions under the Procurement and Purchasing Act 2017; therefore shifted to the supply of petroleum products from OR and distributed them to the government and state enterprises.</p> <p><b>• Supply of Refined Products for PTT Stations Which Remain with PTT Under a Business Transfer Agreement</b>            OR supplies refined products to PTT Stations, which remain with PTT as agreed under a business transfer agreement. Latterly, some of the service stations were sold to OR, amortized or discontinued. As of December 31, 2022, PTT was the distributor for the remaining 4 PTT Stations not yet transferred to OR.</p>	Sales and Services Income 18,564.6 Trade Accounts Receivable 3,817.8

Company	Relationship to OR	Description/Agreement	Transaction Value as of December 31, 2022 (THB Million)
<b>PTTT</b>	<ul style="list-style-type: none"> <li>• PTT holds 100.0% of PTTT shares.</li> <li>• Mr. Disathat Panyarachun, a director at OR, holds an executive position at PTTT (his tenure at OR expired in October 2022).</li> </ul>	<p>OR sells petroleum products to PTTT as mutually agreed in the agreement to be sold to business partners in Thailand and overseas.</p>	<p>Sales and Services Income 6,396.7 Trade Accounts Receivable 10.2</p>
<b>Thai Airways Public Company Limited</b>	<ul style="list-style-type: none"> <li>• The Ministry of Finance is a major shareholder.</li> </ul>	<p>OR completed a bidding process and agreed to supply aviation fuels to Thai Airways, intending to sell JET A-1 aviation fuel to Thai Airways.</p>	<p>Sales and Services Income 6,364.3 Trade Accounts Receivable 560.2</p>
<b>Glow IPP Company Limited ("GIPP")</b>	<ul style="list-style-type: none"> <li>• PTT has a 47.27% shareholding in Global Power Synergies Co., Ltd. ("GPSC")</li> <li>• GPSC has a 45.67% shareholding in Glow Energy Plc. ("GLOW") and is an indirect shareholder via a 54.16% shareholding in Global Holdings Thailand Plc. ("GHT").</li> <li>• GLOW holds 100.0% of Glow Co., Ltd. ("GCO") shares.</li> <li>• GCO holds 95.0% of GIPP shares</li> </ul>	<p>OR completed a bidding and price negotiation process, and entered into an agreement for the sale of petroleum products to GIPP.</p>	<p>Sales and Services Income 4,243.0 Trade Accounts Receivable 340.8</p>
<b>Electricity Generating Authority of Thailand ("EGAT")</b>	<ul style="list-style-type: none"> <li>• The Ministry of Finance is a major shareholder.</li> </ul>	<p>OR completed a bidding and price negotiation process and entered into an agreement for the sale of petroleum products to EGAT.</p>	<p>Sales and Services Income 4,198.5 Trade Accounts Receivable 799.5</p>

Company	Relationship to OR	Description/Agreement	Transaction Value as of December 31, 2022 (THB Million)
<b>Thai Smile Airways Co. Ltd.</b>	<ul style="list-style-type: none"> <li>Thai Airways Plc. holds 100.00% of shares.</li> </ul>	<p>OR completed a bidding process and entered into an agreement to supply JET A-1 aviation fuel to Thai Smile Airways.</p>	Sales and Services Income 3,564.5 Trade Accounts Receivable 327.9
<b>Ratchaburi Electricity Generating Company Limited</b>	<ul style="list-style-type: none"> <li>EGAT holds 45.0% of shares in the RATCH Group.</li> <li>RATCH Group Plc. holds 99.99% of shares in Ratchaburi Electricity Generating Co., Ltd.</li> </ul>	<p>OR completed a bidding and price negotiation process and entered into an agreement for the sale of petroleum products to Ratchaburi Electricity Generating Co., Ltd.</p>	Sales and Services Income 3,536.8 Trade Accounts Receivable -
<b>Other connected persons</b>	<ul style="list-style-type: none"> <li>“Connected persons” are individuals or legal entities according to the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Operations of Listed Companies on Connected Transactions B.E. 2546, (2013).<sup>(2)</sup></li> </ul>	<p>OR generates revenue from operations carried out alongside the PTT Group and other businesses under the Ministry of Finance, mainly selling petroleum products, retail products, and other services generally provided by OR. These include mobility and lifestyle businesses, such as PTT Energy Development Co., Ltd. (“PTTEPED”), PTT International (Yangon Branch) Co., Ltd. (“PTTEPYAN”), PTT Exploration and Production Co., Ltd. (“PTTEP”), and Carigali – PTTEPI Operating Company Sdn Bhd. (“CPOC”).</p>	Sales and Services Income 4,303.7 Trade Accounts Receivable 674.9

**Remark:**

<sup>(2)</sup> For example, the Ministry of Finance or agencies under the Ministry of Finance that the ministry controls, and holds significant shares of or other potentially conflicted parties.

### 3) Transactions Related to Sales and Administrative Expenditure, and Other Revenue

OR and its affiliates recorded transactions related to expenses incurred from sales and administration, as well as those from other revenue streams, with details as follows:

There are two main types of administrative income and expenditure: (1) based on the market price and applies the same principles as for transactions with third parties and (2) is based on the cost rate plus marginal profit for receipt and provision of services.

Company	Relationship to OR	Description/Agreement Transaction Value as of December 31, 2022 (THB Million)
PTT	<ul style="list-style-type: none"> <li>• PTT is a major shareholder of OR, holding 75.0% of shares.</li> <li>• The Ministry of Finance is a major shareholder.</li> <li>• Mr. Auttapol Rerkpiboon, an OR director, is a director and holds an executive position at PTT.</li> <li>• Dr. Buranin Rattanasombat and Mr. Terdkiat Prommool, directors at OR, hold executive positions at PTT.</li> <li>• Mr. Kris Imsang, an OR director, holds an executive position at PTT (his tenure at OR expired in September 2022).</li> <li>• Miss Jiraphon Kawswat, an OR director and holder of an executive position, holds an executive position at PTT (her tenure at OR expired in September 2022)</li> <li>• Mr. Disathat Panyarachun, a director at OR, holds an executive position at PTT (his tenure at OR expired in October 2022).</li> </ul>	<p>1) Transactions concerning depot management consist of the following:</p> <ol style="list-style-type: none"> <li>(1) Storage and product distribution services for depots.</li> <li>(2) Depot operation and management services.</li> <li>(3) Depot maintenance, improvement, modification and re-construction.</li> <li>(4) Storage of LNG reserves required by the law for OR.</li> <li>(5) Utility services at the Baan Rong Poh gas depot.</li> <li>(6) OR leasing and/or subleasing PTT's depots, office, and property.</li> </ol> <p>2) Transactions relating to the PTT stations that have not been transferred to OR. Currently, some PTT stations are in the process of being acquired and transferred to OR. Once the transfer is complete, there will no longer be transactions related to these transferred PTT Stations.</p> <p>3) Transactions concerning the leasing of motorway rest areas</p> <p>4) Transactions concerning business support, such as financial and accounting services, information technology services, consultancy, research, analysis and testing services, and sales services for government</p> <p>5) Transactions concerning PTT's NGV stations, consisting of NGV station construction contracts and letters of acceptance for NGV station management.</p> <p>OR's material personnel service-related transactions include the secondment of PTT's personnel to OR according to PTT Group policy.</p>

Company	Relationship to OR	Description/Agreement	Transaction Value as of December 31, 2022 (THB Million)
<b>BSA</b>	<ul style="list-style-type: none"> <li>• PTT holds 100.0% of BSA shares.</li> <li>• GC holds 33.3% of BSA preferred shares.</li> <li>• PTTDIGITAL holds 33.3% of BSA preferred shares.</li> <li>• Global Power Synergy Public Company Limited ("GPSC") holds 33.3% of BSA preferred shares.</li> <li>• Mr. Suchat Ramarch, a director at OR, also holds directorship at BSA.</li> </ul>	<p>OR has a contract to hire personnel for support work and obtain management services for PTT Stations, retail stores, and other services with BSA, a workforce management service provider for PTT Group companies. OR charges inventory management fees (expenses related to 7-Eleven convenience stores, such as water, electricity, damaged products, including both 7-Eleven stores owned by OR and by PTT) to BSA in the same amount charged to OR by CP All (for branches owned by OR) and in the same amount PTT collects from OR (for branches owned by PTT) as CP All and PTT have paid for said expenses in advance. As the store management agreement between OR (employer) and BSA (service provider) specifies that BSA is responsible for the expenses related to the 7-Eleven stores, OR books the fees charged to BSA as revenue.</p>	<p>Sales and Administrative Expenditure 1,449.4 Other Accounts Payable 299.0 Other Income 10.6 Other Accounts Receivable 0.4</p>
<b>PTT Digital Solutions Company Limited ("PTTDIGITAL")</b>	<ul style="list-style-type: none"> <li>• PTT holds 20.0% of PTTDIGITAL shares.</li> <li>• PTTEP holds 20.0% of PTTDIGITAL shares.</li> <li>• GC holds 40.0% of PTTDIGITAL shares.</li> <li>• TOP holds 20.0% of PTTDIGITAL shares.</li> <li>• Mr. Terdkiat Prommool is a director at both OR and PTTDIGITAL.</li> </ul>	<p>OR engages in IT-related transactions primarily with PTTDIGITAL, an IT technology solution provider for the PTT Group. Most transactions relate to IT infrastructure system management and other services, such as routine system maintenance, POS system services, and IT equipment lease and maintenance.</p>	<p>Sales and Administrative Expenditure 988.3 Other Accounts Payable 464.4 Other Accounts Receivable 10.8</p>
<b>Bangkok Aviation Fuels Services Public Company Limited ("BAFS")</b>	<ul style="list-style-type: none"> <li>• Thai Airways and AOT hold 7.06% and 4.94% of BAFS shares respectively.</li> <li>• OR holds 7.06% of BAFS shares.</li> </ul>	<p>OR uses BAFS services for aviation fuel storage and refueling at Don Mueang, Suvarnabhumi, Samui, Sukhothai, and Trat airports, as well as services for the transmission of aviation fuels through the hydrant pipeline at Suvarnabhumi International Airport. OR pays BAFS compensation for the aviation refueling services at Don Mueang Airport.</p>	<p>Sales and Administrative Expenditure 788.8 Other Accounts Payable 49.2 Other Income - Other Accounts Receivable 3.1</p>

Company	Relationship to OR	Description/Agreement	Transaction Value as of December 31, 2022 (THB Million)
<b>Other connected persons</b>	<ul style="list-style-type: none"> <li>• “Connected persons” are individuals or legal entities according to the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Operations of Listed Companies on Connected Transactions B.E. 2546, (2013).<sup>(3)</sup></li> </ul>	<p>OR and PTTT has an agreement to prevent petroleum price volatility risk. The agreement complies with the standards of the International Swaps and Derivatives Association.</p>	
		<p>OR leases office space in EnCo Building with Energy Complex Co., Ltd. (“EnCo”) for office use, for Café Amazon operations, and for storage. OR also uses the facilities management (FM) services of the OR Wang Noi Plant. In addition, PTTRM rents space in EnCo and EnCo building for use as Jiffy convenience stores and for storage.</p>	Sales and Administrative Expenditure 1,727.4 Other Accounts Payable 578.1 Other Income 342.7
		<p>OR has an agreement with PTTEP to sublease offices in EnCo buildings.</p>	Other Accounts Receivable 10,347.0
		<p>OR hires IRPC for the storage and distribution of diesel and ethanol products.</p>	
<b>Remark:</b>			
<small><sup>(3)</sup> For example, the Ministry of Finance or agencies under the Ministry of Finance that the ministry controls, and holds significant shares of or other potentially conflicted parties.</small>			

#### 4) Transaction Related to Loans

OR and its affiliates has a range of short-term and long-term loans taken out for use as working capital or for OR's general purpose. The interest rates are based on market interest rates, plus margins and various fees as agreed upon in the contract.

Company	Relationship to OR	Description/Agreement	Transaction Value as of December 31, 2022 (THB Million)
<b>PTT and PTT Treasury Center Company Limited (“PTT TCC”)</b>	<ul style="list-style-type: none"> <li>• PTT is a major shareholder of OR, holding 75.0% of shares.</li> <li>• The Ministry of Finance is a major shareholder.</li> <li>• Mr. Auttapol Rerkpiboon, an OR director, is a director and holds an executive position at PTT.</li> <li>• Dr. Buranin Rattanasombat and Mr. Terdkiat Prommool, directors at OR, hold executive positions at PTT.</li> <li>• Mr. Kris Imsang, an OR director, holds an executive position at PTT (his tenure at OR expired in September 2022).</li> <li>• Miss Jiraphon Kawswat, an OR director and holder of an executive position, holds an executive position at PTT (her tenure at OR expired in September 2022)</li> <li>• Mr. Disathat Panyarachun, a director at OR, holds an executive position at PTT (his tenure at OR expired in October 2022).</li> <li>• PTT holds 100.0% of PTT TCC shares.</li> </ul>	<p>OR has loan agreements with PTT TCC, a company with the primary objective of managing finances for PTT and companies in the PTT Group. Long-term loans under this agreement do not exceed THB 17,000 million and are subject to 6-month fixed deposit interest rates plus the interest margin stipulated in the agreement. As of April 29, 2022 OR has repaid THB 6,809.60 million for such loans</p> <p>OR and PTT entered an Inter-Company Borrowing and Lending (ICBL<sup>(4)</sup>) agreement, which is non-binding and unsecured. The loan was used as working capital in liquidity management between the two companies, with money market rates used for short-term loans. OR and PTT extended the ICBL agreement for one additional year, effective from December 20, 2022 to December 19, 2023. PTT's current loan credit limit from OR is THB 2,500 million, while OR's current loan credit limit from PTT is THB 1,500 million. In 2022, OR initiated a THB 2,000 million drawdown from PTT under its ICBL agreement, effective 269 days, from August 2, 2022 until April 28, 2023. As of December 13, 2022, OR had repaid THB 2,000 million, meaning it now longer has any drawdown from PTT under the ICBL agreement.</p>	<p>Long-Term Loan Open Balance 6,809.6 Additional Loans - Total Repaid 6,809.6 Closing Balance -</p> <p>Short-Term Loan Open Balance - Additional Loans 2,000.0 Total Repaid 2,000.0 Closing Balance -</p>

##### Remark:

<sup>(4)</sup> ICBL is a short-term loan between PTT and PTT group subsidiaries where PTT holds less than 100% of shares

Company	Relationship to OR	Description/Agreement	Transaction Value as of December 31, 2022 (THB Million)
<b>Commercial banks under the Ministry of Finance</b>	<ul style="list-style-type: none"> <li>• “Connected persons” are individuals or legal entities according to the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Operations of Listed Companies on Connected Transactions B.E. 2546, (2013).<sup>(5)</sup></li> </ul>	<p>OR has entered into loan facility agreements and had lender's letters issued with a group of financial institutions, including the Government Savings Bank. These long-term loans have a credit limit of THB 10,000 million are used for partial loan payments between OR and PTT for partial settlement under the business transfer agreement, and may be used for other purposes by OR. Latterly, has also entered into loan facility agreements with other financial institutions, including the Government Savings Bank and TMB Thanachart Bank Plc. with long-term loan credit limits of THB 3,000 million and THB 5,000 million respectively, which are used to ensure OR's financial liquidity.</p>	<p>Long-Term Loan Open Balance 8,900.0 Additional Loans 200.0 Total Repaid 1,100.0 Closing Balance 8,000.0</p>

**Remark:**

<sup>(5)</sup> For example, the Ministry of Finance or agencies under the Ministry of Finance that the ministry controls, and holds significant shares of or other potentially conflicted parties.

Backdated information for the preceding 3 years is available through the Company website

#### **Justification and Sensibility of Connected Transactions**

The OR audit committee meeting No. 2/2023 reviewed connected transactions, enquiring into additional necessary details from the management, and reviewed the documents and information specified in the corporate financial statement notes audited by external auditors. The committee has agreed to regard the connected transactions made during the accounting period ending December 31, 2022, as commonbusiness practices or those which are performed in support of regular business practices for OR and its affiliates on an arm's length basis. They have been seen to be performed in the same manner as any party would treat its business partners under similar circumstances, with standard bargaining power and free from the influence of the contract partner with potential conflict.

#### **Policy or Expected Trends for Future Connected Transactions**

OR's future connected transactions will be routine transactions conducted as part of its regular course of business. Pricing will be market-based and adhere to the same rules and guidelines that guide regular business practices under appropriate and fair terms and conditions in a sensible and accountable manner for the best interests of OR and its shareholders. The transactions will follow the general commercial terms and conditions approved by the company's board of directors. Disclosure of connected or related party transactions conforms the notification of the SEC and SET and to the accounting standard for the disclosure of information on connected parties and businesses, announced by the Federation of Accounting Professions.

**SECTION**

# **3**

**Financial Statement**



# **Report of Board of Directors' Responsibilities for the Financial Reporting**

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## **To Shareholders,**

The Board of Directors is responsible for the consolidated financial statements of PTT Oil and Retail Business Public Company Limited and its subsidiaries and the separate financial statements of PTT Oil and Retail Business Public Company Limited. The aforementioned financial statements are prepared in accordance with Thai Financial Reporting Standards. The financial statements are prepared under appropriated accounting policies and applied consistently by using careful judgment and the best estimation. Important information is adequately and transparently disclosed in the notes to financial statements for the company's shareholders and investors.

The Board of Directors provides good corporate governance and maintains the risk management system and internal controls to ensure that accounting records are accurate, reliable, free from material misstatement, timely and adequate to protect the company's assets as well as to prevent fraud and significant irregular operations.

The Board of Directors has appointed an Audit Committee comprising independent directors to be responsible for reviewing the reliability and correctness of financial reports, evaluating the effectiveness and efficiency of internal control process and governing the effectiveness of internal audit function. The audit committee's comments on these issues are presented in the audit committee report included in this annual report.

The Board of Directors considers that the internal control system and the internal audit of the company provide credibility and reliability to the consolidated financial statements of PTT Oil and Retail Business Public Company Limited and its subsidiaries and the separate financial statements of PTT Oil and Retail Business Public Company Limited for the year ended December 31, 2022. The Board of Directors also believes that the financial position, financial results and cash flows, audited by the independent auditors (EY Office Limited), are fairly and accurately presented in all material respects with Thai Financial Reporting Standards. The auditors' opinion is presented in the auditors' report as part of this annual report.



**Mr. Auttapol Rerkpiboon**

Chairman



**Mr. Disathat Panyarachun**

Chief Executive Officer

## Independent Auditor's Report

To the Shareholders of PTT Oil and Retail Business Public Company Limited

### Opinion

I have audited the accompanying consolidated financial statements of PTT Oil and Retail Business Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of PTT Oil and Retail Business Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PTT Oil and Retail Business Public Company Limited and its subsidiaries and of PTT Oil and Retail Business Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with the State Audit Standards and Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the State Audit Standards as issued by the State Audit Commission and the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the State Audit Standards and the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond is described below.

### *Revenue recognition*

The Group operates in oil and retail segments and there are various customer groups, comprising major customers, industrial customers, distributors, and individual customers. Moreover, the Group generates revenue through sales channels and the provision of a variety of services through service stations and retail outlets distributed across the country and overseas. Revenues from sales and services are the Group's significant transactions in terms of both volume and amounts, and directly affect the operating performance of the Group and the accounting approach with respect to the amount and timing of revenue recognition. I have therefore focused on the revenue recognition of the Group.

I have examined the revenue recognition of the Group by

- Gaining an understanding of the revenue cycle by making enquires of responsible executives, assessing and testing the Group's information technology general controls and internal controls with respect to the revenue cycle and selecting representative samples to test the operation of the designed controls.
- Assessing whether recognition of each type of revenue was consistent with the conditions of the relevant agreements, and in compliance with the Group's policies.
- Performing correlation analysis between revenue, trade receivables and cash and examining supporting documents for sales and cash receipt transactions occurring during the year. In addition, I applied a sampling method to select sales and service transactions occurring near the end of the accounting period.

- Performing analytical procedures on disaggregated data to detect possible irregularities in sales and service transactions throughout the period.

#### **Other Matter**

The State Audit Standards as described in the *Basis for Opinion* section and the *Auditor's Responsibilities for the Audit of the Financial Statements* section are relevant only to the audit of the financial statements, which are prepared by management in accordance with Thai Financial Reporting Standards.

The Consolidated financial statements of PTT Oil and Retail Business Public Company Limited and its subsidiaries (the Group) and the separate financial statements of PTT Oil and Retail Business Public Company Limited for the year ended 31 December 2021, presented herein as comparative information, were audited by another auditor who, under his/her report dated 15 February 2022, expressed an unmodified opinion on those financial statements.

#### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the State Audit standards and Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the State Audit standards and Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant the State Audit standards and ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Kittiphun Kiatsomphob

Certified Public Accountant (Thailand) No. 8050

EY Office Limited

Bangkok: 15 February 2023

**PTT Oil and Retail Business Public Company Limited**

**Statement of financial position**

**As at 31 December 2022**

(Unit: Baht)

	Note	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
		<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	6	37,909,936,254	46,172,641,791	33,527,866,266	42,085,710,005	
Investments in short-term financial assets	11.1	1,551,423,387	20,051,296,350	1,500,000,000	20,000,000,000	
Trade accounts receivable	7	28,082,750,967	20,235,259,718	28,611,951,827	21,436,311,845	
Other accounts receivable	8	40,738,579,457	14,085,574,711	38,711,004,429	12,518,599,708	
Short-term lending	9.3	-	-	3,071,465,443	2,354,819,378	
Current portion of long-term lending	9.4	-	-	243,000,000	1,400,000,000	
Inventories and supplies	10	27,474,126,592	24,629,787,405	24,550,369,920	22,422,224,129	
Other current financial assets		102,762,703	17,609,108	102,762,703	14,527,251	
Other current assets		<u>692,895,784</u>	<u>874,243,806</u>	<u>251,793,195</u>	<u>272,948,752</u>	
<b>Total current assets</b>		<b><u>136,552,475,144</u></b>	<b><u>126,066,412,889</u></b>	<b><u>130,570,213,783</u></b>	<b><u>122,505,141,068</u></b>	
<b>Non-current assets</b>						
Investments in long-term financial assets	11.2	8,007,514,944	3,852,705,429	1,421,605,907	1,150,504,023	
Long-term lending	9.4	-	-	-	243,000,000	
Investments in subsidiaries	12	-	-	24,352,754,708	18,150,955,508	
Investments in joint ventures	13	3,000,457,274	1,293,063,065	405,000,000	225,000,000	
Investments in associates	14	5,742,790,222	4,654,447,060	11,986,940,061	11,986,940,061	
Investment properties		979,796,394	972,624,657	708,805,919	690,439,325	
Property, plant and equipment	15	44,362,748,795	42,663,090,840	42,745,261,059	41,848,974,375	
Right-of-use assets	16	12,370,251,250	13,127,581,238	9,503,131,167	10,412,424,257	
Goodwill	17	3,483,578,072	3,483,578,072	12,798,967,715	12,798,967,715	
Intangible assets	18	1,827,112,173	1,979,657,702	28,040,230,578	30,501,472,169	
Deferred tax assets	26	7,392,220,838	8,121,796,109	-	-	
Other non-current assets		<u>1,785,445,468</u>	<u>1,443,922,857</u>	<u>1,478,669,711</u>	<u>1,162,643,194</u>	
<b>Total non-current assets</b>		<b><u>88,951,915,430</u></b>	<b><u>81,592,467,029</u></b>	<b><u>133,441,366,825</u></b>	<b><u>129,171,320,627</u></b>	
<b>Total assets</b>		<b><u>225,504,390,574</u></b>	<b><u>207,658,879,918</u></b>	<b><u>264,011,580,608</u></b>	<b><u>251,676,461,695</u></b>	

The accompanying notes are an integral part of the financial statements.

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**PTT Oil and Retail Business Public Company Limited**

**Statement of financial position (continued)**

**As at 31 December 2022**

(Unit: Baht)

	<u>Note</u>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
<b>Liabilities and shareholders' equity</b>						
<b>Current liabilities</b>						
Short-term borrowings from financial institutions	19	4,689,330,010	92,766,709	2,275,000,000	-	
Trade accounts payable		48,413,900,590	37,275,225,708	45,313,322,710	34,875,669,355	
Other accounts payable		7,979,739,426	6,724,521,074	6,692,525,131	5,558,497,175	
Short-term borrowings	9.7	-	-	39,052,929	72,278,982	
Current portion of long-term borrowings	20	4,630,032,749	4,775,023,429	4,621,880,388	4,736,167,449	
Current portion of lease liabilities	16	943,896,575	1,241,559,149	779,867,095	1,018,135,645	
Income tax payable		26,466,863	364,589,587	-	347,633,757	
Short-term provision for decommissioning costs		19,432,071	18,851,545	3,999,488	2,279,468	
Other current financial liabilities		19,447,361	2,925,930	19,447,361	2,925,930	
Other current liabilities		1,937,807,772	1,234,383,571	1,864,537,137	1,137,198,556	
<b>Total current liabilities</b>		<b>68,660,053,417</b>	<b>51,729,846,702</b>	<b>61,609,632,239</b>	<b>47,750,786,317</b>	
<b>Non-current liabilities</b>						
Long-term borrowings	20	24,488,403,559	29,501,573,102	24,473,958,663	29,501,573,102	
Lease liabilities	16	9,068,019,067	9,428,292,570	7,022,200,619	7,564,039,549	
Deferred tax liabilities	26	3,364,235,327	1,665,700,887	3,116,801,801	1,421,600,806	
Provisions for employee benefits	21	1,788,543,928	1,857,815,323	1,508,338,644	1,548,085,661	
Long-term provision for decommissioning costs		340,783,704	329,609,462	158,372,464	155,549,782	
Deposits on LPG cylinders		12,683,944,332	12,157,167,752	12,683,944,332	12,157,167,752	
Other non-current liabilities		1,349,591,167	1,116,676,731	1,192,022,108	968,180,174	
<b>Total non-current liabilities</b>		<b>53,083,521,084</b>	<b>56,056,835,827</b>	<b>50,155,638,631</b>	<b>53,316,196,826</b>	
<b>Total liabilities</b>		<b>121,743,574,501</b>	<b>107,786,682,529</b>	<b>111,765,270,870</b>	<b>101,066,983,143</b>	

The accompanying notes are an integral part of the financial statements.

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**PTT Oil and Retail Business Public Company Limited**

**Statement of financial position (continued)**

**As at 31 December 2022**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Shareholders' equity</b>				
Share capital				
Registered				
12,000 million ordinary shares of Baht 10 each	<u>120,000,000,000</u>	<u>120,000,000,000</u>	<u>120,000,000,000</u>	<u>120,000,000,000</u>
Issued and fully paid up	<u>120,000,000,000</u>	<u>120,000,000,000</u>	<u>120,000,000,000</u>	<u>120,000,000,000</u>
Share premium	23,496,507,923	23,496,507,923	23,496,507,923	23,496,507,923
Surplus from the change in the ownership interests in subsidiaries	26,944,535	26,944,535	-	-
Deficit on business combination under common control	(67,762,904,911)	(67,762,904,911)	-	-
Retained earnings				
Appropriated - legal reserve	22	1,444,958,000	1,052,434,000	1,444,958,000
Unappropriated		24,954,298,305	21,355,059,575	7,401,957,625
Other components of shareholders' equity	<u>1,541,273,626</u>	<u>1,649,736,447</u>	<u>(97,113,810)</u>	<u>(313,348,757)</u>
Equity attributable to owners of the Company	103,701,077,478	99,817,777,569	152,246,309,738	150,609,478,552
Non-controlling interests of the subsidiaries	59,738,595	54,419,820	-	-
<b>Total shareholders' equity</b>	<u>103,760,816,073</u>	<u>99,872,197,389</u>	<u>152,246,309,738</u>	<u>150,609,478,552</u>
<b>Total liabilities and shareholders' equity</b>	<u>225,504,390,574</u>	<u>207,658,879,918</u>	<u>264,011,580,608</u>	<u>251,676,461,695</u>

The accompanying notes are an integral part of the financial statements.

(Mr. Disathat Panyarachun)

Chief Executive Officer



**PTT Oil and Retail Business Public Company Limited**

**Statement of income**

For the year ended 31 December 2022

(Unit: Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>Note</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Sales and service income	23	789,785,097,432	511,799,251,874	749,619,433,317	485,836,622,834
Cost of sales and services		<u>750,676,898,618</u>	<u>475,591,932,068</u>	<u>715,508,279,800</u>	<u>453,236,308,634</u>
<b>Gross profit</b>		39,108,198,814	36,207,319,806	34,111,153,517	32,600,314,200
Other income	24	3,633,144,110	3,480,415,062	4,183,779,847	4,016,719,738
Gain on foreign exchange rates		1,112,052,936	770,755,654	1,850,368,361	824,901,677
Loss on derivatives		<u>(1,067,619,194)</u>	<u>(305,499,251)</u>	<u>(1,105,682,923)</u>	<u>(307,163,942)</u>
<b>Profit before expenses</b>		42,785,776,666	40,152,991,271	39,039,618,802	37,134,771,673
Selling and distribution expenses		16,507,468,883	14,455,583,484	16,196,819,372	14,998,845,333
Administrative expenses		<u>12,602,252,392</u>	<u>10,631,269,166</u>	<u>12,340,497,724</u>	<u>10,005,269,644</u>
<b>Operating profit</b>		13,676,055,391	15,066,138,621	10,502,301,706	12,130,656,696
Share of profit from investments					
in joint ventures and associates	13, 14	<u>489,900,688</u>	<u>372,420,482</u>	<u>-</u>	<u>-</u>
<b>Profit before finance costs and income taxes</b>		14,165,956,079	15,438,559,103	10,502,301,706	12,130,656,696
Finance costs		<u>1,155,173,227</u>	<u>1,250,224,968</u>	<u>1,006,489,891</u>	<u>1,135,573,742</u>
<b>Profit before income taxes</b>		13,010,782,852	14,188,334,135	9,495,811,815	10,995,082,954
Income tax expenses	26	<u>2,637,976,862</u>	<u>2,718,503,504</u>	<u>1,645,342,739</u>	<u>1,826,223,601</u>
<b>Profit for the year</b>		<u>10,372,805,990</u>	<u>11,469,830,631</u>	<u>7,850,469,076</u>	<u>9,168,859,353</u>
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		10,370,403,692	11,474,030,437	<u>7,850,469,076</u>	<u>9,168,859,353</u>
Non-controlling interests of the subsidiaries		<u>2,402,298</u>	<u>(4,199,806)</u>		
		<u>10,372,805,990</u>	<u>11,469,830,631</u>		
<b>Earnings per share</b>					
Basic earnings per share	28	<u>0.86</u>	<u>0.99</u>	<u>0.65</u>	<u>0.79</u>

The accompanying notes are an integral part of the financial statements.

**PTT Oil and Retail Business Public Company Limited**

**Statement of comprehensive income**

**For the year ended 31 December 2022**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Profit for the year</b>	<b>10,372,805,990</b>	<b>11,469,830,631</b>	<b>7,850,469,076</b>	<b>9,168,859,353</b>
<b>Other comprehensive income:</b>				
<i>Items to be reclassified to profit or loss</i>				
<i>in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	(291,040,799)	412,575,043	-	-
Share of other comprehensive income from investment in joint ventures	(71,806,869)	10,535,409	-	-
<i>Items not to be reclassified to profit or loss</i>				
<i>in subsequent periods</i>				
Gain on equity investments designated at fair value	313,371,727	1,149,186,851	270,293,684	76,639,276
Income taxes related to equity investments designated at fair value	(58,633,737)	(229,837,370)	(54,058,737)	(15,327,855)
Actuarial gain	105,094,057	117,552,119	62,232,800	113,295,058
Income taxes related to actuarial gain	(14,374,897)	(23,412,584)	(12,446,560)	(22,659,011)
Share of other comprehensive income from investment in associates	10,298,955	-	-	-
<b>Total other comprehensive income for the year</b>	<b>(7,091,563)</b>	<b>1,436,599,468</b>	<b>266,021,187</b>	<b>151,947,468</b>
<b>Total comprehensive income for the year</b>	<b>10,365,714,427</b>	<b>12,906,430,099</b>	<b>8,116,490,263</b>	<b>9,320,806,821</b>
<b>Total comprehensive income attributable to</b>				
Equity holders of the Company	10,362,958,986	12,910,418,207	8,116,490,263	9,320,806,821
Non-controlling interests of the subsidiaries	2,755,441	(3,988,108)		
	<b>10,365,714,427</b>	<b>12,906,430,099</b>		

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The accompanying notes are an integral part of the financial statements.

Consolidated financial statements										
Equity attributable to owners of the Company										
Other components of shareholders' equity										
Other comprehensive income										Total
Exchange differences	Share of other comprehensive income from financial statements in foreign currency	on translation of financial statements in foreign currency	Changes in fair value of joint ventures	equity investments	Total other components of shareholders' equity	attributable to the Company	attributable to owners of the Company	attributable to non-controlling interests	Equity attributable to the subsidiaries	shareholders' equity
<b>Issued and fully paid-up share capital</b>	<b>Surplus from the change in the ownership interest in subsidiaries under common control</b>	<b>Deficit on business combination under common control</b>	<b>Retained earnings Appropriated -legal reserve</b>	<b>Unappropriated</b>	<b>(808,861,25)</b>	<b>(242,053)</b>	<b>1,116,398,822</b>	<b>307,276,514</b>	<b>37,823,437,118</b>	<b>92,522,638</b>
90,000,000.00	-	(67,762,904,911)	593,991,000	14,985,074,515	-	-	-	-	53,946,507,923	37,915,959,756
30,000,000.00	23,496,507,923	-	-	-	-	-	-	-	-	53,496,507,923
<b>Balance as at 1 January 2021</b>	<b>Increase in share capital</b>	<b>Increase in share capital of a subsidiary</b>	<b>Profit for the year</b>	<b>Other comprehensive income for the year</b>	<b>Change in ownership interest in a subsidiary</b>	<b>Dividends paid (Note 30)</b>	<b>Transfer to legal reserve</b>	<b>Balance as at 31 December 2021</b>	<b>Increase in share capital</b>	<b>Increase in share capital of a subsidiary</b>
120,000,000.00	23,496,507,923	26,944,535	(67,762,904,911)	1,052,434,000	21,355,059,575	(396,306,212)	10,283,356	2,035,749,303	1,649,736,447	99,817,777,569
<b>Balance as at 1 January 2022</b>	<b>Increase in share capital</b>	<b>Increase in share capital of a subsidiary</b>	<b>Profit for the year</b>	<b>Other comprehensive income for the year</b>	<b>Dividends paid (Note 30)</b>	<b>Transfer to legal reserve</b>	<b>Balance as at 31 December 2022</b>	<b>Increase in share capital</b>	<b>Increase in share capital of a subsidiary</b>	<b>Profit for the year</b>
120,000,000.00	23,496,507,923	26,944,535	(67,762,904,911)	1,052,434,000	21,355,059,575	(396,306,212)	10,283,356	2,035,749,303	1,649,736,447	99,817,777,569
-	-	-	-	-	-	-	-	-	-	54,419,820
-	-	-	-	-	-	-	-	-	-	98,872,197,389
-	-	-	-	-	-	-	-	-	-	2,563,334
-	-	-	-	-	-	-	-	-	-	10,370,403,692
-	-	-	-	-	-	-	-	-	-	2,402,298
-	-	-	-	-	-	-	-	-	-	(7,094,563)
-	-	-	-	-	-	-	-	-	-	(6,479,659,077)
-	-	-	-	-	-	-	-	-	-	(6,479,659,077)
-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 December 2022</b>	<b>23,496,507,923</b>	<b>26,944,535</b>	<b>(67,762,904,911)</b>	<b>1,444,958,000</b>	<b>24,954,298,306</b>	<b>(687,484,563)</b>	<b>(61,513,513)</b>	<b>2,290,271,702</b>	<b>1,541,273,626</b>	<b>103,701,077,478</b>
										<b>59,738,595</b>
										<b>103,760,816,073</b>

The accompanying notes are an integral part of the financial statements.

**PTT Oil and Retail Business Public Company Limited**  
**Statement of changes in shareholders' equity (continued)**  
**For the year ended 31 December 2022**

(Unit: Baht)

		<b>Separate financial statements</b>			Other components of shareholders' income		Total shareholders' equity	
		Retained earnings	Appropriated	Unappropriated	Changes in fair value of equity investments			
Issued and fully paid-up share capital			- legal reserve					
90,000,000,000	-	593,991,000		2,012,363,200	(374,660,178)		92,231,694,022	
30,000,000,000	23,496,507,923	-					53,496,507,923	
<b>Balance as at 1 January 2021</b>								
Increase in share capital								
Profit for the year				9,168,859,353			9,168,859,353	
Other comprehensive income for the year				90,636,047		61,311,421	151,947,468	
Dividends paid (Note 30)				(4,439,530,214)			(4,439,530,214)	
Transfer to legal reserve				458,443,000	(458,443,000)			
<b>Balance as at 31 December 2021</b>				1,052,434,000	6,373,885,386	(313,348,757)	150,609,478,552	
120,000,000,000	23,496,507,923							
<b>Balance as at 1 January 2022</b>								
Profit for the year					7,850,469,076		7,850,469,076	
Other comprehensive income for the year					49,786,240	216,234,947	266,021,187	
Dividends paid (Note 30)					(6,479,659,077)		(6,479,659,077)	
Transfer to legal reserve				392,524,000	(392,524,000)			
<b>Balance as at 31 December 2022</b>				1,444,958,000	7,401,957,625	(97,113,810)	152,246,309,738	
120,000,000,000	23,496,507,923							

The accompanying notes are an integral part of the financial statements.

**PTT Oil and Retail Business Public Company Limited**

**Cash flow statement**

**For the year ended 31 December 2022**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities</b>				
Profit before tax	13,010,782,852	14,188,334,135	9,495,811,815	10,995,082,954
Adjustment of profit before income taxes to net cash provided by (used in) operating activities				
Depreciation and amortisation	6,502,602,548	6,074,564,045	8,330,268,770	7,885,717,523
(Reversal of) allowance for expected credit loss	300,687,916	(99,654,264)	283,614,067	(87,196,107)
(Reversal of) reduction of inventory cost to net realisable value	142,451,720	(22,486,067)	137,331,675	(19,717,421)
Loss on sales of assets	94,507,160	74,366,811	122,267,482	178,459,613
Reversal of impairment loss on non-financial assets	(7,504,215)	(37,913,724)	(12,823,374)	(130,048,347)
Share of profit from investments in joint ventures				
and associates	(489,900,688)	(372,420,482)	-	-
Impairment loss from investments	305,292,173	-	233,270,000	34,200,000
Provision for employee benefits	181,505,177	169,462,296	148,202,136	137,145,911
Unrealised loss (gain) on exchange rates	165,698,870	(9,789,890)	64,628,878	1,473,788
Profit on measuring fair value of financial assets	(68,109,782)	(31,765,059)	(71,708,921)	(28,666,115)
Dividend income	(852,878)	(62,985)	(566,376,024)	(663,729,022)
Interest income	(218,403,248)	(281,838,610)	(228,203,966)	(332,549,464)
Finance costs	1,155,173,227	1,250,224,968	1,006,489,891	1,135,573,742
Others	38,776,557	-	38,776,557	(1,111,061)
Profit from operating activities before changes in operating assets and liabilities	21,112,707,389	20,901,021,174	18,981,548,986	19,104,635,994
Operating assets (increase) decrease				
Trade accounts receivable	(8,288,415,810)	(8,118,164,224)	(7,542,840,835)	(8,361,467,910)
Other accounts receivable	(26,695,313,685)	3,516,383,953	(25,740,530,155)	3,965,586,451
Inventories and supplies	(2,986,790,907)	(5,432,187,054)	(2,407,564,818)	(5,442,345,730)
Other current assets	181,348,023	(13,027,094)	12,176,353	(21,263,257)
Other assets	(350,981,492)	(564,497,169)	(85,791,332)	(23,920,062)
Operating liabilities increase (decrease)				
Trade accounts payable	11,057,399,582	13,870,165,214	10,474,702,596	13,272,733,358
Other accounts payable	1,852,507,990	2,264,591,446	1,049,402,667	1,010,210,940
Other current liabilities	704,004,728	104,067,533	727,338,581	56,538,046
Deposits on LPG cylinders	526,776,580	283,368,303	526,776,580	283,368,303
Other non-current liabilities	77,049,431	(5,309,944)	99,449,108	41,360,030
Cash flows from (used in) operating activities	(2,809,708,171)	26,806,412,138	(3,905,332,269)	23,885,436,163
Income taxes paid	(1,390,066,067)	(2,767,512,318)	(1,131,376,992)	(2,623,833,839)
<b>Net cash flows from (used in) operating activities</b>	<b>(4,199,774,238)</b>	<b>24,038,899,820</b>	<b>(5,036,709,261)</b>	<b>21,261,602,324</b>

The accompanying notes are an integral part of the financial statements.

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**PTT Oil and Retail Business Public Company Limited**

**Cash flow statement (continued)**

**For the year ended 31 December 2022**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Cash flows from investing activities</b>				
Decrease (increase) in investment in short-term financial assets	18,499,872,963	(19,441,315,139)	18,500,000,000	(19,500,000,000)
Increase in short-term lending	-	-	(716,646,065)	(185,859,540)
Cash proceeds from long-term lending	-	-	1,400,000,000	1,058,695,020
Cash payment of investments in long-term financial assets	(3,891,885,560)	(384,825,454)	(813,300)	-
Cash payment of investments in subsidiaries	-	-	(6,435,069,200)	(2,194,615,600)
Cash payment of investments in joint ventures and associates	(3,070,857,452)	(1,201,553,831)	(180,000,000)	(225,000,000)
Cash payment of property, plant and equipment and investment properties	(6,110,265,363)	(5,472,228,744)	(5,136,299,864)	(4,723,575,735)
Cash payment of right-of-use assets	(210,358,478)	(102,081,441)	(40,525,841)	(82,592,427)
Cash payment of intangible assets	(164,813,169)	(92,794,833)	(65,847,473)	(58,225,850)
Cash proceeds from disposals of property, plant and equipment investment properties and right-of-use assets	40,845,263	44,681,485	35,007,674	30,644,796
Interest received	226,046,775	220,391,748	270,086,654	283,087,843
Dividends received	<u>434,495,400</u>	<u>526,466,097</u>	<u>566,376,024</u>	<u>663,729,022</u>
<b>Net cash flows from (used in) investing activities</b>	<u>5,753,080,379</u>	<u>(25,903,260,112)</u>	<u>8,196,268,609</u>	<u>(24,933,712,471)</u>
<b>Cash flows from financing activities</b>				
Increase in short-term borrowings	4,708,458,202	72,517,006	2,241,773,947	39,341,869
Proceeds from long-term borrowings	6,724,625,000	-	6,700,000,000	-
Cash payment of long-term borrowings	(11,872,059,651)	(16,522,108,243)	(11,838,600,000)	(16,479,950,000)
Cash payment of lease liabilities	(2,179,310,104)	(1,889,964,446)	(1,661,908,797)	(1,527,856,402)
Interest paid	(772,934,381)	(866,224,961)	(690,580,580)	(819,950,096)
Dividends paid	(6,464,051,447)	(4,422,510,633)	(6,464,051,447)	(4,422,510,633)
Proceeds from increase in share capital	-	53,496,507,923	-	53,496,507,923
Proceeds from increase in share capital of a subsidiary	2,563,334	21,341,825	-	-
Cash payment for additional interest in a subsidiary	-	(28,512,000)	-	-
<b>Net cash flows from (used in) financing activities</b>	<u>(9,852,709,047)</u>	<u>29,861,046,471</u>	<u>(11,713,366,877)</u>	<u>30,285,582,661</u>
Effects of changes in exchange rates	112,189,991	22,269,319	(4,036,210)	(355,812)
Exchange differences on translation	(75,492,622)	(249,407,246)	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(8,262,705,537)</u>	<u>27,769,548,252</u>	<u>(8,557,843,739)</u>	<u>26,613,116,702</u>
Cash and cash equivalents at beginning of year	<u>46,172,641,791</u>	<u>18,398,093,539</u>	<u>42,085,710,005</u>	<u>15,472,593,303</u>
<b>Cash and cash equivalents at end of year</b>	<u>37,909,936,254</u>	<u>46,167,641,791</u>	<u>33,527,866,266</u>	<u>42,085,710,005</u>

**Supplemental cash flow information**

Non-cash transactions

Increase in accounts payable for purchase property, plant and equipment and investment properties	1,675,599,718	1,303,931,090	985,626,500	955,125,775
Increase in accounts payable for purchase intangible assets	75,531,536	34,321,657	50,313,215	13,298,580
Increase in lease liabilities	1,041,747,255	3,640,696,122	598,792,850	3,547,797,019
Transfer of supplies to property, plant and equipment	148,027,073	93,190,238	142,087,352	93,165,696

The accompanying notes are an integral part of the financial statements.

**PTT Oil and Retail Business Public Company Limited and its subsidiaries**  
**Notes to consolidated financial statements**  
**For the year ended 31 December 2022**

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# **PTT Oil and Retail Business Public Company Limited and its subsidiaries**

## **Notes to consolidated financial statements**

**For the year ended 31 December 2022**

### **1. General information**

PTT Oil and Retail Business Public Company Limited (“the Company”) is incorporated as a public limited company in Thailand, and is listed on the Stock Exchange of Thailand.

The Company has a status of a state enterprise while PTT Public Company Limited is the largest shareholder and holds 75% of the Company’s shareholding interest.

The Company is principally engaged in the commercial and retail marketing of petroleum products, other services (Non-oil), and investing in related companies which are engaged in the management of fuel stations, convenience stores, space management in fuel stations, personnel service to related parties, blending and bottling of lube oil, and other fuel-related businesses.

The registered office of the Company is at 555/2, Energy Complex, Building B, 12th Floor, Vibhavadi Rangsit Road, Khwaeng Chatuchak, Khet Chatuchak, Bangkok.

### **2. Basis of preparation**

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543, including guidelines promulgated by the Federation of Accounting Professions (TFAC), and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act, B.E. 2535.

This English translation of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

#### **2.2 Basis of consolidation**

- a) The consolidated financial statements include the financial statements of PTT Oil and Retail Business Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022	2021
			Percent	Percent
PTT Retail Management Co., Ltd.	Oil and retail business	Thailand	100.00	100.00
PTT Retail Service Co., Ltd.	Human resources management	Thailand	100.00	100.00
PTT Philippines Trading Corporation	Oil and retail business	Philippine	100.00	100.00
PTT Philippines Corporation	Oil and retail business	Philippine	100.00	100.00
Thai Lube Blending Co., Ltd.	Blending and bottling of lube oil	Thailand	100.00	100.00
PTT (Cambodia) Ltd.	Oil and retail business	Cambodia	100.00	100.00
PTT Oil Myanmar Co., Ltd.	Business services	Myanmar	100.00	100.00
PTTOR China (Shanghai) Co., Ltd.	Lube oil product marketing and retail	China	100.00	100.00
PTTOR Singapore Pte. Ltd.	Retail business	Singapore	100.00	100.00
PTTOR Holdings Co., Ltd.	Investing in other companies	Thailand	100.00	100.00
<u>Subsidiary of PTT (Cambodia) Ltd.</u>				
PTT (Lao) Company Limited	Oil and retail business	Lao	100.00	100.00
Blue Wealth Land 1 Company Limited	Real estate business	Cambodia	49.00	-
<u>Subsidiary of PTTOR Holdings Co., Ltd.</u>				
PTTOR International Holdings (Singapore) Pte. Ltd.	Investing in other companies	Singapore	100.00	100.00
Modulus Venture Co., Ltd.	Investing in other companies	Thailand	100.00	100.00
Peaberry Thai Co., Ltd.	Coffee and beverage business	Thailand	81.00	81.00
Care For Car Co., Ltd.	Online automotive service	Thailand	100.00	100.00
ORZON Ventures, L.P.	Investing in other companies	USA	99.00	99.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
  - c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
  - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
  - e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using period average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
  - f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
  - g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements.

### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these amendments will not have any significant impact on the Group's financial statements.

## **4. Significant accounting policies**

### **4.1 Revenue and expense recognition**

#### **Sales and service income**

The Group recognises revenue upon completion and the delivery of promised goods or services to customers at the transaction price which is entitled in exchange for transferring goods or services. Service income shall be recognised throughout the service duration with consideration to percentage of completion.

#### **Interest income**

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

#### **Finance cost**

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

#### **Dividend income**

Dividend income is recognised when the right to receive the dividends is established.

### **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

#### **4.3 Inventories and supplies**

Inventories and supplies are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories includes material cost, labor costs and attributable factory overheads, as well as contributions to or compensation from taxes several funds.

#### **4.4 Investments in subsidiaries, joint ventures and associates**

Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method less allowance for impairment (if any).

Any changes in the equity interest in subsidiaries of the Group while control is retained are recorded as surplus (deficit) from the changes in the ownership interests in subsidiaries in equity.

#### **4.5 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 2 - 32 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

#### **4.6 Property, plant and equipment**

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Buildings and building improvements	2 - 30 years
Machinery and equipment	3 - 22 years
Other assets	3 - 16 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

On disposal of property, plant and equipment, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

#### **4.7 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### **4.8 Intangible assets**

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Computer software	2 -10 years
Customer lists	12 - 15 years
Trademarks	10 - 30 years
Other intangible assets	2 - 3 years

#### **4.9 Goodwill**

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

#### **4.10 Leases**

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

### ***The Group as a lessor***

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

## **4.11 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

#### **4.12 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.13 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

#### **4.14 Employee benefits**

##### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### **Post-employment benefits and other long-term employee benefits**

###### ***Defined contribution plans***

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

### ***Defined benefit plans and other long-term employee benefits***

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

### **4.15 Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The Group recognises provision for decommissioning costs, which are provided at the onset of completion of the project, for the estimate of the eventual costs that relate to the removal of the assets. The recognised provision for decommissioning costs is based on future removal cost estimates and incorporate many assumptions such as abandonment times and future inflation rate and discounted to present value at the discount rate estimated by the management. Those costs are included as part of the assets.

### **4.16 Income tax**

Income tax expense represents the sum of current tax and deferred tax.

#### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

## **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

## **4.17 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

#### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### ***Financial assets at FVOCI (debt instruments)***

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and to sell the financial asset and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives and equity investments which the Group has not irrevocably elected to classify at FVOCI.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

## **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **Impairment of financial assets**

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **4.18 Derivatives**

The Group uses derivatives, such as forward currency contracts and commodity forward contracts, to hedge its foreign currency risks and commodity price risks, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

### **4.19 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1    Use of quoted market prices in an active market for such assets or liabilities

Level 2    Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3    Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### **Fair value measurement of an investment in an equity instrument**

The fair value of measurement of an investment in an equity instrument that are not traded in an active market is determined using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

### **Goodwill and intangible assets**

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

### **Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

### **Litigation**

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.

## 6. Cash and cash equivalents

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Cash	104	508	13	13
Call deposits held at banks	36,760	45,620	32,515	42,073
Fixed deposits with maturities within				
3 months	1,046	45	1,000	-
Total cash and cash equivalents	<u>37,910</u>	<u>46,173</u>	<u>33,528</u>	<u>42,086</u>

As at 31 December 2022, bank deposits carried interests between 0.01 and 5.25 percent per annum (31 December 2021: between 0.01 and 4.75 percent per annum).

## 7. Trade accounts receivable

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Trade receivables - other parties	25,298	18,080	20,991	15,358
Less: Allowance for expected credit losses	<u>(2,054)</u>	<u>(1,786)</u>	<u>(1,078)</u>	<u>(774)</u>
Trade accounts receivable - third parties, net	23,244	16,294	19,913	14,584
Trade accounts receivable - related parties, net (Note 9.1)	<u>4,839</u>	<u>3,941</u>	<u>8,699</u>	<u>6,852</u>
Total trade accounts receivable, net	<u>28,083</u>	<u>20,235</u>	<u>28,612</u>	<u>21,436</u>

Trade accounts receivable can be analysed by aging as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Not overdue	26,775	19,667	27,457	21,079
Overdue less than 3 months	643	350	546	237
Overdue 3 to 6 months	905	41	897	26
Overdue 6 to 12 months	34	43	21	34
Overdue over 12 months	<u>1,780</u>	<u>1,923</u>	<u>769</u>	<u>837</u>
	30,137	22,024	29,690	22,213
Less: Allowance for expected credit loss	<u>(2,054)</u>	<u>(1,789)</u>	<u>(1,078)</u>	<u>(777)</u>
Total trade accounts receivable, net	<u>28,083</u>	<u>20,235</u>	<u>28,612</u>	<u>21,436</u>

## 8. Other accounts receivable

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Other accounts receivable - third parties	4,969	1,949	3,047	616
Less: Allowance for expected credit loss	<u>(24)</u>	<u>(24)</u>	<u>(15)</u>	<u>(15)</u>
Other accounts receivable - third parties	4,945	1,925	3,032	601
Refunds receivable from the Oil Stabilisation Fund	33,802	9,637	33,802	9,637
Advance payments	<u>284</u>	<u>378</u>	<u>85</u>	<u>59</u>
Other accounts receivable - third parties, net	39,031	11,940	36,919	10,297
Other accounts receivable - related parties, net (Note 9.2)	<u>1,708</u>	<u>2,146</u>	<u>1,792</u>	<u>2,222</u>
Total other accounts receivable, net	<u>40,739</u>	<u>14,086</u>	<u>38,711</u>	<u>12,519</u>

## 9. Related party transactions

Significant transactions carried out with related parties were as follows:

### 9.1 Trade accounts receivable - related parties

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Parent company	3,818	3,253	3,814	3,244
Subsidiaries	-	-	3,863	2,921
Other related parties	<u>1,021</u>	<u>691</u>	<u>1,022</u>	<u>690</u>
	4,839	3,944	8,699	6,855
Less: Allowance for expected credit loss	<u>-</u>	<u>(3)</u>	<u>-</u>	<u>(3)</u>
Total (Note 7)	<u>4,839</u>	<u>3,941</u>	<u>8,699</u>	<u>6,852</u>

## 9.2 Other accounts receivable - related parties

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Parent company	1,601	2,084	1,601	2,083
Subsidiaries	-	-	86	79
Associate	2	2	2	2
Joint ventures	11	12	11	12
Other related parties	96	50	92	46
	1,710	2,148	1,792	2,222
Less: Allowance for expected credit loss	(2)	(2)	-	-
Total (Note 8)	<u>1,708</u>	<u>2,146</u>	<u>1,792</u>	<u>2,222</u>

## 9.3 Short-term lending - related party

Movements in short-term lending to related party (subsidiary) for the year ended 31 December 2022 and 2021 were as follows:

(Unit: Million Baht)

	Separate	
	financial statements	
	2022	2021
Balance at beginning of year	2,355	2,169
Loan granted	716	186
Balance at ending of year	<u>3,071</u>	<u>2,355</u>

As at 31 December 2022, short-term lending bears the interest at rates 1.10% - 2.15% per annum. (31 December 2021: 1.10% per annum).

#### 9.4 Long-term lending - related party

Movements in long-term lending to related party (subsidiary) for the year ended 31 December 2022 and 2021 were as follows:

	(Unit: Million Baht)	
	Separate financial statements	
	2022	2021
Balance at beginning of year	1,643	2,702
Repayment receipt	(1,400)	(1,059)
Balance at ending of year	<u>243</u>	<u>1,643</u>
Due within 1 year	243	1,400
Due over 1 year	<u>-</u>	<u>243</u>

Long-term lending to related party bears the interest at THB FIX three-months plus a certain margin per annum.

#### 9.5 Trade accounts payable - related parties

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Parent company	2,316	2,820	2,316	2,820
Subsidiaries	-	-	274	331
Associate	207	92	207	92
Other related parties	<u>30,665</u>	<u>21,492</u>	<u>29,179</u>	<u>19,914</u>
Total	<u>33,188</u>	<u>24,404</u>	<u>31,976</u>	<u>23,157</u>

#### 9.6 Other accounts payable - related parties

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Parent company	430	1,102	428	1,098
Subsidiaries	-	-	48	66
Joint ventures	42	3	42	3
Other related parties	<u>1,117</u>	<u>765</u>	<u>1,075</u>	<u>737</u>
Total	<u>1,589</u>	<u>1,870</u>	<u>1,593</u>	<u>1,904</u>

## 9.7 Short-term borrowings - related parties

Movements in short-term borrowings from related parties for the year ended 31 December 2022 and 2021 were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Balance at beginning of year	-	-	72	33
Proceeds from loan	2,000	-	2,000	39
Repayment	(2,000)	-	(2,033)	-
Balance at ending of year	-	-	39	72

As at 31 December 2022, short-term borrowing from related parties bears the interest at 0.50% per annum (31 December 2021: the interest at 0.40% per annum).

## 9.8 Long-term borrowing - related party

Movements in long-term borrowing from a related party for the year ended 31 December 2022 and 2021 were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Balance at beginning of year	6,810	16,055	6,810	16,055
Repayment	(6,810)	(9,245)	(6,810)	(9,245)
Balance at ending of year	-	6,810	-	6,810
Due within 1 year	-	6,810	-	6,810
Due over 1 year	-	-	-	-

Long-term borrowing from a related party bore the interest at FDR six-months plus a certain margin per annum.

## 9.9 Lease liabilities from related parties

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Parent company	355	538	355	538
Subsidiary	-	-	89	172
Other related parties	505	667	502	665
Total	<u>860</u>	<u>1,205</u>	<u>946</u>	<u>1,375</u>
Due within 1 year	282	386	358	463
Due over 1 year	<u>578</u>	<u>819</u>	<u>588</u>	<u>912</u>

## 9.10 Significant business transactions carried out with related parties

During the years, significant business transactions with related parties, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties. Stipulation prices between the Company and its related parties are based on normal prices for the same types of business transactions carried out with unrelated parties.

For the year ended 31 December 2022 and 2021 were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b><u>Sales and service income</u></b>				
Parent company	18,565	16,119	18,556	16,102
Subsidiaries	-	-	43,630	27,856
Associates	53	48	53	48
Joint ventures	13	-	13	-
Other related parties	14,789	9,452	14,786	9,451
<b><u>Interest income</u></b>				
Subsidiary	-	-	63	80

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Other income</u>				
Parent company	990	1,172	988	1,171
Subsidiaries	-	-	290	257
Associate	7	39	7	39
Joint ventures	7	6	7	6
Other related parties	150	48	150	48
<u>Cost of goods purchased and services</u>				
Parent company	38,327	27,868	38,327	27,868
Subsidiaries	-	-	5,988	2,335
Associates	1,812	1,474	1,812	1,474
Other related parties	501,140	308,171	478,556	297,760
<u>Purchase of assets</u>				
Parent company	30	62	30	62
Subsidiary	-	-	2	-
Joint venture	117	15	117	15
Other related parties	667	374	667	374
<u>Other expenses</u>				
Parent company	1,538	1,655	1,538	1,648
Subsidiaries	-	-	428	242
Associates	3	3	2	1
Joint ventures	312	7	7	7
Other related parties	2,589	2,136	2,544	2,082
<u>(Loss) gain from derivatives</u>				
Other related party	(95)	52	(95)	52
<u>Finance costs</u>				
Parent company	30	15	30	15
Subsidiaries	-	-	3	4
Other related parties	64	256	64	256

## 9.11 Directors and managements remuneration

Directors and managements remuneration for the years ended 31 December are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Director remunerations</b>				
Meeting remuneration and bonuses	62	58	51	42
<b>Management remunerations</b>				
Salaries, bonuses, and other benefits	165	170	123	111
Post-employment and other long-term benefits	2	2	2	2
Total directors and managements remuneration	<u>229</u>	<u>230</u>	<u>176</u>	<u>155</u>

## 10. Inventories and supplies

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Inventories	21,211	19,723	18,292	17,523
Inventories - legal reserves	6,124	4,726	6,124	4,726
Supplies	<u>282</u>	<u>205</u>	<u>272</u>	<u>197</u>
	27,617	24,654	24,688	22,446
Less: Allowance for decline in value of inventories and obsolescence	<u>(143)</u>	<u>(24)</u>	<u>(138)</u>	<u>(24)</u>
<b>Total</b>	<b><u>27,474</u></b>	<b><u>24,630</u></b>	<b><u>24,550</u></b>	<b><u>22,422</u></b>

## 11. Financial assets

### 11.1 Current financial assets

As at 31 December 2022, investments in current financial assets were fixed deposits with maturities more than 3 months but less than 1 year. Investments in current financial assets of the Group bears the interest rates between 0.25% and 0.73% per annum (31 December 2021: between 0.25% and 0.75% per annum) and of the Company bears the interest rates 0.73% per annum (31 December 2021: between 0.35% and 0.75% per annum).

### 11.2 Non-current financial assets

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Equity instruments designated at fair value</u>				
<u>through other comprehensive income</u>				
Listed equity investments	1,418	1,148	1,418	1,148
Non-listed equity instruments	6,588	2,703	4	3
Total equity instruments at FVOCI	<u>8,006</u>	<u>3,851</u>	<u>1,422</u>	<u>1,151</u>
<u>Financial assets at fair value through profit</u>				
<u>or loss</u>				
Mutual fund	2	2	-	-
Total financial assets at FVTPL	<u>2</u>	<u>2</u>	<u>-</u>	<u>-</u>
Total non-current financial assets	<u>8,008</u>	<u>3,853</u>	<u>1,422</u>	<u>1,151</u>

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Group considers these investments to be strategic in nature.

Movements in non-current financial assets for the year ended 31 December were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Balance at beginning of year	3,853	2,319	1,151	1,074
Additions	3,892	385	1	-
Gain on fair value through				
other comprehensive income	313	1,149	270	77
Exchange differences on translation	(50)	-	-	-
Balance at ending of year	<u>8,008</u>	<u>3,853</u>	<u>1,422</u>	<u>1,151</u>

## 12. Investments in subsidiaries

Details of investments in direct subsidiaries in the separate financial statement as at 31 December are as follows:

(Unit: Million Baht)

Name	Ownership					
	interest		Cost method		Dividend income	
	2022	2021	2022	2021	2022	2021
	(%)	(%)				
PTT Retail Management Co., Ltd.	100.00	100.00	4,604	4,604	-	-
PTT Retail Service Co., Ltd.	100.00	100.00	10	10	3	-
PTT Philippines Trading Corporation	100.00	100.00	1,373	1,373	71	66
PTT Philippines Corporation	100.00	100.00	2,109	2,109	32	-
Thai Lube Blending Co., Ltd.	100.00	100.00	330	330	6	9
PTT (Cambodia) Ltd.	100.00	100.00	6,305	6,305	34	62
PTT Oil Myanmar Co., Ltd.	100.00	100.00	57	57	-	-
PTTOR China (Shanghai) Co., Ltd.	100.00	100.00	493	252	-	-
PTTOR Singapore Pte. Ltd.	100.00	100.00	153	153	-	-
PTTOR Holdings Co., Ltd.	100.00	100.00	11,514	5,320	-	-
			26,948	20,513	146	137
Less: Impairment allowance			(2,595)	(2,362)	-	-
Total			<u>24,353</u>	<u>18,151</u>	<u>146</u>	<u>137</u>

Movements in investments in subsidiaries in the separate financial statement for the year ended 31 December were as follows:

(Unit: Million Baht)

	2022	2021
Balance at beginning of year	18,151	15,991
Additions	6,435	2,194
Loss from impairment	(233)	(34)
Balance at ending of year	<u>24,353</u>	<u>18,151</u>

Significant events during the year ended 31 December 2022.

- A. On 24 June 2022, the Board of directors Meeting No.5/2022 of PTTOR China (Shanghai) Company Limited (PTTOR CHINA) has a resolution to increase the registered capital by CNY 45 million or approximately Baht 241 million. The Company fully paid for the shares.
- B. The Annual General Meeting of Shareholders 2022 and the Extraordinary General Meeting of Shareholders No.1/2022 to 8/2022 of PTTOR Holdings Company Limited (ORHOLDCO) has a resolution to increase the registered capital by Baht 6,194 million in order to investment of the Group. The Company fully paid for the shares.
- C. On 26 August 2022, the Extraordinary General Meeting of Shareholders No. 1/2022 of PTT (Cambodia) Limited (PTTCL) has a resolution to establishment of Blue Wealth Land 1 Company Limited (BWL1), the Company's indirectly subsidiary. The incorporation was registered on 28 September 2022. PTTCL fully paid for the shares totaling USD 10,000 or Baht 0.3 million.

### 13. Investments in joint ventures

#### 13.1 Details of investments in joint ventures as at 31 December

(Unit: Million Baht)

	Joint ventures	Nature of business	Country of incorporation	Consolidated financial statements							
				Shareholding percentage		Cost method		Equity method		Dividend income	
				(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
<b>Direct joint ventures</b>											
Global Aero Associates Co., Ltd.	Aircraft refueling services	Thailand	45.00	45.00	405	225	398	220	-	-	-
Indirect joint ventures held through the group of PTTOR Holdings Co.,Ltd.											
Brighter PTT Oil and Retail Business Co., Ltd.	Oil marketing and retail business	Myanmar	51.00	51.00	56	54	44	48	-	-	-
Brighter Energy Co., Ltd.	Depot and wholesale of petroleum	Myanmar	35.00	35.00	1,005	947	815	900	-	-	-
ORC Coffee Passion Group Joint Stock Company	Retail business	Vietnam	60.00	60.00	187	140	133	113	-	-	-
Orbit Digital Co., Ltd.	Information Technology and computer services and others	Thailand	40.00	40.00	10	10	24	12	-	-	-
Phnom Penh Aviation Fuel Service Co., Ltd.	Airport refueling services system	Cambodia	33.33	-	173	-	169	-	-	-	-
K-nex Corporation Co., Ltd.	Laundry business	Thailand	40.00	-	1,105	-	1,141	-	-	-	-
Gowabi Thailand Co., Ltd.	Digital platform for health and beauty	Thailand	18.18	-	142	-	137	-	-	-	-
Drink Enterprise Co., Ltd.	Beverage business	Thailand	50.00	-	150	-	144	-	-	-	-
Dusit Foods Co., Ltd.	Food business	Thailand	25.00	-	299	-	300	-	-	-	-
Less: Impairment allowance					3,532	1,376	3,305	1,293	-	-	-
Total					(403)	-	(305)	-	-	-	-
					3.129	1,376	3,000	1,293	-	-	-

(Unit: Million Baht)

Joint ventures	Nature of business	Country of incorporation	Separate financial statements							
			Shareholding percentage		Cost method		Dividend income			
			2022	2021	2022	2021	2022	2021		
Global Aero Associates Co., Ltd.	Aircraft refueling services	Thailand	45.00	45.00	405	225	-	-		
Total					405	225	-	-		

Movements in investments in joint ventures for the year ended 31 December were as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	Equity Method	Cost Method	2022	2021
Balance at beginning of year	1,293	742	225	-
Additions	2,120	514	180	225
Share of loss	(71)	(70)	-	-
Share of other comprehensive income	(72)	10	-	-
Loss from impairment	(305)	-	-	-
Exchange differences on translation	35	97	-	-
Balance at ending of year	3,000	1,293	405	225

Significant events during the year ended 31 December 2022

- A. On 11 February 2022 and 27 July 2022, Global Aero Associates Company Limited (GAA) called up the unpaid portion of its ordinary shares, totaling Baht 180 million. The Company fully paid for the shares.
- B. On 7 June 2022, PTTOR International Holding (Singapore) Pte. Ltd (SGHOLDCO) paid for the increased in registered capital of Brighter Energy Company Limited (BE) 14,000 shares by MMK 1,400 million or Baht 27 million, equivalent to 35% of the Company registered capital.
- C. On 9 June 2022, SGHOLDCO invested in Phnom Penh Aviation Fuel Service Company Limited (PPAFS), by acquiring 5,000 newly issued ordinary shares, totaling USD 5 million or approximately Baht 175 million, equivalent to 33.33% of the registered capital.
- D. On 1 August 2022, MODULUS invested in K-nex Corporation Company Limited (KNEX), by acquiring 66,667 newly issued ordinary shares, totaling Baht 1,105 million, equivalent to 40% of the registered capital.

- E. On 19 August 2022, MODULUS invested in Gowabi Thailand Company Limited (GOWABI), by acquiring 7,518 preferred shares, totaling Baht 142 million, equivalent to 18.18% of the registered capital.
- F. On 26 August 2022, MODULUS invested in Drink Enterprise Company Limited (RTD), by acquiring 1,500,000 newly issued ordinary shares, totaling Baht 150 million, equivalent to 50% of the registered capital.
- G. On 30 August 2022, SGHOLDCO increased investment in ORC Coffee Passion Group Joint Stock Company (ORCG), by acquiring 2,776,200 newly issued ordinary shares, totaling USD 1 million or approximately Baht 42 million, equivalent to 60% of the registered capital.
- H. On 8 September 2022, MODULUS invested in Dusit Foods Company Limited (DF), by acquiring 2,525,741 ordinary shares from the former shareholders and newly issued ordinary shares, totaling Baht 299 million, equivalent to 25% of the registered capital.

### **13.2 Aggregate amount of share of comprehensive income from other joint ventures**

	(Unit: Million Baht)	
	For the year ended 31 December	
	2022	2021
Loss from operations	(71)	(70)
Total comprehensive income	(72)	10
Carrying amount of its interests in all individually immaterial joint ventures accounted for using the equity method	3,000	1,293

## 14. Investments in associates

### 14.1 Details of investments in associates

(Unit: Million Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost method		Equity method	
			2022 (%)	2021 (%)	2022	2021	2022	2021
<b>Direct Associates</b>								
Thai Petroleum Pipeline Co., Ltd.	Petroleum transportation services through the pipeline system	Thailand	40.53	40.53	3,173	3,173	4,153	3,955
Petro Asia (Thailand) Co., Ltd.	Oil marketing	Thailand	35.00	35.00	131	131	8	9
<u>Indirect associate, held through PTT Philippines Corporation</u>								
FST Aviation Services Limited	Aircraft refueling services	Hong Kong	25.00	25.00	1	1	1	-
Pluk Phak Praw Rak Mae Co., Ltd.	Food and beverage	Thailand	20.00	20.00	497	497	494	497
Imsub Global Cuisine Co., Ltd.	Food and beverage	Thailand	25.00	25.00	191	191	186	192
Kamu Kamu Co., Ltd.	Beverage	Thailand	25.00	-	468	-	468	-
Polar Bear Mission Co., Ltd.	Food online	Thailand	27.36	-	482	-	433	-
<u>Less : Impairment allowance</u>								
Total			4,812	3,862	5,743	5,743	4,654	434
							527	527

(Unit: Million Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements					
			Shareholding		Cost method		Dividend income	
			percentage 2022 (%)	percentage 2021 (%)	2022	2021	2022	2021
Thai Petroleum Pipeline Co., Ltd	Petroleum transportation services through the pipeline system	Thailand	40.53	40.53	11,987	11,987	419	527
Petro Asia (Thailand) Co., Ltd.*	Oil marketing	Thailand	35.00	35.00	-	-	-	-
Total					11,987	11,987	419	527

\*The investment in Petro Asia (Thailand) Co., Ltd. has net book value of Baht 1.

Movements of investments in associates for the years ended 31 December are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Equity method	Cost method	2022	2021
	2022	2021	2022	2021
Balance at beginning of year	4,654	4,051	11,987	11,987
Additions	952	688	-	-
Share of profit	561	442	-	-
Share of other comprehensive income	10	-	-	-
Dividend Income	(434)	(527)	-	-
Balance at ending of year	5,743	4,654	11,987	11,987

Significant events during the year ended 31 December 2022

- A. On 6 January 2022, Modulus Venture Co., Ltd. (MODULUS) acquired ordinary shares and preferred shares from the former shareholders of KAMU KAMU Co., Ltd. (KAMU) for a total of Baht 468 million, or equivalent to 25% of registered capital. MODULUS has fully paid for the shares.
- B. On 26 May 2022, MODULUS acquired preferred shares from Polar Bear Mission Co., Ltd. (POLARBEAR) for a total of Baht 482 million, or equivalent to 27.36% of registered capital. MODULUS has fully paid for the shares.

## 14.2 Summarised financial information about material associates

Summarised financial information of associates

	(Unit: Million Baht)	
	Thai Petroleum Pipeline Co., Ltd.	
	2022	2021
Current assets	4,399	3,736
Non-current assets	8,015	8,099
Current liabilities	(648)	(574)
Non-current liabilities	(1,091)	(1,075)
Net assets	10,675	10,186
Shareholding percentage (%)	40.53	40.53
Share of net assets	4,326	4,128
Elimination entries	(173)	(173)
Carrying amounts of share of net assets in associates	<u>4,153</u>	<u>3,955</u>

Summarised information about comprehensive income

	(Unit: Million Baht)	
	Thai Petroleum Pipeline Co., Ltd.	
	For the year ended 31 December	
	2022	2021
Revenue	3,221	2,583
Net profit	1,501	1,091
Total comprehensive income	1,526	1,091

## 14.3 Share of comprehensive income from other associates (exclude associates named in Note 14.2)

	(Unit: Million Baht)	
	For the year ended 31 December	
	2022	2021
Profit (loss) from operations	(46)	1
Total comprehensive income	(46)	1
Carrying amount of its interests in all individually immaterial associates accounted for using the equity method	1,590	699

## 15. Property, plant and equipment

(Unit: Million Baht)

	Consolidated financial statements					
	Land	Buildings and building improvement	Machinery and equipment	Other assets	Construction in progress	Total
<b>As at 1 January 2021</b>						
Cost	12,269	23,333	34,981	2,791	3,828	77,202
Less: Accumulated depreciation	-	(10,179)	(22,795)	(2,169)	-	(35,143)
Less: Allowance for impairment	-	(31)	(31)	(1)	-	(63)
Net book value	12,269	13,123	12,155	621	3,828	41,996

	For the year ended 31 December 2021					
	Balance at beginning of year, net	Additions	Transfers in (out)	Disposals and write-off	Depreciation for the year	Reversal of loss on impairment
Balance at beginning of year, net	12,269	13,123	12,155	621	3,828	41,996
Additions	-	448	1,275	75	3,514	5,312
Transfers in (out)	(87)	1,914	1,274	185	(4,308)	(1,022)
Disposals and write-off	-	(44)	(53)	(5)	(10)	(112)
Depreciation for the year	-	(1,490)	(1,901)	(260)	-	(3,651)
Reversal of loss on impairment	-	13	25	1	-	39
Exchange differences on translation	-	47	23	9	22	101
Balance at end of year, net	12,182	14,011	12,798	626	3,046	42,663

(Unit: Million Baht)

	Consolidated financial statements					
	Land	Buildings and building improvement	Machinery and equipment	Other assets	Construction in progress	Total
<b>As at 31 December 2021</b>						
Cost	12,182	25,398	37,176	3,234	3,046	81,036
Less: Accumulated depreciation	-	(11,369)	(24,372)	(2,608)	-	(38,349)
Less: Allowance for impairment	-	(18)	(6)	-	-	(24)
Net book value	12,182	14,011	12,798	626	3,046	42,663
<b>For the year ended 31 December 2022</b>						
Balance at beginning of year, net	12,182	14,011	12,798	626	3,046	42,663
Additions	34	810	1,530	72	3,819	6,265
Transfers in (out)	4	1,835	936	104	(3,234)	(355)
Disposals and write-off	-	(48)	(59)	(2)	-	(109)
Depreciation for the year	-	(1,587)	(2,115)	(249)	-	(3,951)
Reversal of loss on impairment	-	6	1	-	-	7
Exchange differences on translation	-	(135)	(14)	(1)	(7)	(157)
Balance at end of year, net	12,220	14,892	13,077	550	3,624	44,363
<b>As at 31 December 2022</b>						
Cost	12,220	27,557	39,285	3,341	3,624	86,027
Less: Accumulated depreciation	-	(12,653)	(26,203)	(2,791)	-	(41,647)
Less: Allowance for impairment	-	(12)	(5)	-	-	(17)
Net book value	12,220	14,892	13,077	550	3,624	44,363

(Unit: Million Baht)

	Separate financial statements					
	Land	Buildings and building improvement	Machinery and equipment	Other assets	Construction in progress	Total
<b>As at 1 January 2021</b>						
Cost	12,151	8,206	24,519	552	3,282	48,710
Less: Accumulated depreciation	-	(1,135)	(5,749)	(206)	-	(7,090)
Less: Allowance for impairment	-	(36)	(140)	(2)	-	(178)
Net book value	12,151	7,035	18,630	344	3,282	41,442
<b>For the year ended 31 December 2021</b>						
Balance at beginning of year, net	12,151	7,035	18,630	344	3,282	41,442
Additions	-	338	1,151	43	3,210	4,742
Transfers in (out)	(149)	1,961	1,177	61	(3,747)	(697)
Disposals and write-off	-	(50)	(147)	(1)	-	(198)
Depreciation for the year	-	(769)	(2,693)	(111)	-	(3,573)
Reversal of loss on impairment	-	25	107	1	-	133
Balance at end of year, net	12,002	8,540	18,225	337	2,745	41,849
<b>As at 31 December 2021</b>						
Cost	12,002	10,427	26,598	656	2,745	52,428
Less: Accumulated depreciation	-	(1,876)	(8,340)	(318)	-	(10,534)
Less: Allowance for impairment	-	(11)	(33)	(1)	-	(45)
Net book value	12,002	8,540	18,225	337	2,745	41,849

(Unit: Million Baht)

	Separate financial statements					
	Land	Buildings and building improvement	Machinery and equipment	Other assets	Construction in progress	Total
<b>For the year ended 31 December 2022</b>						
Balance at beginning of year, net	12,002	8,540	18,225	337	2,745	41,849
Additions	-	599	1,282	49	3,378	5,308
Transfers in (out)	-	1,688	835	70	(2,953)	(360)
Disposals and write-off	-	(49)	(87)	(14)	-	(150)
Depreciation for the year	-	(886)	(2,907)	(121)	-	(3,914)
Reversal of loss on impairment	-	6	5	1	-	12
Balance at end of year, net	12,002	9,898	17,353	322	3,170	42,745

**As at 31 December 2022**

Cost	12,002	12,622	28,550	731	3,170	57,075
Less: Accumulated depreciation	-	(2,719)	(11,169)	(409)	-	(14,297)
Less: Allowance for impairment	-	(5)	(28)	-	-	(33)
Net book value	12,002	9,898	17,353	322	3,170	42,745

## 16. Leases

### 16.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Lease terms are between 2 - 40 years.

#### a) Right-of-use assets

(Unit: Million Baht)

	Consolidated financial statements				
	Machinery and				
	Land	Buildings	equipment	Other assets	Total
<b>As at 1 January 2021</b>					
Cost	9,743	2,325	1,986	560	14,614
Less: Accumulated depreciation	(2,158)	(508)	(183)	(243)	(3,092)
Less: Allowance for impairment	(5)	-	-	-	(5)
Net book value	7,580	1,817	1,803	317	11,517
<b>For the year ended 31 December 2021</b>					
Balance at beginning of year, net	7,580	1,817	1,803	317	11,517
Additions	2,617	594	313	157	3,681
Reclassifications	437	(631)	-	194	-
Termination and cancellation	(322)	(15)	-	(16)	(353)
Lease modification	-	(3)	11	-	8
Depreciation for the year	(724)	(638)	(264)	(209)	(1,835)
Reversal of loss on impairment	1	-	-	-	1
Exchange differences on translation	76	9	24	-	109
Balance at end of year, net	9,665	1,133	1,887	443	13,128
<b>As at 31 December 2021</b>					
Cost	12,566	2,012	2,309	889	17,776
Less: Accumulated depreciation	(2,897)	(879)	(422)	(446)	(4,644)
Less: Allowance for impairment	(4)	-	-	-	(4)
Net book value	9,665	1,133	1,887	443	13,128

(Unit: Million Baht)

## Consolidated financial statements

	Machinery and equipment				
	Land	Buildings	Other assets	Total	
<b>For the year ended 31 December 2022</b>					
Balance at beginning of year, net	9,665	1,133	1,887	443	13,128
Additions	574	434	2	110	1,120
Reclassifications	-	2	-	-	2
Termination and cancellation	70	(5)	-	-	65
Lease modification	-	-	10	-	10
Depreciation for the year	(752)	(615)	(266)	(226)	(1,859)
Reversal of loss on impairment	1	-	-	-	1
Exchange differences on translation	(95)	(6)	7	(3)	(97)
Balance at end of year, net	9,463	943	1,640	324	12,370

**As at 31 December 2022**

	Land	Buildings	Equipment	Other assets	Total
Cost	13,047	2,032	2,319	967	18,365
Less: Accumulated depreciation	(3,581)	(1,089)	(679)	(643)	(5,992)
Less: Allowance for impairment	(3)	-	-	-	(3)
Net book value	9,463	943	1,640	324	12,370

(Unit: Million Baht)

## Separate financial statements

	Machinery and equipment				
	Land	Buildings	Other assets	Total	
<b>As at 1 January 2021</b>					
Cost	5,679	2,041	1,725	441	9,886
Less: Accumulated depreciation	(469)	(412)	(153)	(159)	(1,193)
Less: Allowance for impairment	(3)	-	-	-	(3)
Net book value	5,207	1,629	1,572	282	8,690

**For the year ended 31 December 2021**

	Land	Buildings	Equipment	Other assets	Total
Balance at beginning of year, net	5,207	1,629	1,572	282	8,690
Additions	2,404	538	538	129	3,609
Reclassifications	437	(631)	-	194	-
Termination and cancellation	(334)	(18)	-	(16)	(368)
Lease modification	-	(3)	11	-	8
Depreciation for the year	(489)	(545)	(306)	(187)	(1,527)
Balance at end of year, net	7,225	970	1,815	402	10,412

(Unit: Million Baht)

## Separate financial statements

	Machinery and equipment				
	Land	Buildings	Other assets	Total	
<b>As at 31 December 2021</b>					
Cost	8,182	1,657	2,245	755	12,839
Less: Accumulated depreciation	(954)	(687)	(430)	(353)	(2,424)
Less: Allowance for impairment	(3)	-	-	-	(3)
Net book value	7,225	970	1,815	402	10,412

**For the year ended 31 December 2022**

Balance at beginning of year, net	7,225	970	1,815	402	10,412
Additions	224	366	-	49	639
Reclassifications	-	2	-	-	2
Termination and cancellation	-	(4)	-	-	(4)
Lease modification	-	-	10	-	10
Depreciation	(521)	(526)	(308)	(201)	(1,556)
Balance at end of year, net	6,928	808	1,517	250	9,503

**As at 31 December 2022**

Cost	8,359	1,642	2,255	795	13,051
Less: Accumulated depreciation	(1,428)	(834)	(738)	(545)	(3,545)
Less: Allowance for impairment	(3)	-	-	-	(3)
Net book value	6,928	808	1,517	250	9,503

**b) Lease liabilities**

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Balance at beginning of year	10,670	8,867	8,582	6,721
Additions	1,042	3,641	599	3,548
Deferred finance cost	376	389	286	290
Repayment of lease liabilities	(2,179)	(1,890)	(1,662)	(1,528)
Lease modification	121	8	10	8
Termination and cancellation	-	(405)	-	(409)
Others	49	(35)	(13)	(48)
Exchange differences on translation	(67)	95	-	-
Balance at end of year	10,012	10,670	7,802	8,582
Due within 1 year	944	1,242	780	1,018
Due over 1 year	9,068	9,428	7,022	7,564

A maturity analysis of lease payments is disclosed in Note 32.1 under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Expense relating to short-term leases	142	180	126	166
Expense relating to leases of low-value assets	374	402	340	370
Variable leases payments that do not depend on an index or a rate	889	884	894	891

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 3,795 million (2021: Baht 3,463 million) (the Company only: Baht 3,063 million, 2021: Baht 3,038 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

**17. Goodwill**

Goodwill in the consolidated financial statements of Baht 3,469 million arose from the acquisition of PTT Retail Management Company Limited a company engages in oil and retail business management in Thailand and Goodwill in the separate financial statements of Baht 12,799 million arose from the transfer of various assets and liabilities of the Oil Business Unit and shares of related companies from PTT Public Company Limited.

Management believes that there is no occurrence of impairment of goodwill.

## 18. Intangible assets

(Unit: Million Baht)

	Consolidated financial statements				
	Computer Software	Customer lists	Trademarks	Other intangible assets	Total
<b>As at 1 January 2021</b>					
Cost	2,331	12	162	2,730	5,235
Less: Accumulated amortisation	(1,133)	-	(51)	(1,910)	(3,094)
Net book value	1,198	12	111	820	2,141
<b>For the year ended 31 December 2021</b>					
Balance at beginning of year, net	1,198	12	111	820	2,141
Additions	77	-	2	-	79
Reclassification	283	-	11	(10)	284
Amortisation	(383)	(2)	(11)	(129)	(525)
Loss on impairment	(2)	-	-	-	(2)
Exchange differences on translation	2	-	-	1	3
Balance at end of year, net	1,175	10	113	682	1,980
<b>As at 31 December 2021</b>					
Cost	2,696	12	181	2,716	5,605
Less: Accumulated amortisation	(1,519)	(2)	(68)	(2,034)	(3,623)
Less: Allowance for impairment	(2)	-	-	-	(2)
Net book value	1,175	10	113	682	1,980
<b>For the year ended 31 December 2022</b>					
Balance at beginning of year, net	1,175	10	113	682	1,980
Additions	188	-	14	-	202
Reclassification	251	-	-	(2)	249
Disposal	(1)	-	-	(7)	(8)
Amortisation	(447)	(2)	(12)	(129)	(590)
Exchange differences on translation	(4)	-	(1)	(1)	(6)
Balance at end of year, net	1,162	8	114	543	1,827
<b>As at 31 December 2022</b>					
Cost	3,123	12	193	2,699	6,027
Less: Accumulated amortisation	(1,959)	(4)	(79)	(2,156)	(4,198)
Less: Allowance for impairment	(2)	-	-	-	(2)
Net book value	1,162	8	114	543	1,827

(Unit: Million Baht)

	Separate financial statements				
	Computer Software	Customer lists	Trademarks	intangible assets	Other
					Total
<b>As at 1 January 2021</b>					
Cost	1,715	15,548	16,669	5,616	39,548
Less: Accumulated amortisation	(636)	(3,178)	(1,411)	(1,406)	(6,631)
Net book value	1,079	12,370	15,258	4,210	32,917
<b>For the year ended 31 December 2021</b>					
Balance at beginning of year, net	1,079	12,370	15,258	4,210	32,917
Additions	54	-	-	-	54
Reclassification	278	-	-	-	278
Amortisation	(350)	(1,269)	(565)	(561)	(2,745)
Loss on impairment	(3)	-	-	-	(3)
Balance at end of year, net	1,058	11,101	14,693	3,649	30,501
<b>As at 31 December 2021</b>					
Cost	2,045	15,547	16,669	5,617	39,878
Less: Accumulated amortisation	(984)	(4,446)	(1,976)	(1,968)	(9,374)
Less: Allowance for impairment	(3)	-	-	-	(3)
Net book value	1,058	11,101	14,693	3,649	30,501
<b>For the year ended 31 December 2022</b>					
Balance at beginning of year, net	1,058	11,101	14,693	3,649	30,501
Additions	103	-	-	-	103
Reclassification	249	-	-	-	249
Disposal	(1)	-	-	(8)	(9)
Amortisation	(411)	(1,269)	(563)	(561)	(2,804)
Balance at end of year, net	998	9,832	14,130	3,080	28,040
<b>As at 31 December 2022</b>					
Cost	2,394	15,547	16,669	5,603	40,213
Less: Accumulated amortisation	(1,393)	(5,715)	(2,539)	(2,523)	(12,170)
Less: Allowance for impairment	(3)	-	-	-	(3)
Net book value	998	9,832	14,130	3,080	28,040

## **19. Short-term borrowings from financial institutions**

Short-term borrowings from financial institutions bear the interest at 1.00% to 5.95% per annum (31 December 2021: 2.59% to 5.75% per annum)

## **20. Long-term borrowings**

(Unit: Million Baht)

For the year ended 31 December 2022

	Consolidated financial statements			Separate financial statements
	Baht currency	Foreign currency	Total	Baht currency
Balance at beginning of year	34,238	39	34,277	34,238
Additions	6,725	-	6,725	6,700
Repayment	(11,841)	(31)	(11,872)	(11,839)
Others	(4)	-	(4)	(3)
Exchange differences on translation	-	(8)	(8)	-
Balance at ending of year	29,118	-	29,118	29,096
Due within one year	4,630	-	4,630	4,622
Due over one year	24,488	-	24,488	24,474

(Unit: Million Baht)

For the year ended 31 December 2021

	Consolidated financial statements			Separate financial statements
	Baht currency	Foreign currency	Total	Baht currency
Balance at beginning of year	50,696	83	50,779	50,696
Repayment	(16,480)	(42)	(16,522)	(16,480)
Others	22	-	22	22
Exchange differences on translation	-	(2)	(2)	-
Balance at ending of year	34,238	39	34,277	34,238
Due within one year	4,736	39	4,775	4,736
Due over one year	29,502	-	29,502	29,502

Details of long-term borrowings as at 31 December 2022 are as follows.

Loan	Currency	(Unit: Million Baht)	Credit facilities Interest rate	Repayment terms
<u>Long-term borrowings - Baht currency from financial institutions</u>				
1	Baht	5,000	FDR six-months plus a certain margin per annum	Principal is repayable every 6 months, totalling 17 instalments, commencing in September 2020.
2	Baht	10,000	MLR minus a certain discount per annum	Principal is repayable every 6 months, totalling 16 instalments, commencing in March 2021.
3	Baht	10,000	THBFIIX three-months plus a certain margin per annum	Principal is repayable every 6 months, totalling 12 instalments, commencing in June 2021.
4	Baht	9,500	BIBOR three-months plus a certain margin per annum	Principal is repayable every 6 months, totalling 9 instalments, commencing in September 2020.
5	Baht	3,000	BIBOR three-months plus a certain margin per annum	Principal is repayable every 6 months, totalling 15 instalments, commencing in September 2020.
6	Baht	1,500	BIBOR three-months plus a certain margin per annum	Principal is repayable every 6 months, totalling 12 instalments, commencing in March 2023
7	Baht	5,000	FDR six-months plus a certain margin per annum	Principal is repayable every 6 months, totalling 17 instalments, commencing in December 2022
8	Baht	3,000	FDR six-months plus a certain margin per annum	Principal is full repayable in June 2024

The borrowing agreements contain several covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

As at 31 December 2022, the long-term credit facilities of the Group which have not yet been drawn down amounted to Baht 11,800 million (31 December 2021: Baht 6,500 million).

## 21. Provision for employee benefits

Provision for employee benefits as at 31 December are as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Post-employment benefits	1,567	1,562	1,313	1,253
Other long-term employee benefits	222	296	195	295
Total	<u>1,789</u>	<u>1,858</u>	<u>1,508</u>	<u>1,548</u>

Movements of provision for employee benefits for the years ended 31 December are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Balance at beginning of year	1,858	1,887	1,548	1,601
Current service cost	143	140	117	113
Interest cost	40	29	33	24
Actuarial gain arising from post-employment benefits	(105)	(118)	(62)	(113)
Actuarial gain arising from other long-term employee benefits	(2)	-	(2)	-
Benefits paid during the year	(145)	(87)	(126)	(77)
Exchange differences on translation	-	7	-	-
Balance at ending of year	<u>1,789</u>	<u>1,858</u>	<u>1,508</u>	<u>1,548</u>

The amounts of actuarial (gain) loss of post-employment benefits recognised in the other comprehensive income are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Experience adjustments	52	83	78	88
Financial assumptions changes	(137)	(201)	(120)	(201)
Changes in demographic assumption	(20)	-	(20)	-
Total	<u>(105)</u>	<u>(118)</u>	<u>(62)</u>	<u>(113)</u>

Significant actuarial assumptions of post-employment benefits are summarised below:

	(Unit: percent per annum)	
	<u>2022</u>	<u>2021</u>
Discount rate	0.66 - 7.30	0.52 - 5.20
Inflation rate	1.80 - 6.00	1.80 - 6.00
Turnover rate	0.00 - 60.00	0.00 - 60.0

The result of sensitivity analysis for significant assumptions that affect the present value of the post-employment benefit obligation as at 31 December 2022 and 2021 are summarised below:

	(Unit: Million Baht)			
	2022			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(226)	279	(184)	230

	(Unit: Million Baht)			
	2021			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(231)	301	(202)	267

As at 31 December 2022, the weighted average duration of the liabilities for the post-employment benefit is 21 years (31 December 2021: 19 years).

## 22. Legal reserve

Under the Public Companies Act B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

### 23. Sales and service income

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Details of sales and service income</b>				
Oil products	729,240	463,858	694,776	442,527
Gas products	37,542	29,482	37,544	29,484
Retail business	21,904	17,424	16,671	13,181
Others	1,099	1,035	628	645
Total sales and service income	<b>789,785</b>	<b>511,799</b>	<b>749,619</b>	<b>485,837</b>

### 24. Other income

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Transportation income</b>				
Transportation income	1,149	993	1,328	1,146
<b>Income from managing terminals and retail outlets</b>				
Income from managing terminals and retail outlets	768	996	768	996
<b>Aircraft refuelling service income</b>				
Aircraft refuelling service income	783	455	783	455
<b>Dividend income</b>				
Dividend income	1	-	566	664
<b>Interest income</b>				
Interest income	218	282	228	333
<b>Others</b>				
Others	714	754	511	423
<b>Total</b>	<b>3,633</b>	<b>3,480</b>	<b>4,184</b>	<b>4,017</b>

## 25. Expenses by nature

Details of expenses by nature for the years ended 31 December are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Goods purchased and raw materials used</b>				
Staff costs	5,065	4,798	3,395	3,256
Outsourcing	6,497	5,738	6,220	5,561
Transportation	2,539	2,021	2,387	1,897
Depreciation and amortisation	6,503	6,075	8,330	7,886
Repair	1,678	1,302	1,463	1,116
Utilities	1,225	941	758	543
Rental and terminal services	1,406	1,467	1,360	1,427
Advertising and promotion	2,952	2,486	2,749	2,373
Others	2,835	1,695	1,956	952

## 26. Income tax

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Current tax</b>				
Current income tax charge	273	2,751	-	2,579
Adjustments in respect of current tax of previous year	16	5	16	5
<b>Deferred tax</b>				
Relating to origination and reversal of temporary differences	2,349	(37)	1,629	(758)
<b>Income tax expense reported in profit or loss</b>				
	<u>2,638</u>	<u>2,719</u>	<u>1,645</u>	<u>1,826</u>

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Accounting profit before tax</b>	<b>13,011</b>	<b>14,188</b>	<b>9,495</b>	<b>10,995</b>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by				
income tax rate	2,602	2,838	1,899	2,199
Share profit from investments under equity method	(101)	(74)	-	-
Difference in tax rate of the Group's operating				
countries	24	153	-	-
Effects of:				
Promotional privileges	(18)	-	(18)	-
Income not subject to tax	-	(1)	(113)	(133)
Non-deductible expenses	150	159	128	53
Additional expense deductions allowed	(257)	(325)	(261)	(267)
Others	238	(31)	10	(26)
Total	113	(198)	(254)	(373)
<b>Income tax expense reported in profit or loss</b>	<b>2,638</b>	<b>2,719</b>	<b>1,645</b>	<b>1,826</b>

Movements of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Million Baht)

	Consolidated financial statement						
	For the year ended 31 December 2022						
	Beginning balance	Profit loss	Other comprehensive income	Exchange differences on translation	Ending balance	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	2,152	(161)	-	1	1,992	1,994	(2)
Intangible assets	5,759	(454)	-	-	5,305	5,307	(2)
Right-of-use assets	(1,794)	115	-	-	(1,679)	15	(1,694)
Investment in subsidiaries	29	(21)	-	-	8	8	-
Other non-current financial assets	(161)	-	(59)	-	(220)	24	(244)
Trade and other accounts receivable	(1,780)	(4,827)	-	-	(6,607)	239	(6,846)
Inventories and supplies	1	-	-	-	1	1	-
Lease liabilities	1,890	(71)	-	(1)	1,818	1,818	-
Provision for employee benefits	56	24	(14)	-	66	66	-
Provision for decommissioning costs	43	4	-	-	47	47	-
Derivatives	(12)	(8)	-	-	(20)	-	(20)
Tax loss carry forward	1	3,088	-	-	3,089	3,089	-
Others	272	(38)	-	(6)	228	262	(34)
Total amount before set-off of tax	6,456	(2,349)	(73)	(6)	4,028	12,870	(8,842)
Set-off of taxes						(5,478)	5,478
<b>Deferred tax assets (liabilities), net</b>						<b>7,392</b>	<b>(3,364)</b>

(Unit: Million Baht)

## Consolidated financial statement

	For the year ended 31 December 2021						
	Beginning balance	Profit loss	Other comprehensive income	Exchange differences on translation	Ending balance	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	2,337	(188)	-	3	2,152	2,154	(2)
Intangible assets	6,211	(452)	-	-	5,759	5,760	(1)
Right-of-use assets	(1,273)	(521)	-	-	(1,794)	10	(1,804)
Investment in subsidiaries	-	29	-	-	29	29	-
Other non-current financial assets	69	-	(230)	-	(161)	79	(240)
Trade and other accounts receivable	(2,437)	656	-	1	(1,780)	174	(1,954)
Inventories and supplies	1	-	-	-	1	1	-
Lease liabilities	1,316	573	-	1	1,890	1,890	-
Provision for employee benefits	63	15	(23)	1	56	61	(5)
Provision for decommissioning costs	38	4	-	1	43	43	-
Derivatives	(11)	(1)	-	-	(12)	-	(12)
Tax loss carry forward	46	(47)	-	2	1	1	-
Others	290	(31)	-	13	272	303	(31)
Total amount before set-off of tax	6,650	37	(253)	22	6,456	10,505	(4,049)
Set-off of taxes						(2,383)	2,383
<b>Deferred tax assets (liabilities), net</b>						<b>8,122</b>	<b>(1,666)</b>

(Unit: Million Baht)

## Separate financial statements

	For the year ended 31 December 2022					
	Other			Deferred	Deferred	
	Beginning balance	Profit loss	comprehensive income	Ending balance	tax assets	tax liabilities
Property, plant and equipment	147	60	-	207	207	-
Intangible assets	3	2	-	5	5	-
Right-of-use assets	(1,653)	123	-	(1,530)	-	(1,530)
Investment in subsidiaries	29	(21)	-	8	8	-
Other non-current financial assets	79	-	(54)	25	25	-
Trade and other accounts receivable	(1,796)	(4,831)	-	(6,627)	218	(6,845)
Inventories and supplies	1	-	-	1	1	-
Lease liabilities	1,707	(85)	-	1,622	1,622	-
Provision for employee benefits	(5)	29	(12)	12	12	-
Provision for decommissioning costs	8	3	-	11	11	-
Derivatives	(12)	(8)	-	(20)	-	(20)
Cumulative loss carried forward	-	3,088	-	3,088	3,088	-
Others	70	11	-	81	91	(10)
Total amount before set-off of tax	(1,422)	(1,629)	(66)	(3,117)	5,288	(8,405)
Set-off of taxes					(5,288)	5,288
<b>Deferred tax assets (liabilities), net</b>					<b>-</b>	<b>(3,117)</b>

(Unit: Million Baht)

## Separate financial statements

	For the year ended 31 December 2021					
	Beginning balance	Profit loss	Other comprehensive income	Ending balance	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	117	30	-	147	147	-
Intangible assets	2	1	-	3	3	-
Right-of-use assets	(1,272)	(381)	-	(1,653)	-	(1,653)
Investment in subsidiaries	-	29	-	29	29	-
Other non-current financial assets	94	-	(15)	79	79	-
Trade and other accounts receivable	(2,452)	656	-	(1,796)	158	(1,954)
Inventories and supplies	1	-	-	1	1	-
Lease liabilities	1,300	407	-	1,707	1,707	-
Provision for employee benefits	(9)	27	(23)	(5)	-	(5)
Provision for decommissioning costs	6	2	-	8	8	-
Derivatives	(11)	(1)	-	(12)	-	(12)
Others	82	(12)	-	70	77	(7)
Total amount before set-off of tax	(2,142)	758	(38)	(1,422)	2,209	(3,631)
Set-off of taxes					(2,209)	2,209
<b>Deferred tax assets (liabilities), net</b>					<b>-</b>	<b>(1,422)</b>

**27. Promotional privileges**

The Company has received two investment promotion certificates granting promotional privileges for the manufacture of quality roasted coffee beans and one investment promotion certificate granting promotional privileges for the electricity generated from solar energy. The Company has been granted a range of privileges, including exemption from corporate income tax subject to certain imposed conditions. The Company began generating revenues from one investment promotion certificate granting promotional privileges for the manufacture of quality roasted coffee beans since 18 January 2022 amounted to Baht 1,310 million.

## **28. Earnings per share**

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Basic earnings per share				
Profit attributable to equity holders of the Company (Million Baht)	10,370	11,474	7,850	9,169
Weighted average number of ordinary shares (Million Share)	12,000	11,642	12,000	11,642
Basic earnings per share (Baht per share)	0.86	0.99	0.65	0.79

## **29. Operating segments**

The following operating segments are consistent with the internal management reports provided to the Chief Operating Decision Maker (CODM), who makes decisions related to the allocation of resources to the segments and assesses their performance. For management purposes, the Group is organised into business units based on types of products and services. The major segments of the Group are as follows:

- 1) Mobility Business: Revenue of the Mobility of the group is mainly from the marketing of Petroleum Products, which through the retail and commercial business of the Company and its subsidiaries in Thailand.
- 2) Lifestyle Business: Revenue of the lifestyle of the Group consists of Cafe Amazon business, convenience stores, food and beverage retail stores and the area management business of the Company and its subsidiaries in Thailand.
- 3) Global Business: Revenue of the global of the Group consists of revenue from the oil business, retail business and other services which are operated by the subsidiaries in foreign countries.

For the year ended 31 December 2022

(Unit: Million Baht)

	Mobility	Lifestyle	Global	Others	Elimination of inter-segment	Total
Revenues from sales and services						
- Revenue from external customers	722,991	20,061	46,733	-	-	789,785
- Revenue from inter-segment	13,417	1,021	5,421	1,061	(20,920)	-
Total revenues from sales and services	736,408	21,082	52,154	1,061	(20,920)	789,785
Gross profit*	26,312	11,504	2,424	17	(1,076)	39,181
Earnings (loss) before interest, tax, depreciation, and amortisation	13,911	5,238	1,470	(33)	22	20,608
Depreciation and amortisation	3,937	1,918	646	2	-	6,503
Segment operating profit (loss)	9,974	3,320	824	(35)	22	14,105
Share of profit (loss) from investments in joint ventures and associates	605	34	(107)	(42)	-	490
Other income (expenses)	(312)	(67)	(300)	550	(563)	(692)
Unallocated revenue and expenses					263	
Earnings before interest and tax					14,166	
Profit for the period					10,373	

\* Gross profit excludes depreciation and amortisation which are presented in cost of sales and services.

As at 31 December 2022

						(Unit: Million Baht)
	Mobility	Lifestyle	Global	Others	Elimination of inter-segment	Total
Segment assets	88,548	59,604	14,761	46,456	-	209,369
Intercompany assets	3,770	98	185	3,593	(7,646)	-
Investments in joint ventures	398	1,585	856	161	-	3,000
Investments in associates	4,162	1,147	1	433	-	5,743
Total segment assets	96,878	62,434	15,803	50,643	(7,646)	218,112
Unallocated assets					7,392	
Total assets					225,504	
Segment liabilities	73,073	3,709	7,743	33,855	-	118,380
Intercompany liabilities	1,527	4,175	1,903	40	(7,645)	-
Total segment liabilities	74,600	7,884	9,646	33,895	(7,645)	118,380
Unallocated liabilities					3,364	
Total liabilities					121,744	
Capital expenditures	4,314	1,636	695	966	-	7,611

For the year ended 31 December 2021

(Unit: Million Baht)

	Mobility	Lifestyle	Global	Others	Elimination of inter-segment	Total
Revenues from sales and services						
- Revenue from external customers	468,995	16,191	26,613	-	-	511,799
- Revenue from inter-segment	6,542	774	1,811	984	(10,111)	-
Total revenues from sales and services	475,537	16,965	28,424	984	(10,111)	511,799
Gross profit*	26,559	9,258	1,459	16	(1,051)	36,241
Earnings before interest, tax, depreciation and amortisation	15,382	4,190	742	32	(11)	20,335
Depreciation and amortisation	3,677	1,771	627	-	-	6,075
Segment operating profit	11,705	2,419	115	32	(11)	14,260
Share of profit (loss) from investments in joint ventures and associates	436	1	(67)	2	-	372
Other income (expenses)	73	(19)	5	664	(664)	59
Unallocated revenue and expenses					748	
Earnings before interest and tax					15,439	
Profit for the period					11,470	

\* Gross profit excludes depreciation and amortisation which are presented in cost of sales and services.

As at 31 December 2021

						(Unit: Million Baht)
	Mobility	Lifestyle	Global	Others	Total	Elimination of inter-segment
Segment assets	68,884	45,775	11,372	67,559	-	193,590
Intercompany assets	2,864	55	279	4,277	(7,475)	-
Investments in joint ventures	220	-	1,061	12	-	1,293
Investments in associates	3,964	689	1	-	-	4,654
Total segment assets	75,932	46,519	12,713	71,848	(7,475)	199,537
Unallocated assets					8,122	
Total assets					207,659	
Segment liabilities	60,125	3,722	4,947	37,327	-	106,121
Intercompany liabilities	2,055	4,167	1,185	45	(7,452)	-
Total segment liabilities	62,180	7,889	6,132	37,372	(7,452)	106,121
Unallocated liabilities					1,666	
Total liabilities					107,787	
Capital expenditures	5,616	2,246	530	708	-	9,100

Details of revenue from external customers based on customers' locations are as follow:

	(Unit: Million Baht)	
	2022	2021
Thailand	636,993	434,951
Asia	142,830	72,507
Europe and the European Union	7,413	3,331
America	1,169	304
Australia	700	52
Other continents	680	654
<b>Total</b>	<b>789,785</b>	<b>511,799</b>

Details of non-current assets (excluding financial instruments and deferred tax assets) based on assets' locations are as follow:

	(Unit: Million Baht)	
	2022	2021
Thailand	68,373	64,005
Asia	4,848	5,273
<b>Total</b>	<b>73,221</b>	<b>69,278</b>

#### Major customers

The Group has no major customer with revenue of 10 percent or more of an entity's revenues.

### 30. Dividends

Approved by	Date	Dividend per share (Baht)	Total dividends (Million Baht)
<b><u>Dividends during the year 2021</u></b>			
Annual General Meeting of the shareholders on 7 April 2021	28 April 2021	0.10	1,200
Board of Directors' Meeting on 25 August 2021	23 September 2021	0.27	3,240
			<b>4,440</b>
<b><u>Dividends during the year 2022</u></b>			
Annual General Meeting of the shareholders on 7 April 2022	28 April 2022	0.19	2,280
Board of Directors' Meeting on 19 August 2022	19 September 2022	0.35	4,200
			<b>6,480</b>

## **31. Commitments and contingent liabilities**

### **31.1 Capital commitments**

As at 31 December 2022, the Group had capital commitments of Baht 3,327 million (the Company only: Baht 2,686 million).

### **31.2 Lease commitments**

As at 31 December 2022, the Group has future lease payments required under these non-cancellable leases contracts as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Within 1 year	23	22
Over 1 and up to 5 years	4	-
Over 5 years	19	-
Total	46	22

### **31.3 Guarantees**

As at 31 December 2022, the Group had outstanding bank guarantees of Baht 116 million (the Company only: Baht 116 million) issued by banks in respect of certain performance bonds as required in the normal course of business.

### **31.4 Letters of credit**

As at 31 December 2022, the Company had outstanding contingent liabilities from letters of credit of Baht 150 million.

### **31.5 Litigation**

In 2007, a subsidiary in the Philippines received an assessment and Formal Letter of Demand from the Bureau of Customs (“BOC”) for alleged deficiencies on payment of customs duties and value added taxes amounting to Philippine Peso 471 million or equivalent to Baht 314 million, due to deficient declaration of taxable importation of ordinary kerosene during 2004 to 2006. The assessments were properly contested by the subsidiary’s legal counsel, and the case docket was forwarded to the Court of Tax Appeals (“CTA”). Subsequently, the CTA ruled that such subsidiary’s cases previously filed separately be combined and that the CTA would reconsider the consolidated case. The case is under consideration of the court.

As at 31 December 2022, such subsidiary did not recognise a provision for contingent liability of the penalty in its financial information since the subsidiary's management and legal counsel assessed that the tax refund claims were valid. The subsidiary has ceased importing ordinary kerosene and therefore, does not expect that the circumstances which gave rise to this tax proceeding will arise in its present or future operations.

## **32. Financial instruments**

### **32.1 Financial risk management objectives and policies**

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, and borrowing. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

Credit risk arises when customers do not comply with the terms and conditions of credit agreements, causing financial losses to the Group. However, the Group has managed risk by adjusting its credit policies according to the current economic situation, focusing on developing financial instruments by cooperating with financial institutions to support credit facilities provided to customers in order to buy the Group's products, such as the Dealer Financing and Supply Chain Credit project, the Trade Credit Insurance and the Payment card and Fleet card, aims to reduce credit risks of the Group. The Group also reduces credit risk by determining procedures for risk prevention and mitigation, including credit rating for all trading partners of the Group.

#### **Market risk**

There are three types of market risk comprising foreign currency risk, interest rate risk and commodity price risk. The Group also has certain portions of sales, purchases and loans for operations nominated in foreign currencies which are paid in both fixed and floating interest rates. Accordingly, the management has entered into derivative contracts to cover these risks. The financial instruments used for hedging risks are forward foreign exchange contracts. Risk exposure relating to global oil market prices is managed by forward oil contracts.

#### **Foreign currency risk**

The Group has entered into foreign exchange forward contracts. The contract prices and exchange rates under the foreign exchange forward contracts are as follows:

Foreign currency	Foreign exchange forward - buy		Foreign exchange forward - sale			
	contract		contract		Average exchange rate	
	2022	2021	2022	2021	2022	2021
(Million)						
US dollar	2,482	44	-	-	34.5700 - 35.4600	33.3850 - 33.5630
US dollar	-	-	5,938	1,294	34.3650 - 34.9630	33.3850 - 33.7400

#### *Foreign currency sensitivity*

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates per Baht, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material.

Consolidated financial statements						
Currency	2022			2021		
	Increase/ decrease	Effect on profit before tax	Effect on other comprehensive income	Increase/ decrease	Effect on profit before tax	Effect on other comprehensive income
	(%)	(Million Baht)	(Million Baht)	(%)	(Million Baht)	(Million Baht)
US dollar per Baht	+10 -10	685 (685)	798 (798)	+10 -10	440 (440)	407 (407)

Separate financial statements						
Currency	2022			2021		
	Increase/ decrease	Effect on profit before tax	Effect on other comprehensive income	Increase/ decrease	Effect on profit before tax	Effect on other comprehensive income
	(%)	(Million Baht)	(Million Baht)	(%)	(Million Baht)	(Million Baht)
US dollar per Baht	+10 -10	690 (690)	- -	+10 -10	442 (442)	- -

#### *Interest rate risk*

The Group's exposure to interest rate risk relates primarily to its long-term loans. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

### *Interest rate sensitivity*

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans, with all other variables held constant.

2022		2021	
Increase/ decrease	Effect on profit before tax	Increase/ decrease	Effect on profit before tax
(%)	(Million Baht)	(%)	(Million Baht)
+1	268	+1	234
- 1	(268)	-1	(267)

### **Fluctuations in oil market price risk**

The Group has entered into oil price derivatives. As at 31 December 2022, the volume of oil under those contracts that mature during January to September is 0.57 million barrels (31 December 2021: 0.25 million barrels).

### **Liquidity risk**

The Group has liquidity risk management by maintaining the level of cash and cash equivalents and having the ability to access a variety of funding sources to ensure sufficient for the operation of the Group.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments based on contractual undiscounted cash flows:

(Unit: Million Baht)

2022

	Consolidated financial statements						Separate financial statements				
	Over 1 year			Within 1 year			Over 1 year		Over 1 year		
	Within 1 year	but not over 5 years	Over 5 years	Total	Within 1 year	Total	Within 5 years	but not over 5 years	5 years	5 years	Total
<b>Short-term borrowings from financial institutions</b>											
4,689	-	-	-	4,689	2,275	-	-	-	-	-	2,275
46,928	-	-	-	46,928	43,827	-	-	-	-	-	43,827
7,699	-	-	-	7,699	6,546	-	-	-	-	-	6,546
<b>Short-term borrowings from related parties</b>											
-	-	-	-	-	39	-	-	-	-	-	39
<b>Long-term borrowings and related interest</b>											
7,622	21,872	4,223	33,717	5,325	21,851	4,222	31,398	-	-	-	-
1,274	3,601	8,579	13,454	1,041	2,555	6,770	10,366	-	-	-	-
-	-	12,684	12,684	-	-	12,684	12,684	-	-	-	-
30	584	740	1,354	10	536	647	1,193	-	-	-	-
<b>Cash outflows from foreign exchange forward contracts</b>											
9,792	-	-	-	9,792	9,792	-	-	-	-	-	9,792
9,789	-	-	-	9,789	9,789	-	-	-	-	-	9,789
<b>Cash outflows from commodity derivatives</b>											
37	-	-	-	37	37	-	-	-	-	-	37
102	-	-	-	102	102	-	-	-	-	-	102

(Unit: Million Baht)

	Consolidated financial statements					Separate financial statements				
	Over 1 year		Over 5 years		Total	Within 1 year		Over 5 years		Total
	Within 1 year	but not over 5 years	Over 5 years	Total		Within 1 year	but not over 5 years	Over 5 years		
Short-term borrowings from financial institutions	93	-	-	93	-	-	-	-	-	-
Trade accounts payable	37,440	-	-	37,440	35,041	-	-	-	-	35,041
Other accounts payable	6,483	-	-	6,483	5,439	-	-	-	-	5,439
Short-term borrowings from related party	-	-	-	-	72	-	-	-	-	72
Long-term borrowings and related interest	5,424	26,476	4,686	36,586	5,455	26,476	4,686	4,686	36,617	36,617
Lease liabilities (include current portion)	1,586	3,798	8,842	14,226	1,292	2,844	7,152	7,152	11,288	11,288
Deposits on LPG cylinders	-	-	12,157	12,157	-	-	12,157	12,157	12,157	12,157
Other financial liabilities	36	434	656	1,126	6	434	523	523	963	963
Cash outflows from foreign exchange forward contracts	1,362	-	-	1,362	1,362	-	-	-	-	1,362
Cash inflows from foreign exchange forward contracts	1,367	-	-	1,367	1,367	-	-	-	-	1,367
Cash inflows from commodity derivatives	14	-	-	14	14	-	-	-	-	14

## 32.2 Fair values of financial instruments

The following table presents financial assets and liabilities that are measured at fair value in each level as at 31 December.

		Consolidated financial statements							
		2022			2021				
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets</b>									
Financial assets measured at fair value through profit or loss									
Mutual fund	2	-	-	-	2	2	-	-	2
Forward foreign exchange contracts	-	37	-	-	37	-	9	-	9
Commodity derivatives	-	66	-	-	66	-	9	-	9
Equity instruments measured at fair value through other comprehensive income									
Mutual funds	-	-	224	224	-	-	-	-	-
Other equity instruments	1,418	-	6,364	7,782	1,148	-	-	2,703	3,851
<b>Liabilities</b>									
Financial liabilities measured at fair value through profit or loss									
Forward foreign exchange contracts	-	13	-	-	13	-	-	-	-
Commodity derivatives	-	7	-	-	7	-	3	-	3

(Unit: Million Baht)

	Separate financial statements						Total	
	2022			2021				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2		
<b>Assets</b>								
Financial assets measured at fair value through profit or loss								
Forward foreign exchange contracts	-	37	-	37	-	6	6	
Commodity derivatives	-	66	-	66	-	9	9	
Equity instruments measured at fair value through other comprehensive income								
Equity instruments	1,418	-	4	1,422	1,148	-	3	
<b>Liabilities</b>								
Financial liabilities measured at fair value through profit or loss								
Forward foreign exchange contracts	-	13	-	13	-	-	-	
Commodity derivatives	-	7	-	7	-	3	3	

Fair value of following financial assets and liabilities measured at amortised cost where their carrying value approximated net book value are as follows.

<b>Consolidated financial statement</b>	<b>Separate financial statement</b>
<b>Financial assets</b> <ul style="list-style-type: none"> <li>- Cash and cash equivalents</li> <li>- Investments in current financial assets</li> <li>- Trade accounts receivable</li> <li>- Other accounts receivable</li> </ul>	<b>Financial assets</b> <ul style="list-style-type: none"> <li>- Cash and cash equivalents</li> <li>- Investments in current financial assets</li> <li>- Trade accounts receivable</li> <li>- Other accounts receivable</li> <li>- Short-term loan</li> <li>- Long-term loans (Floating interest rate)</li> </ul>
<b>Financial liabilities</b> <ul style="list-style-type: none"> <li>- Trade accounts payable</li> <li>- Other accounts payable</li> <li>- Lease liabilities</li> <li>- Long-term loans (Floating interest rate)</li> </ul>	<b>Financial liabilities</b> <ul style="list-style-type: none"> <li>- Trade accounts payable</li> <li>- Other accounts payable</li> <li>- Short-term loan</li> <li>- Lease liabilities</li> <li>- Long-term loans (Floating interest rate)</li> </ul>

The Group has methods and assumptions used in estimating the fair value of financial instruments as follows:

#### Valuation techniques used to derive level 1 fair values

The fair values measured through other comprehensive income of equity investments which are marketable securities were determined based on the last-bid price in stock market at the last operating day of the year.

The fair values measured through profit or loss of investments in mutual funds were determined based on the net asset value as reported in the Capital Call Statement at the report date.

#### Valuation techniques used to derive level 2 fair values

The fair values of derivatives were determined based on discounted future cash flow and valuation model techniques, using an appropriate risk-adjusted discount rate. Most of the inputs used for the valuation are observable in the relevant markets such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves, bonds yield curves, and commodity price yield curves, etc.

### Valuation techniques used to derive level 3 fair values

Fair values for investments in equity instruments measured at fair value through other comprehensive income can be assessed as follows:

- In the case of investing in Startup, refer to the trading price from the company's valuation in the latest fundraising.
- In the case of investing in non-marketable securities. The cost price is estimated to be fair value, except there is a significant change in the operation of the invested entity. Or using discounted future cash flows using incremental borrowing rates and related probabilistic assumptions in accordance with the conditions set out in share purchase agreement or using the net asset method based on reasonably available information.

The Group has no transfer between levels within the fair value hierarchy during the year.

### **32.3 The change in fair value of financial assets measured at fair value through other comprehensive income derive level 3 for the years ended 31 December are as follows:**

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Balance at beginning of year</b>	2,703	1,246	3	3
Addition	3,892	385	1	-
Gain on fair value through other comprehensive income	43	1,072	-	-
Exchange differences on translation	(50)	-	-	-
<b>Balance at ending of year</b>	<b>6,588</b>	<b>2,703</b>	<b>4</b>	<b>3</b>

### **33. Events after the reporting period**

33.1 The Extraordinary General Meeting of Shareholders No.9/2022 and No.1/2023 of ORHOLDCO approved increasing registered capital of Baht 596 million by issuing 5,963,400 new ordinary shares at a par value of Baht 100 each for the purpose of further investment of the Group. The Company fully paid for the shares after the reporting date.

33.2 On 15 February 2023, the Board of Directors' Meeting No.2/2023 passed a resolution to propose the Annual General Meeting of shareholders to approve the dividend payment on the operating result for the second half of 2022 of Baht 0.15 per share, totaling Baht 1,800 million.

### **34. Approval of financial statements**

These financial statements were authorised for issue by the Board of Directors of the Company on 15 February 2023.

## Inclusive Growth in Action





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we believe that inclusivity provides opportunities. In addition to being guided by the four pillars of our mission, we strive to operate in compliance with the United Nation's Sustainable Development Goals (SDGs).



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