

Sustainability Report : 2006



CORPORATE

SOCIAL

RESPONSIBILITY ▶▶

Bangchak Petroleum Public Company Limited



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Statement from the President

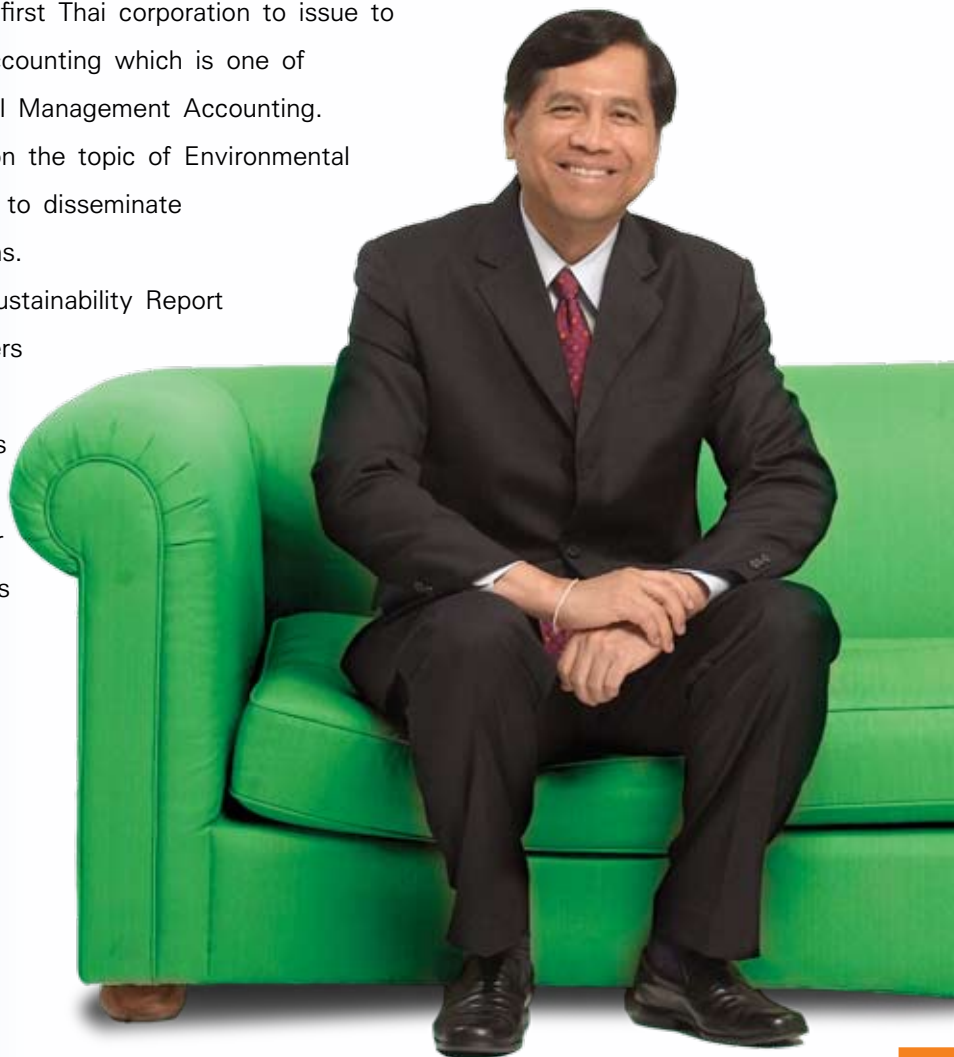
The Sustainability Report has been compiled with the purpose to disclose information on the economic, social and environmental conditions of Bangchak Petroleum Public Company Limited to all stakeholders in accordance with the principles of Good Corporate Governance.

Bangchak employees are fully aware of the significance of the words, “sustainability”, “environment”, and, “society”, that have constituted the basis and culture of the Company’s business operations since its establishment. All Executives have put their full effort in gaining profits for the Company under the direction to maintain the responsibility towards the society or the so-called, “Corporate Social Responsibility”, (CSR), including the roles towards its own employees or the members of Bangchak home, communities in the vicinity of Bangchak refinery and terminal, business partners as well as the general public. During the past few years, the Company has been able to maintain its strength in spite of the highly fluctuated oil prices. At the same time, employees have cooperated in assuring utmost safety of production processes, minimum environmental impacts and manufacturing of quality products to the consumers.

The Company has been the first Thai corporation to issue to the public its Environmental Cost Accounting which is one of the instruments of the Environmental Management Accounting. It also organized a training course on the topic of Environmental Cost Accounting for outsiders so as to disseminate this information to other organizations.

It is in our hope that this Sustainability Report would be beneficial to all stakeholders as well as other interested persons. The Company is ready for comments from all parties via the website of Bangchak Petroleum so as to further develop the Company’s performances and report formulation.

Dr. Anusorn Sangnimnuan
(Dr. Anusorn Sangnimnuan)
President





Business Operations

Bangchak concept and culture

The Bangchak Petroleum Public Company Limited, a Thai company, operates oil business and related business based on business concept: business is a company of the society. Concerning with the establishment goals as Thai Oil Company, the Company has duty to overcome business targets as well as to take responsibilities for society in order to develop a better quality of life for all Thais.

Corporate Culture

To sustainably develop business in parallel with the environment and society

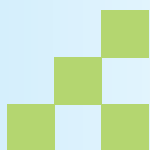
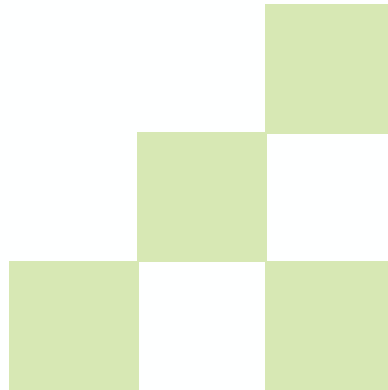
Apart from assessment of the performance outcomes, the Company has also taken responsibility towards the society as a key indicator of business value. All the Company's employees perceive in the business culture to **sustainably develop business in parallel with the environment and society.**

Employee Culture

Being good, knowledgeable to benefit others

To achieve business culture as stated, the employees have to concerned that they are a part of the Company and society; therefore they have to continually develop themselves to enhance qualities, morality, knowledge and abilities for being beneficial towards themselves and society.

The concept of corporate and employee culture has been initiated from the intention to improve more happiness at work with understanding in the nature of work and appropriate ways of life. In working with happiness, the employees have a mutual goal to create confidence, faith and good wishes among each other to being good, knowledgeable for being beneficial towards others. To achieve the ultimate goal for develop a better quality of life for all Thais, the Company has to be sufficiently strong and self-reliance.





Vision and Good Corporate Governance Principles

Vision

A Thai leading energy company that operates on good governance principles with keen concern with To become a leading Thai company in energy and related businesses, generating fair and sustainable business returns, and to be an environment and society-conscious organization with streamlined management and corporate governance maintained by highly qualified personnel.

Good Corporate Governance

Bangchak has continually placed importance on the issue of Good Corporate Governance, as one of the supportive factors to the culture of the organization in business operations under the principle of “business development in a sustainable manner in line with the environment and society”. After the Stock Exchange of Thailand began to promote 15 principles of Good Corporate Governance to be practiced by the listed companies, the Company has resided to these principles as directions of its performance by adapting them to the particular business conduct of the Company. It has also placed these principles as the code of conduct for its Directors, Executives and all employees by formulating a handbook for all concerned parties.

In 2006, the Company issued a new handbook on Good Corporate Governance for better completion and compliance with the international standard. The handbook was signed by all Directors, Executives and employees as a mutual agreement for performing their duties. In addition, information on the handbook's details has been disseminated through various communication media and activities, so that the Good Corporate Governance principles would become a basis for sustainable business development.

The Company has also put emphasis on transparency of business operations, enhancement of confidence of the general public as well as responsibility towards all stakeholders. It has mapped out its policies to emphasize the issues of business ethics, efficient system of control and internal audit, risk management, rights and equity of shareholders, roles of the Company towards its stakeholders, information disclosure and transparency, code of conduct of directors, Executives and employees and supervision of compliance of the Management to the Good Corporate Governance principles with the objective to provide appropriate and sustainable benefits to all stakeholders. Policy on Good Corporate Governance and business ethics

1) Transparency and information disclosure

Management, accounting recording and financial reporting are regularly undertaken in compliance with the laws and principles as well as the international standard. Accurate, clear and timely information is disclosed so as to ensure confidence of investors, shareholders and related creditors.

2) Equitable treatment for all parties concerned

All parties concerned, including shareholders, buyers, trading partners, creditors, employees and the general society are assured of fair and equitable treatment.

3) Risk management

Risk management is performed in terms of effec-

tiveness, efficiency, accuracy of financial reports and compliance to the relevant laws, regulations and orders, which are in accordance with the framework of internal control. In analyzing business risk, important level of risk is identified so as to scrutinize control measures with the purpose to reduce risk to the minimum level.

4) Attainment of the standard of best practice

The Company aims to provide better results to all parties by encouraging all departments to attain the standard of best practice.

5) Adherence to responsibility towards the society

The Company runs its businesses in taking into account duties and responsibilities to comply with benefits of the general public, environment and participation in improving the living conditions of the Thai society.

6) Enhancement of virtue and ethics in all levels of organization

Virtue and ethics are the core factor of Good Corporate Governance of the Company that is to be practiced by all levels of the organizational members, including Directors, Executives and employees. Without virtue and ethics, the Company realizes that business sustainability cannot be attained.

Main principles of Good Corporate Governance

Accountability for decision making and performance

Responsibility on duties and assignments

Transparency of information disclosure and being able to be inspected

Equitable Treatment to all concerned parties

Vision to Create Long-term Value

Ethics in business operations

Roles of the Company as concerns its stakeholders

The Company recognizes the importance of all stakeholders' rights according to the legal stipulations and always supports cooperation between the Company and its stakeholders in creating sustainability to the business. The Company has defined the guidelines with respect to its stakeholders in its handbook on Good Corporate Governance as follows:

Employees The Company understands that its employees are vital to advancement of the business. Bangchak encourages all employees to gain as much knowledge and competency as possible. The Company also emphasizes equity among all employees, with fair and appropriate compensation and benefits. It has initiated an "Employee Stock Option Program" as a reward for employees' commitment and to encourage efficient operations, which will in turn bring to the Company the best of benefits and business achievement.

Clients and general public The Company is committed to developing its products and services for the highest level of confidence and satisfaction.

Trade partners The Company has set forth the purchasing and procurement code of conducts in its regulations. This code of conducts will ensure the appropriate, efficient and fair partnership under the concept of Good Corporate Governance. In addition, the Company has formulated a "Handbook for business contacts" and "Policies on Bangchak service station agents" so as to facilitate its partners and to enhance quality of business operations of the

entrepreneurs/agents under the directions of Good Corporate Governance and business ethics.

Competitors The Company is committed to engaging in transparent and fair competition.

Creditors Creditors are treated with equity, accountability and transparency under strict compliance to the contracts and financial obligations.

Shareholders The Company is committed to engaging in transparent, reliable and consistent business conducts to create a firm foundation for its financial status and the best share values.

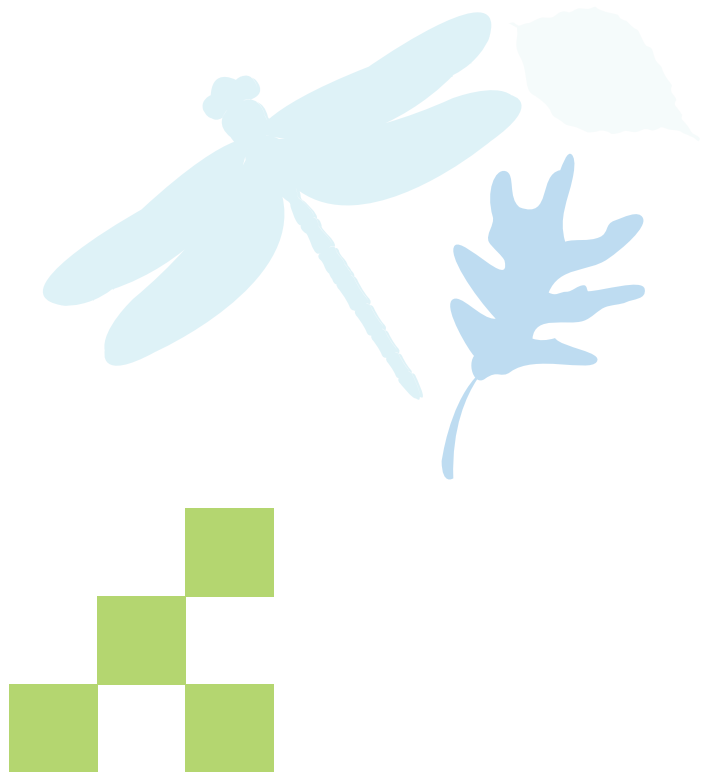
Communities around the refinery The Company has recognized the communities around its refinery as its neighbors, which would reciprocally enhance strength to one another. In addition to emphasis on the issues of environmental preservation and safety, the Company has taken as a duty of all Executives and employees to play a role in developing the living conditions of the communities' population by working together with the communities and taking into account maximum benefits of this population.

Business Overview

Bangchak Petroleum Public Company Limited is a Thai oil company that runs a complete circuit of petroleum business, including procurement of crude oil, production and sales of finished oil products. Its head office at Sukhumvit 64 locates the refinery with the capacity of 120,000 barrels per day as well as the oil distribution center for the area of Bangkok Metropolitan. In addition, the Company's other oil distribution center is situated at Tambon Bang Krasan, Bang Pa-in District, Ayutthaya, which distributes oil to the North and Northeast of Thailand. Its regional business offices are in the North, Northeast and South.

Bangchak has one subsidiary company i.e. the Bangchak Green Net Co.,Ltd., which has a registered capital of Baht 1 million and 49 percent of its total shares are held by Bangchak. The Bangchak Green Net was established to manage service stations of Bangchak and sales on consumer goods and Bai Chak stores.

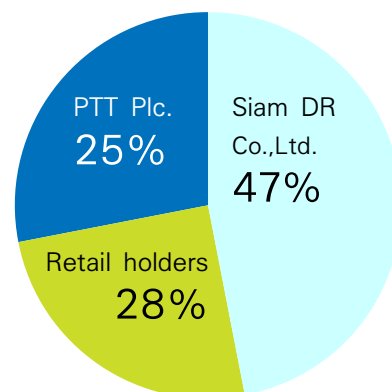
Another one related company is the Fuel Pipeline Transportation Co.,Ltd. (FPT). Its registered capital totaled Baht 1,592 million of which 11.4 percent of the total shares are held by Bangchak. The FPT operates the pipeline oil transportation business via multi-purpose pipeline system. The pipeline begins at Bangchak refinery and runs along the railway track to the oil storage depots at Don Muang Airport and Bang Pa-in, Ayutthaya. In 2005, the pipeline was connected from Makkasan area to Suvarnabhumi Airport by JP-One Asset Co.,Ltd.



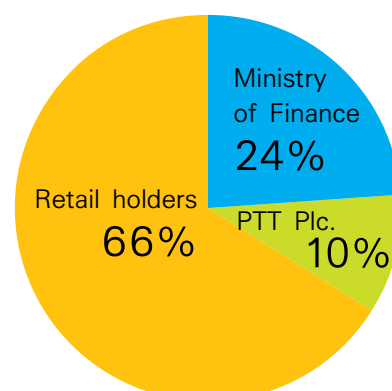
Shareholders

(Percentage as of December 30, 2006)

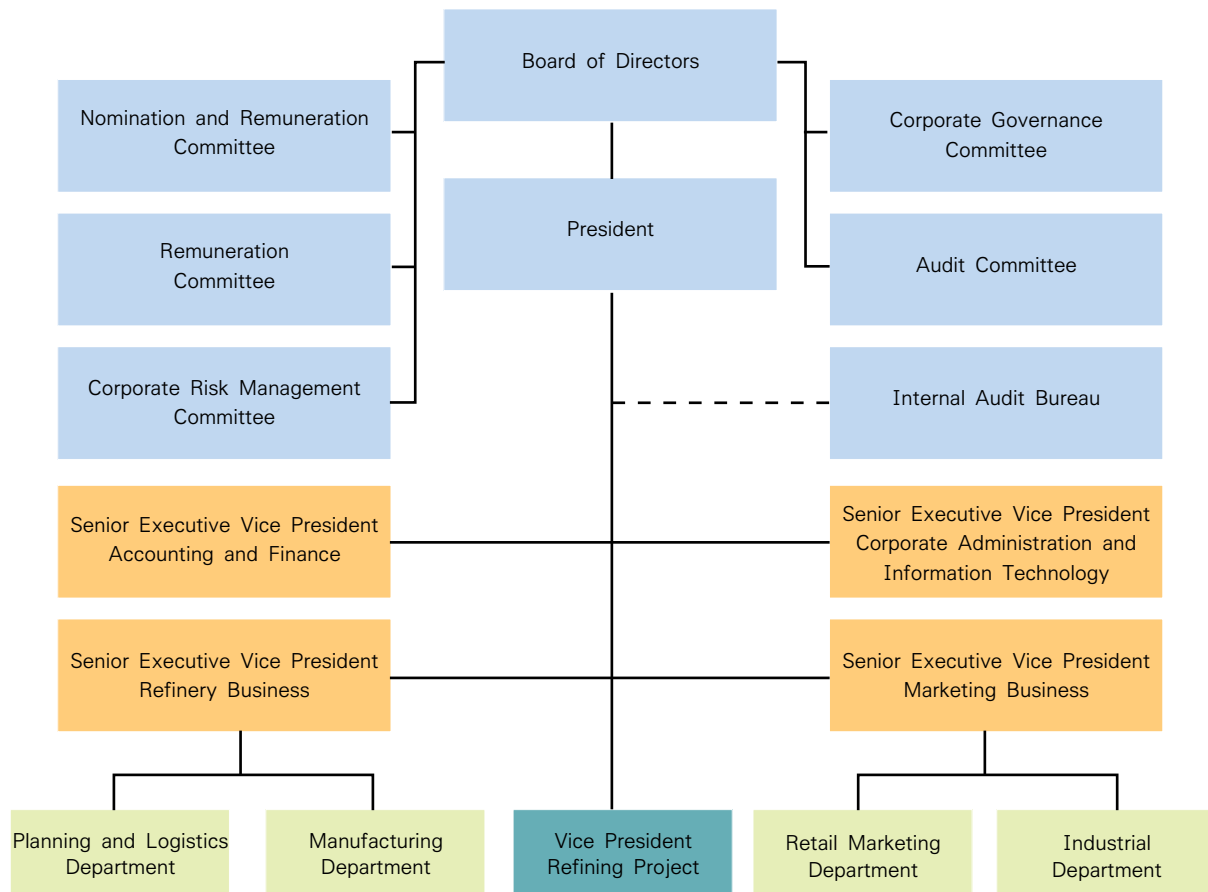
BCP holders



BCP-DR 1



Boardmembers



Operational outcomes as per the corporate indicators

Corporate targets	Outcomes
Business operations to attain EBITDA of over Baht 2,315 million	
Confidence of the communities and society on its products, safety and environment with emphasis on surrounding the refinery, oil storage and service stations	
Attachment of the Good Corporate Governance principles to acquire guarantee from the concerned organizations or rating agencies	

Performance

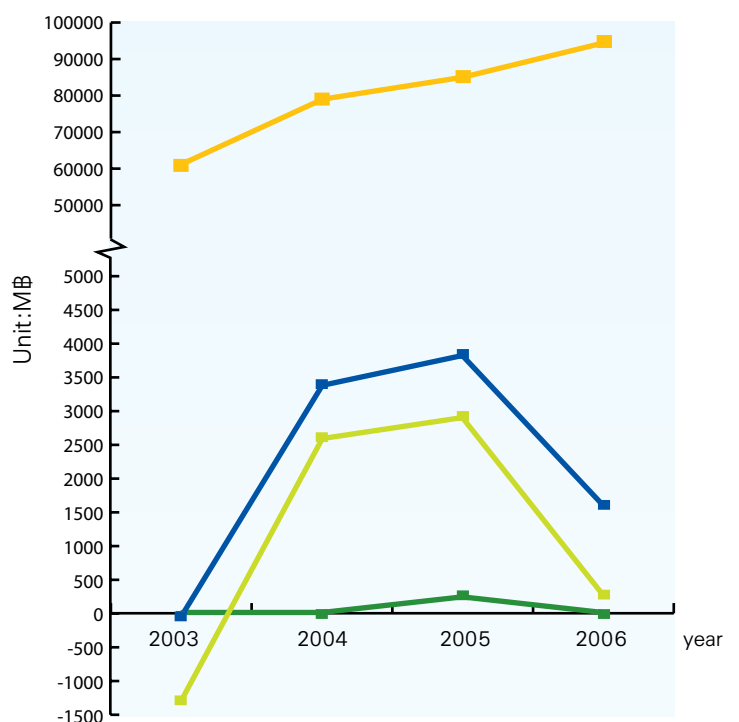
Economic aspect (details are in the Annual Report that can be found in www.bangchak.co.th)

With full effort and firm determination of all Executives and employees, Bangchak Petroleum Public Company Limited, which is a Thai owned and operated oil company, has been able to increase its sales volume since the year 2003. However, as the material costs, i.e. crude oil, have been on a high rise, the Company reported a decline in its earnings before interest and taxes as well as net profit. Other factor concerned, the Company's waive of income taxes in its investment in the Product Quality Improvement Project, resulting that no tax expense was recorded.

In spite of the fact Thailand is not included in the Annex 1 of Kyoto Protocol, the Company has joined hand in alleviation of the problem through its campaigns for utilization of gasohol and biodiesel which helped reduce the volume of carbon dioxide in the atmosphere.



- Sales incomes
- EBITDA
- Net profits
- Income taxes





Environmental Performance

The Company has determined to carry on its business operations by taking into account not only environmental conservation but also impact mitigation in every process for the quality of life of its employees, contractors and population around the refinery. In 2006, improvement was made to the policy on occupational health, safety, environment and energy to be in consistence with the changing situation and to serve as a stepping stone towards sustainable development of the business.

Policy on occupational health, safety, environment and energy

The Bangchak Petroleum Plc. is a Thai-owned company, conducting integrated petroleum businesses from logistic, production to marketing. The Company has its own refinery and has always run its business under the culture of ***“sustainable development in parallel with the environment and society”***

All concerned parties including the Executives, staff members and contractors have been assigned to:

- ✔ fulfill their duties with safety and not cause impacts to themselves, other concerned persons, communities and environment,
- ✔ comply with the relevant laws on occupational health, safety, environment and energy,
- ✔ undertake pollution control and prevention of oil spillage and loss,
- ✔ undertake accident prevention in all aspects,
- ✔ make worthy utilization of resources, namely energy, water and chemical substances,
- ✔ continually develop the system of occupational health, safety and environmental management.

In this connection, the Executives are responsible in providing sufficient resources in order to attain the targets of business performance, organizing trainings for all levels of staff, reviewing related policies and management systems and encouraging employees' suggestion system.

Operational directions

1.Management system

- ✔ The international standards, such as ISO 14001, OHSAS 18001 have been implemented for the improvement of the management systems.

2.Risk assessment as concerns occupational health, safety and environment

- ✔ Occupational health, safety and environmental risk assessment for the activities, products and future work plans have been conducted and prioritized for prevention and control planning..

3.Training

- ✔ Trainings have been provided for knowledge and skills to the staff members, so that they can work with safety and without causing impacts to the environment.

4.Communication

- ✔ The internal and external communication systems and methods to disseminate information concerning occupational health, safety and environment to employees at all levels and to receive all complaints as well as communication of other kinds of information were set up.
- ✔ The policy on occupational health, safety, environment and energy was communicated to contractors before their works.

5.Preparation for emergency situations

- ✔ Plans to prevent and face emergency incidents and to alleviate impacts that may relatively occur were formulated.

6.Procurement

- ✔ Stipulations on environment and safety have been included in the agreements with contractors or hiring contracts.

7.Operation and maintenance

- ✔ Pollution prevention and control system as well as preventive maintenance have been implemented.

8.Waste management

- ✔ Wastes have been separately stored, transported and disposed of properly.

9.Follow-up and evaluation

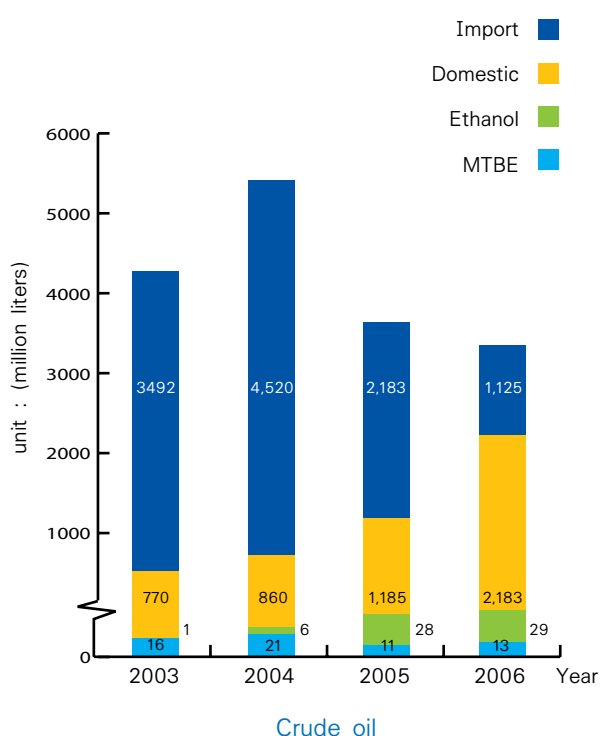
- ✔ The environmental performances are followed-up and evaluated on a regular basis for further improvement.



Natural resource management

Raw materials

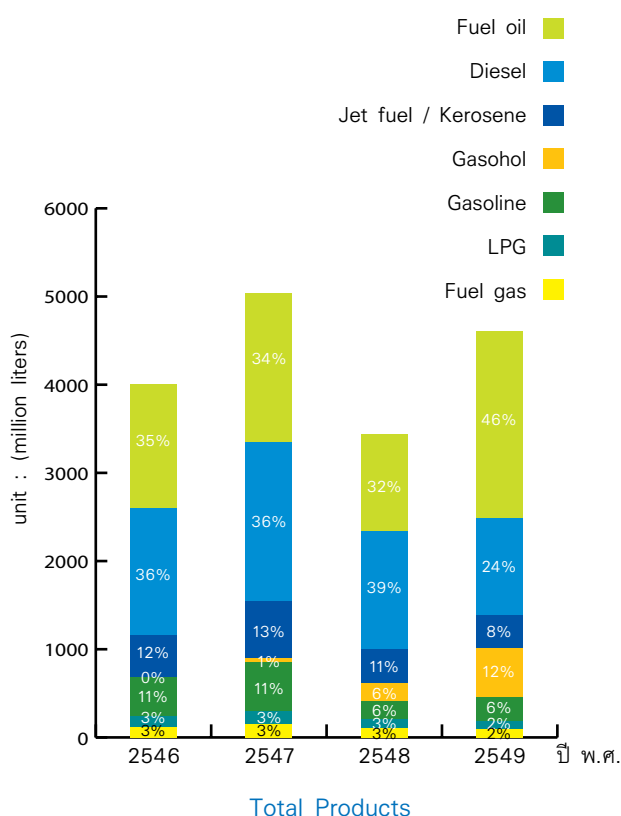
The Company uses crude oil as main raw material for its production. In 2006, in order to comply with the Government policy to reduce imports of crude oil, the Company increased its ratio of domestic crude oil utilization from 33 percent in 2005 to 66.4 percent.



Apart from crude oil, the Company also uses ethanol as raw material for the production of gasohol. In 2006, utilization of ethanol increased from the previous year, in consistence with a rise in gasohol sales volume, which has helped reducing imports of Methyl Tertiary Butyl Ether (MTBE) - oxygenate in gasoline. However, volume of imports of MTBE still rose as well, as volume of gasoline production in 2005 doubled from that recorded in 2005.

Products

The Company has a variety of products, including fuel gas, cooking gas or LPG, gasohol 91 and 95, gasoline 91 and 95, jet fuel, diesel and fuel oil. In addition, there is a product of liquid sulfur, which is a by-product from oil quality improvement and is sold to sulfuric acid plants.



After launching its sales of gasohol 95 in 2004, the Company was the first producer in Thailand to sell gasohol 91 in 2006, with the purpose to alleviate the burden of energy crisis in line with the Company's culture to put emphasis on importance of the society and environment. Agricultural products have been used as raw material for production of this alternative energy, which has enhanced more income earnings of farmers and reduction of dependence on oil imports. Moreover, this has produced positive effect to the global situation of rising temperature. The Company has also initiated the project of biodiesel production utilizing used



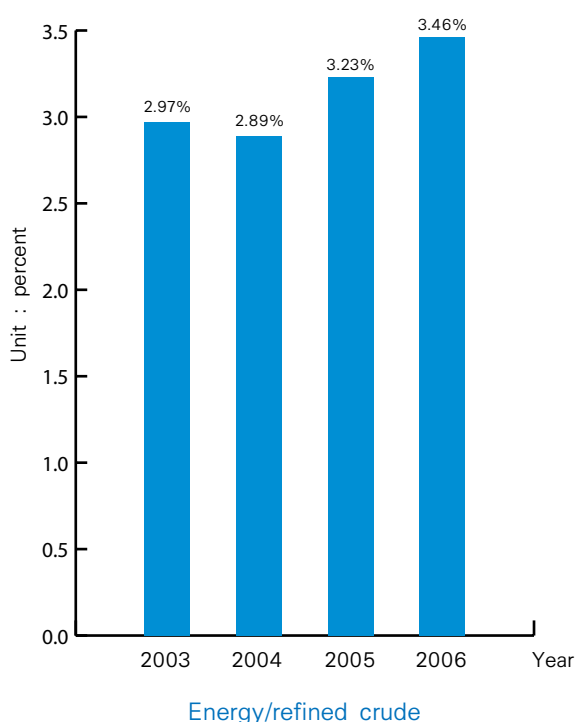
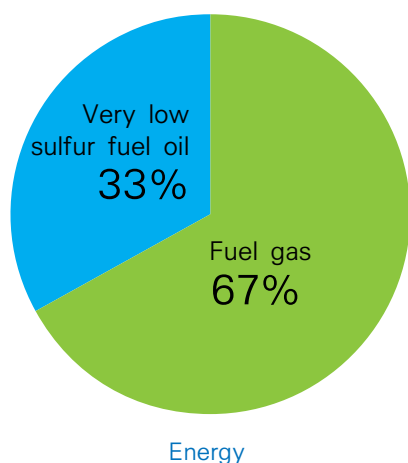
cooking oil as raw material through the chemical process that is called Transesterification, where cooking oil would be transformed to ester that has equivalent characteristics as diesel. This transformed ester has been mixed with diesel in the proportion of 5 percent to become Biodiesel - B5, that is now for sales at Bangchak service stations.



Energy

The Company uses fuel gas from which sulfur has been extracted as its main energy source and uses low-sulfur fuel oil as supplementary energy in oil refining process. In 2006, the Company purchased some part of electricity from the Metropolitan Electricity Authority so as to reassure reliability of the production process. Nevertheless electricity utilization has been managed to avoid the peak period to reduce the production costs.

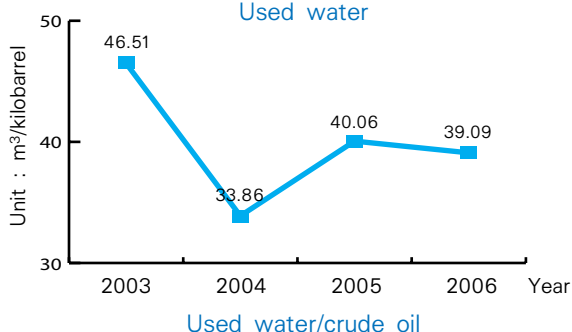
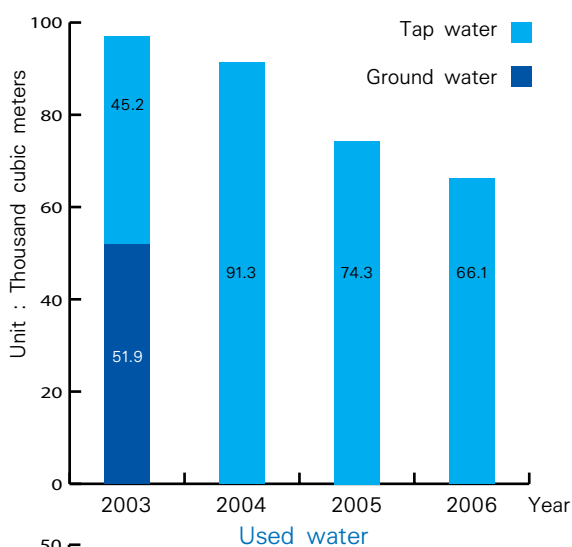
In 2006, although the Company afforded to reduce vapor and heat loss by changing the stream trap of equipment and pipelines, improve work procedures and production process to enhance better efficiency, the ratio of energy utilization to crude oil rose from that of 2005, consideration has been made for formulation of energy saving measures, in particular the measures that need to be financially supported.



Water

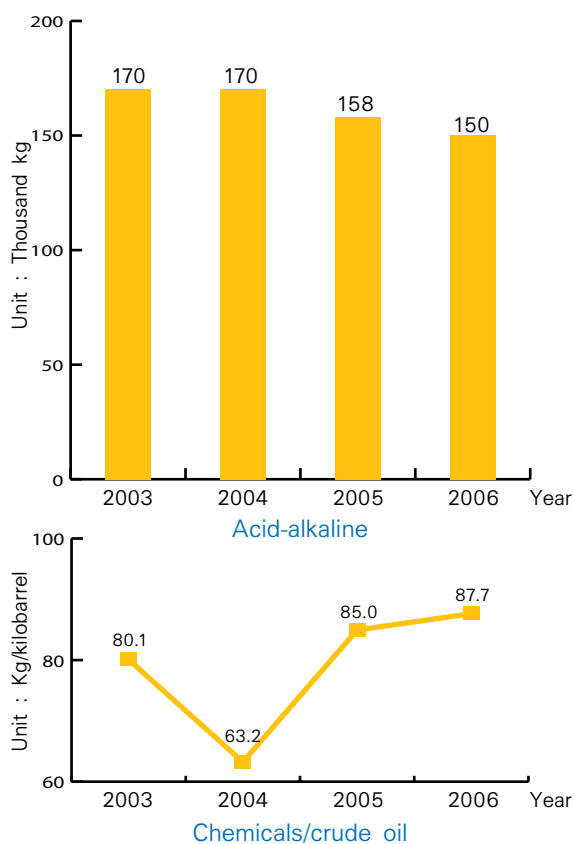
In 2004, the Company turned to use tap water instead of ground water due to the problem of land subsidence in Bangkok Metropolitan area. Work methods and production process have been modified to attain the most worthwhile utilization of water, for example:

- ✿ reduction of loss and service loop, reparation of cooling tower, improvement of inlet valves, installation of short-cut for cooling tower during the time of low production, modification of air fin cooler angle,
- ✿ water re-use such as using treated effluent for plant watering, reusing water from fast rinse process, which helped the Company to reduce the volume of water utilization in 2006.



Chemical substances

Control of chemical substances was not successful in 2006, as the volume of acid and alkaline used in demineralization plant for steam and electricity production was reported at 87.7 kg per kilobarrel of crude oil (1 barrel is approximately 159 liters), a rise by 2.67 kg per kilobarrel from 2005. This was due to the fact that the volume of crude oil for refinery decreased, while efficiency of demineralization plant also decreased. The Company is under consideration for a better system of water treatment.



In addition, with the awareness on its responsibility towards the environment, communities and workplace of its employees, the Company changed the type of fire fighting chemicals from Halon, which produced negative impacts to the ozone, to Halotron, which is less harmful, and changed asbestos insulation to non-asbestos insulation. It also replaced 1,1,1 Trichloroethane with PERCH and replaced Hydrazine used in the steam production system with DEHA, both of which are less toxic substances.


Pollution management

Water pollution

In addition to reduction of water resource and wastewater at source, the Company has implemented a system of water pollution control by oil separation and biological treatment resulting in better quality of discharged water than effluent standard. Water that has been treated is released in Bang Or Canal which is the sewerage system of Prakanong District before going to Chao Phraya River. Therefore, water discharged from the Company does not affect the biological diversity of Bang Or Canal.



Characteristics of the effluent



Parameter	Unit	2006	Standard value
pH	-	7.6	5.5-9
Fat and oil	mg/l	0.9	5.0
Suspended solid	ppm	15	50
Dissolved solid	ppm	1590	5000
Lead	ppm	< 0.1	0.2
BOD	ppm	6	20
Sulfide	ppm	0.5	1.0
Cyanide	ppm	< 0.005	0.2
Phenol	ppm	< 0.1	1.0
Mercury	ppm	0.002	0.005
COD	ppm	60	120

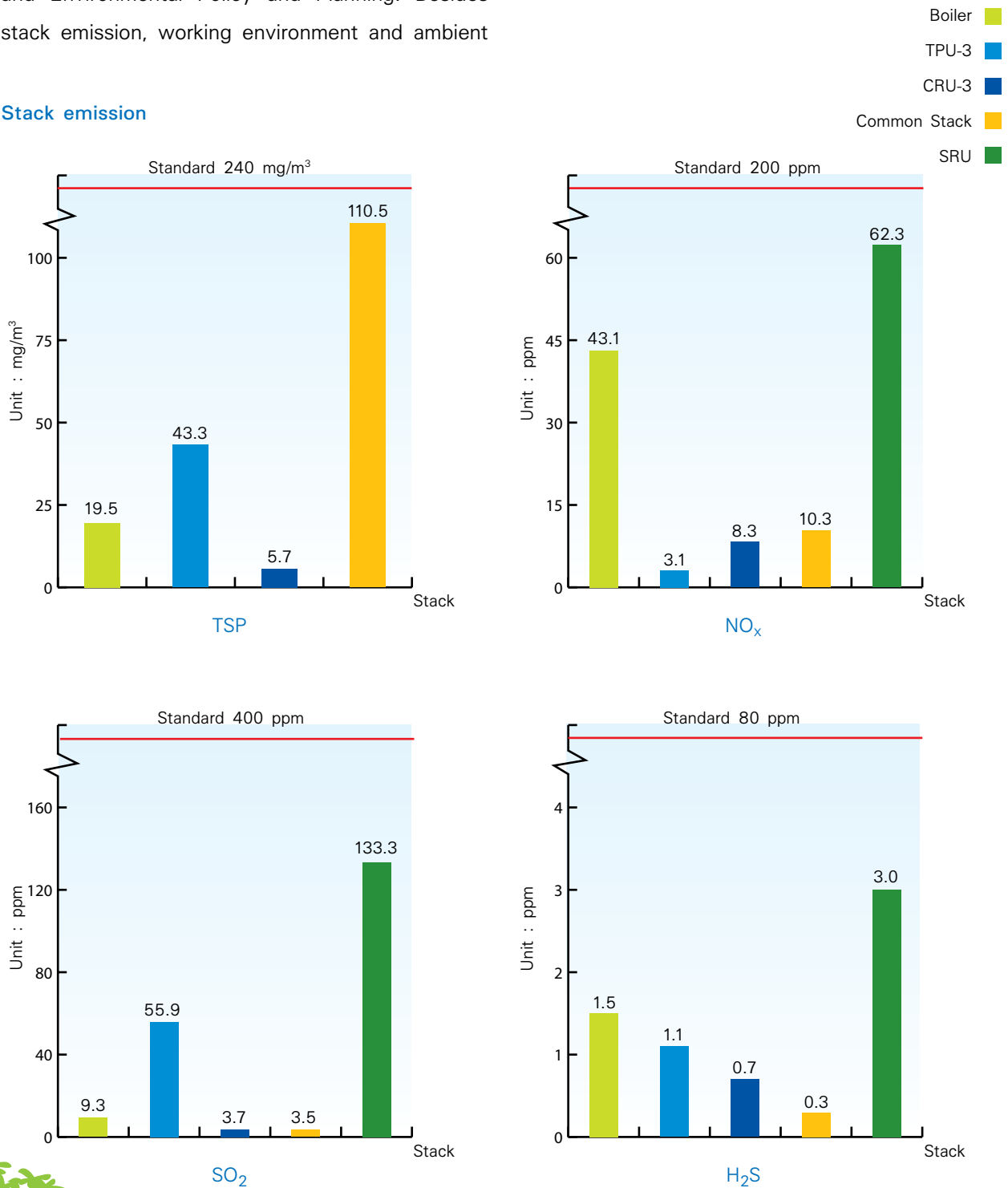
Moreover, the Company has provided equipment to prevent oil spill. It is also a member of the Oil Industry Environment Safety Group (IESG), which plays an important role in alleviating problems caused by oil spill in the water.

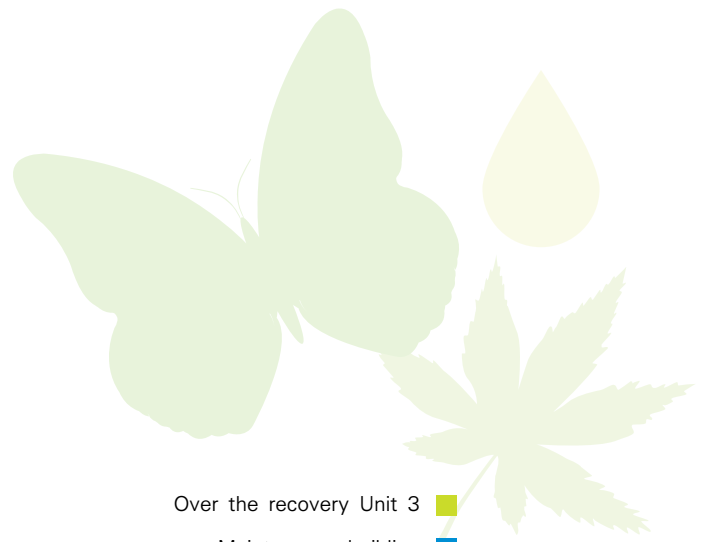
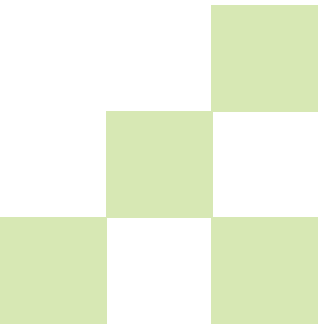
Air pollution

As the Company has chosen clean energy as the fuel and undertaken close supervision on the production, stack emission of the refinery has better quality than the stipulations of the Ministry of Industry and the Office of Natural Resources and Environmental Policy and Planning. Besides stack emission, working environment and ambient

air quality around the refinery has been measured by Public Health Department, Mahidol University. It also shows that they are better than the ambient air standard issued by the Pollution Control Department.

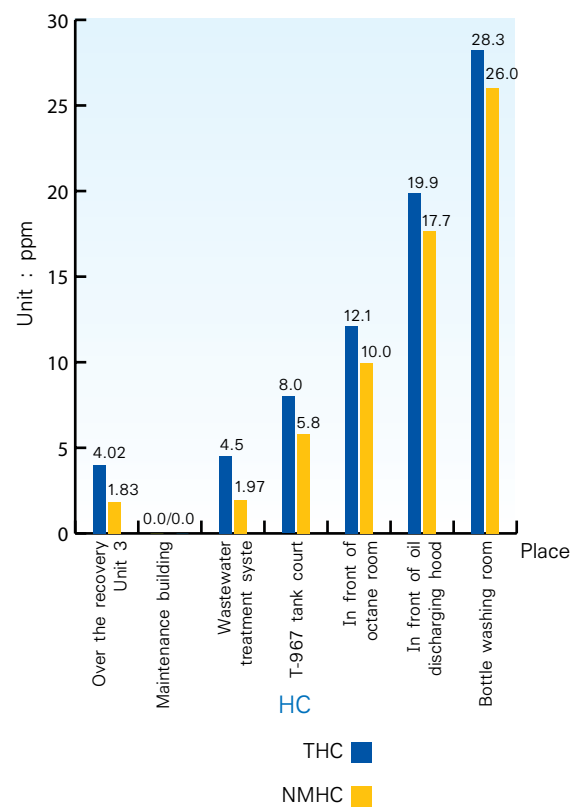
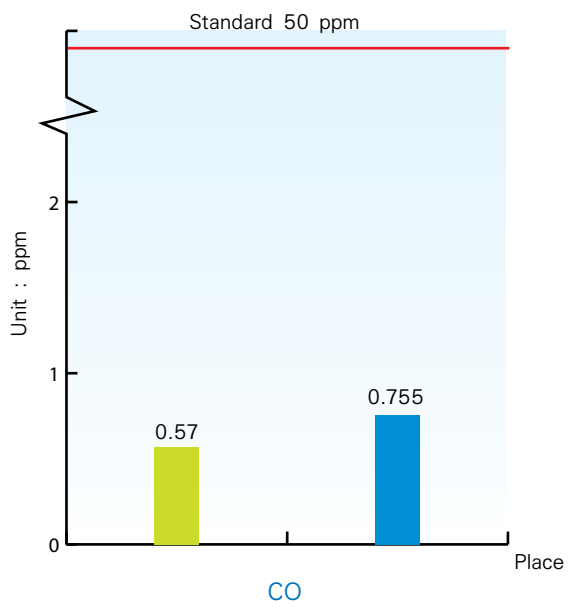
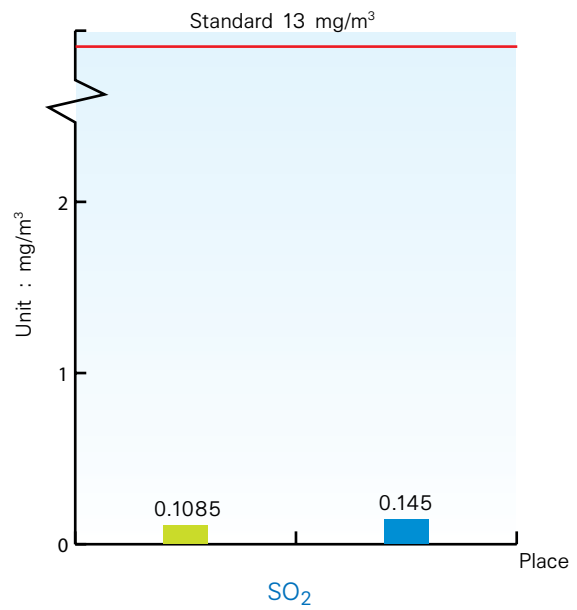
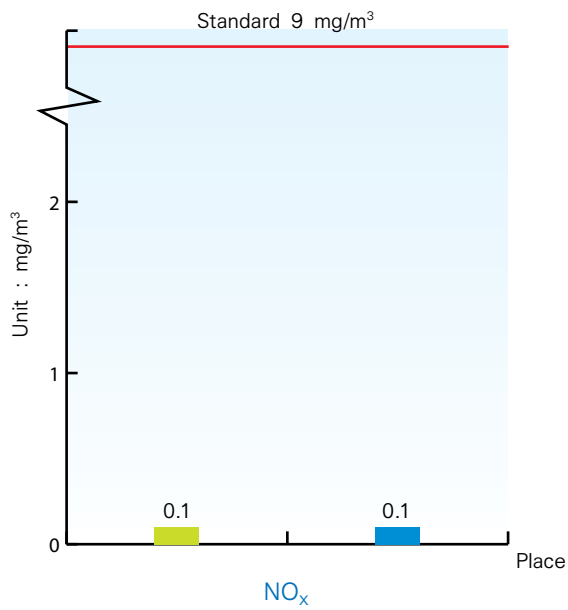
Stack emission



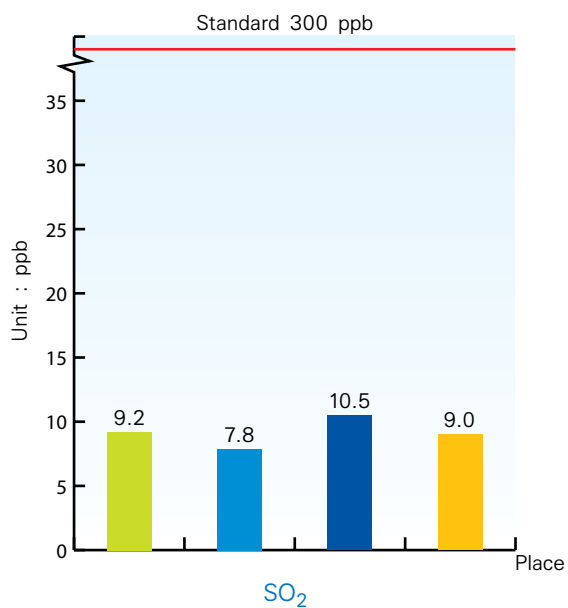
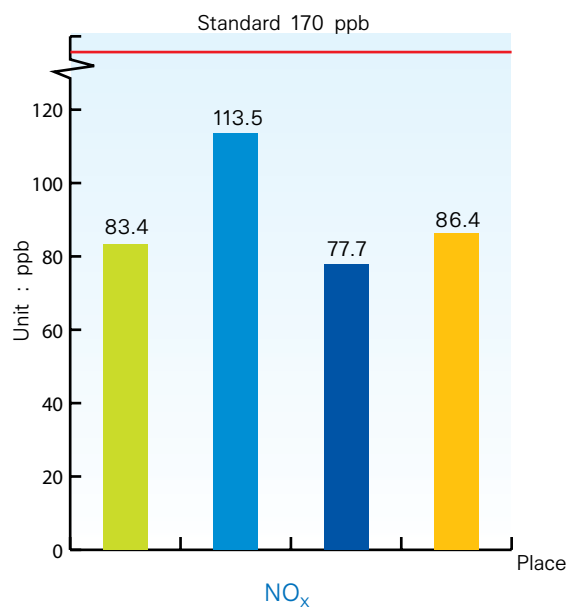
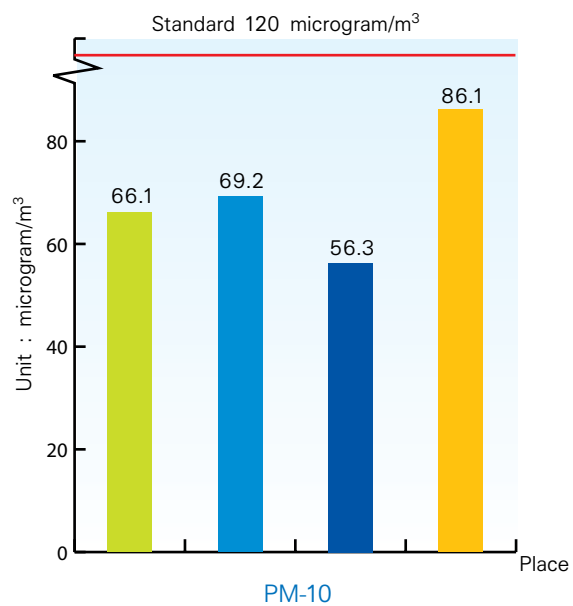
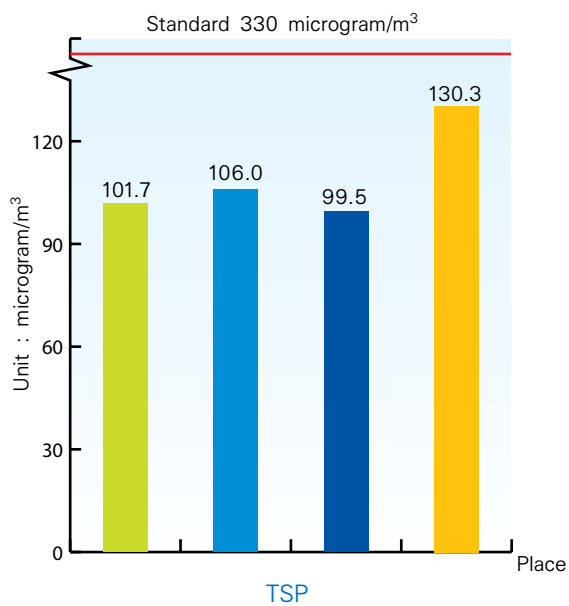


Working environment

Over the recovery Unit 3 ■
Maintenance building ■



Ambient air surrounding refinery



Somtawin School ■
 Pipatana School ■
 Bangna-nok School ■
 Baan Ubeka ■

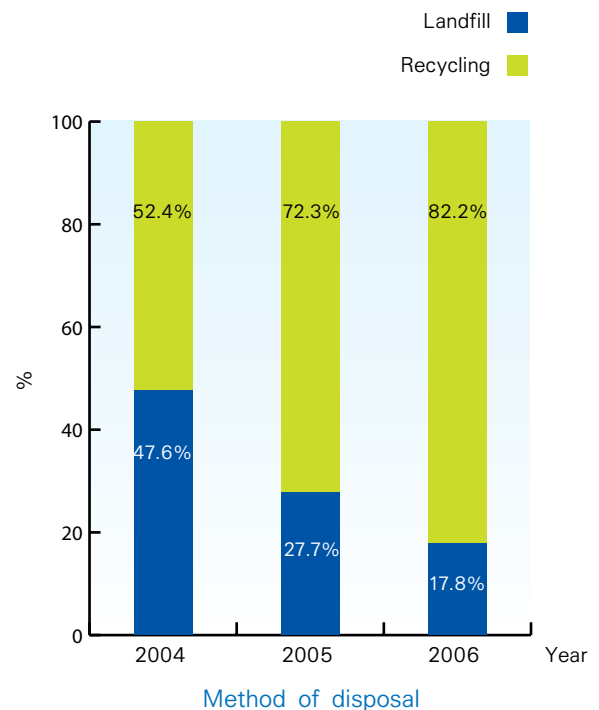
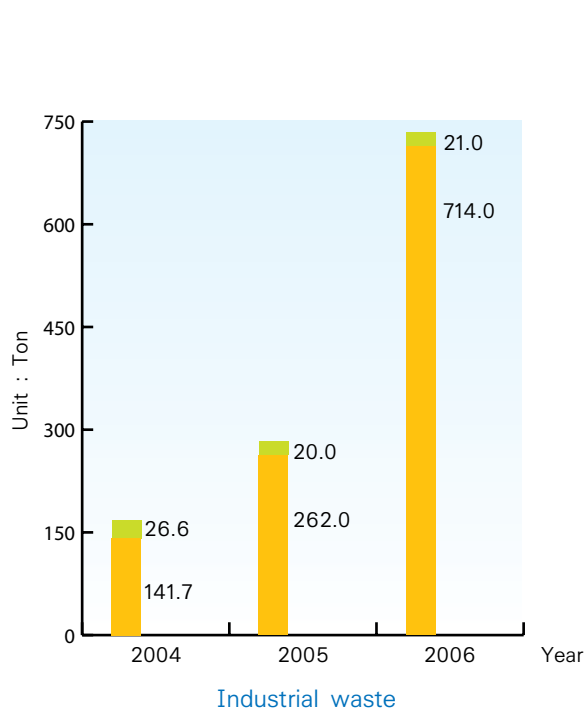
In addition, the Company had installed the Vapor Recovery Unit (VRU) at Bangchak oil terminal to prevent hydrocarbon vapor prior to regulation issuance.

Unit : mg/l

Source : VRU stack	Measured value	Standard
vapor	2.20	17.00

Solid wastes

Solid wastes from the refinery are classified as hazardous and non-hazardous under the regulation of Ministry of Industry. Most of the waste are recycled as fuel and raw material replacement in Cement Industry or Co-processing. In 2006, the waste was recycled about 604 tons or 82 percent of the total wastes. Whereas garbage was sent to Bangkok Metropolitan Authority for disposal.



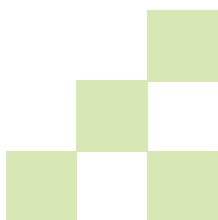
Hazardous waste
Non-hazardous waste

Environmental Cost Accounting

Bangchak has started to formulate its Environmental Cost Accounting since 2005 and utilized the Accounting to improve its operations concerning environmental issues in 2006. It can be summarized as follows:

In 2006, expenses for crude oil procurement increased due to higher oil prices. Energy expenses were also on a rise, as production capacity was low resulting in increasing energy utilization. On the contrary, expenses for utilization of water declined, due to the modification of work procedures and production process, in line with the decrease in expenses and amount of wastewater.

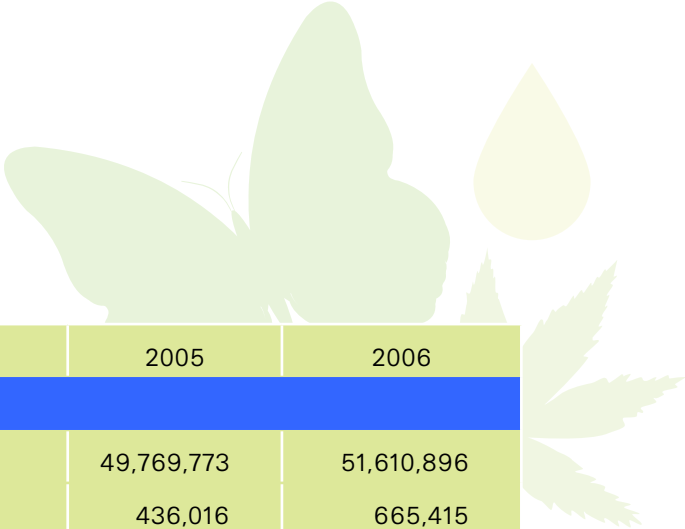
The Company has placed importance on the expenses that are classified as material costs of non-product outputs, which can signify its productivity conditions. High expenses in this category mean



loss of resources and increase of environmental impacts. From the table, it can be seen that this kind of expenses is low relative to the category of material costs of product outputs. This is because of continuously monitor and control for a long period. Nevertheless, executives and employees have still kept close supervision and have tried to enhance efficiency of the production resulting in decline of slop oil costs, costs of excessive chemicals used for neutralizing pond and off specification sulfur. But not to oil sludge from cleaning of crude oil/fuel oil tanks that does not vary with the production volumes but depends on the period of tank cleaning as stipulated by law.

For the waste and emission control costs, the equipment maintenance costs was lower because there was no turnaround maintenance in 2006. Besides, wastewater treatment costs also decreased due to the declining volume of water utilization.





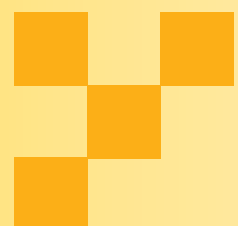
Unit : Million Baht	2005	2006
Material Costs of Product Outputs		
Crude oil	49,769,773	51,610,896
Ethanol	436,016	665,415
Chemicals	15,713	17,993
Water	13,160	12,693
Energy	1,108,390	1,225,383
Material Costs of Non - Product Outputs		
Slop oil	1,342	1,277
Oil sludge from crude oil / fuel oil tanks	0	1,072
Wastewater	6,731	5,418
Excessive chemicals from neutralizing pond	241	80
Off specification sulfur	101	75
Waste and Emission Control Costs		
Maintenance costs for environmental control equipment	34,079	18,526
Depreciation of pollution control equipment	44,640	35,177
Wastewater treatment cost	2,547	2,070
Waste disposal cost	1,704	2,705
Environmental fees and taxes	N.A.	N.A.
Fines	N.A.	N.A.
Prevention and Other Environmental Management Costs		
Monitoring and measurement	1,498	1,671
Depreciation of area for waste storage	30	35
Cost for environmental management system	0	80
Maintenance cost for environmental prevention equipment	291	251
Benefit from by-product and waste recycling		
Liquid sulfur	7,896	3,807
Steel and aluminum scraps	2,595	4,099
Used Paper	17	17



Social Performance

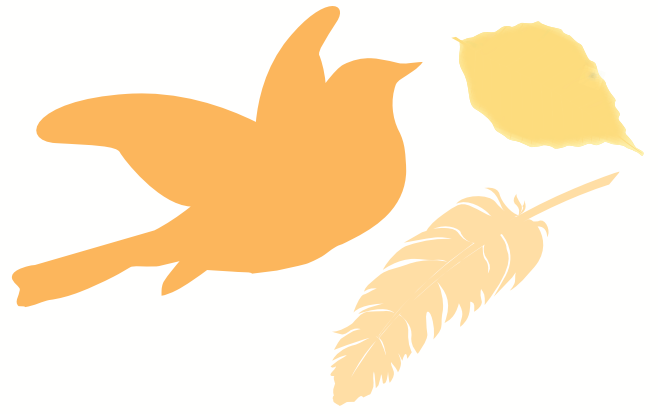
Social Responsibility

The Company has committed to operate its business in line with concept and culture to support and to integrate community network for each others being consistency with the enhancement of the Company's growth and stability. The Company has supported communities to be business by providing management tools, sources of funds as well as marketing channels for communities' products.



Community Service Station Project

As the policy to support local communities the Company, in cooperation with the Cooperative and Agricultural Promotion Department, launched Community Service Station Project aiming that the communities own their service stations in 1980. The petroleum product was directly supplied to local communities with lower price. Moreover, they learnt to run medium-scale business with minimum risk and earned incomes. Presently most of these service stations have been enlarged and strong served as a model of community service station for other communities country-wide.



Hand-in-Hand helping the Thai people.

In case of severe flood in many provinces of Thailand, the community service station network and the Company joined hands in collecting donation from their members to help those affected by the flood. The Company donated life-saving bags and drinking water through the Ministry of Energy and to the communities around Bang Pa-In Oil Terminal, Ayudhya Province, as well as to over 900 families of agricultural cooperatives in Angthong Province.

Training on emergency preparedness at Bangchak service stations

The Company and Bangchak Green Net Co.,Ltd. organized a training on emergency preparedness for Bangchak service stations according to the Company's emphasis on safety, occupational health and environment towards its customers and employees.

Product development for environment

The Company has always placed importance on development of its products for the benefits of its consumers under 2 main directions:

1. development of products that are good to environment and users and beneficial to society as a whole.
2. support the Government's policy in producing and selling environmental friendly products for good health of the Thai people.



New formula gasohol: Superfast octane 91 and 95

As oil prices in world markets have been on a steady rise, the Company has formulated its policy to alleviate clients' burden. In 2006, new formula gasohol has been developed, i.e. Superfast octane 91 and 95, by adding a substance to increase quality called Boots Up Cleaner, which was tested and guaranteed by the Southwest Research Institute (SwRI) in enhancing engine cleanliness and power as well as energy saving with complete combustion. Furthermore, the Company as a leader in Thailand distributed Gasohol 91 to the provincial area.

Another mean to alleviate clients' burden was promoting the people to use alternative fuels that help pollution reduction in particular green house effect, through [Gasohol Club Card](#) which gives discount of 20 satang per litre for gasohol 95 and 91 as well as other privileges including 24-hour assistance for emergency call all over the country, discount for lube oil with free lube oil change service and also for shopping at Intanin Cafe', Manoon Pet Shop.





Bangchak's PowerD B5, clean fuel with economy price

Latest product developed by the Company is **PowerD B5**, diesel from high quality of 95% Bangchak PowerD and 5% of bio-diesel, second category of diesel according to the fuel specification in the Government Gazette.

Additional properties of Bangchak **PowerD B5** relative to regular diesel:

- ✿ be able to replace regular diesel with no engine modification required and can be used in turn with regular diesel,
- ✿ less particulate due to better combustion,
- ✿ generating income earnings for agriculturists as bio-diesel is produced from agricultural products,
- ✿ the most importance is 50-satang per litre cheaper because of the Government subsidy.



Used cooking oil for Biodiesel

To perform benevolent acts on the occasion of the Sixtieth Anniversary of His Majesty's Accession to the throne, the Company has encouraged the Thai people to collect used cooking oils and sell them to the Company for biodiesel production project initiated by the King. Besides, it prevents discharge of used cooking oil to waterway or repeatedly use harmful to health. and helps decrease in foreign currency losses related to oil imports, in accordance with self-dependency emphasis under the Sufficiency Economy Philosophy.

Lubricating oil products

The Company is the first and only oil company in Thailand, which has been granted by the Office of Certification Body, Thailand Institute of Scientific and Technological Research, Ministry of Science and Technology, with the Standard 9001: 2000, covering all areas of product development, procurement and sales as well as car care service according to the "Greena Car Care" standard. Lubricating products of the Company have been developed to meet the standard of American Petroleum Institute (API), the European standard and the standards of renowned automobile manufacturers as well as the consumer's needs. Variety of products can be explained as follows:



- ✿ **automobile lubricating oils**, i.e. GE SERIES for gasoline engine, D3 SERIES for diesel engine, oils for two-stroke engines, hydraulic oils, oils for gear and brake,
- ✿ **industrial lubricating oil**, for example industrial gear oil, heat transferring oil, turbo oil, lubricating oil for ocean liners, air compressor oil, oil for metal lathe cutting oil etc.,
- ✿ **heavy lubricating oil**, including multi-purpose oil, heavy and high heat resistance oils as well as oil used in food industries.

Industrial oil products

The Company has produced very low-sulfur fuel oil with less than 0.5% of sulfur, while general fuel oil containing 2% of sulfur. This helps reduce 75% of sulfur-dioxide and particulate from emission. Apart from this, the Company has been Thailand's first and only producer of special-grade fuel oil with low-carbon residue that releases 50% less of carbon residue after combustion than general fuel oil. In addition to reduction of air pollution, this special-grade fuel oil also maintains cleanliness of industrial equipment and reduces soot in boilers that would decrease in plant maintenance expenses.

Service creativity : responsibility towards clients

Traditional Thai Massage service

Upon cooperation with the Ministry of Public Health, the Company launched the traditional massage service in its service stations located in main highways aiming to release car driver stress. The service of 25 minutes is given by well-trained masseurs at the places which are installed with vapor fans and on corner. There are also corners of health products and herbal drinks.

Traditional Medicine Promotion Center (Suprom Asom)

The Company, together with the Department of Traditional and Alternative Medicine Promotion, Ministry of Public Health, has opened up various new services at its service stations in Bangkok Metropolitan area, including traditional massage to stimulate blood circulation, muscle relaxation and ease of stress, foot massage, and massage with hot compress containing medicinal herbs for body balancing. Health consultation under Thai medical principles has been provided in order to promote traditional alternatives health care, which would reduce expenses of sickness curing and imports of medicine.





Improvement of service stations for the benefits of consumers

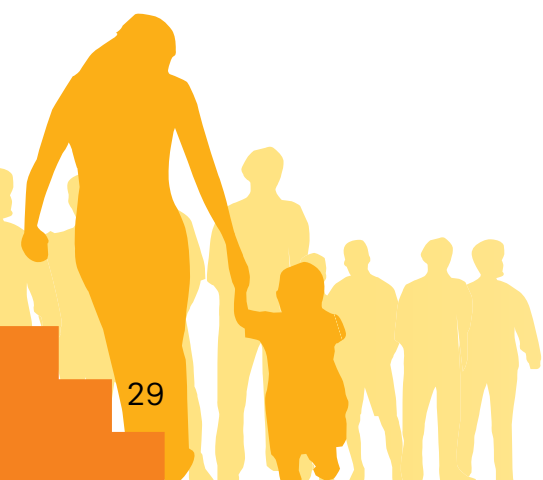
Rebranding

In 2006, the Company renovated image of its service stations to become more attractive with more modern look. However, the principle of being Green Service Station has been maintained. Large trees were planted to become shadier as well as more pavilions and shading car parks were provided. In the areas of service stations, customers would have more accommodations, including Baichak convenient store, Intanin cafe, Puff and Pie bakery, Spiccio Italian restaurant and Good Noodle restaurant. Full-circuit car care is also provided in Green auto service for car maintenance, Green serve for quick-service oil change and Green wash for car washing and polishing.



Self Serve stations

Due to the rising oil prices, Bangchak has offered a new "Self Serve" service at its stations where a filling pump is provided for those who want to fill their cars with gas by themselves. A discount of 20 satangs per litre is granted to Self Serve customers. A survey revealed that a satisfactory number of customers have used this service, among which ladies have been numerous.





Clean restrooms in the stations

Bangchak has made significant improvement as concerns cleanliness of its stations to comply with the Ministry of Public Health's directions. The number of restrooms has also been increased to meet the demand of all groups including the handicapped, old people and pregnant women. The Company was granted the reward of best restroom for the year 2006 for its branches at Phaholyothin 38 and Samutsakorn.



Expansion of NGV sales

Bangchak has cooperated with PTT Plc. in opening up sales of NGV in 3 branches. i.e. Kingkaew, Nualchan and Rasburana.

Communication Channel Development : benefit to public

Bangchak has always placed importance on information disclosure in all aspects for transparency and the benefits of the public as well as its customers. The Company has developed its communication channels to provide information on its products and services on a complete, dependable and timely manner to the general public, car users and the Company's stakeholders. These channels also serve to receive comments from the clients for improvement of products and services.

Bangchak Customer Service Center

The Customer Service Center can be accessed through the telephone number 0-2745-2440-4 where well-trained officers are ready to solve clients' problems and willing for suggestion.



The Company's website : www.bangchak.co.th

The Company's website contains information on business overview and progress, data for investors, information concerning its products as well as environmental and social activities. In addition, a web board has also been provided to receive comments from internet users at all time.



Website for lubricants : www.lubethai.com

Lubricants can be purchased with free delivery through www.lubethai.com, which also provides necessary information on appropriate utilization of lubricants.

Human Resource Development

According to its utmost target to enhance a better living standard of the Thai society through strengthening and self-dependent organizations, Bangchak has well recognized that a strong organization needs the basis of strong personnel. Bangchak, therefore, has determined to manage and develop its personnel under the concept of “being good, knowledgeable and beneficial to the others”.

Bangchak has held its firm intention to support personnel development so as to enhance value to the environment and the Thai society. At the same time, it has also emphasized improvement of employees' knowledge and capabilities and importance of modernized management under the principles of Good Corporate Governance and potentiality to create justifiability and sustainability of the business at the international level. Bangchak has prepared its staff to be ready for changes, both from internal and external factors, through continued training and other personnel development activities to enhance knowledge and understanding of the changing situation as well as capability to apply modern technology in every-day work.



Bangchak has also laid a basis of concept and culture to all staff members in order to create happiness in fulfilling their duties and understanding in the nature of business for further improvement of their performance.

The Company has firm belief in potentiality of its employees and recognizes the right of all staff to get access to learning for development of their capability, which would be directly beneficial to effectiveness and efficiency of the organization. Bangchak has therefore encouraged its staff to perform self-assessment under the concept of Competency. The Company's Core Competency can be defined in 6 issues as follows:



✿ **Ability for Self-adaptation and Initiation**, i.e. the ability to understand the nature of their organization as well as business environment by opening up their mind to changes and to learning of new things, being able of outbox thinking and starting to do new things in order to create new opportunities and to attain optimum benefit for the organization,

✿ **Leadership**, including vision and courage to do good things for the organization with transparency and fairness, readiness to consider different points of view and responsibility to the performance outcomes, ability to give advices and moral support for smooth cooperation in the organization,

✿ **Teamwork Spirit**, i.e. ability to work as a team with service mindedness, enthusiasm to lend a hand, acceptance in value of partners, creation of smooth relationship with internal and external counterparts so as to enhance cooperation in performing the duties and in providing services for attainment of mutual targets,

✿ **Organization Commitment**, i.e. determination and sacrifice to reach the objectives of organization by professional and efficient methods, readiness to develop work process to upgrade the performance to the generally accepted level, creation of success and continued business growth,

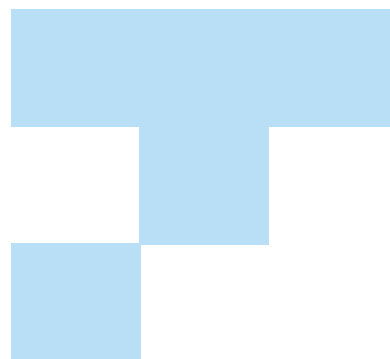
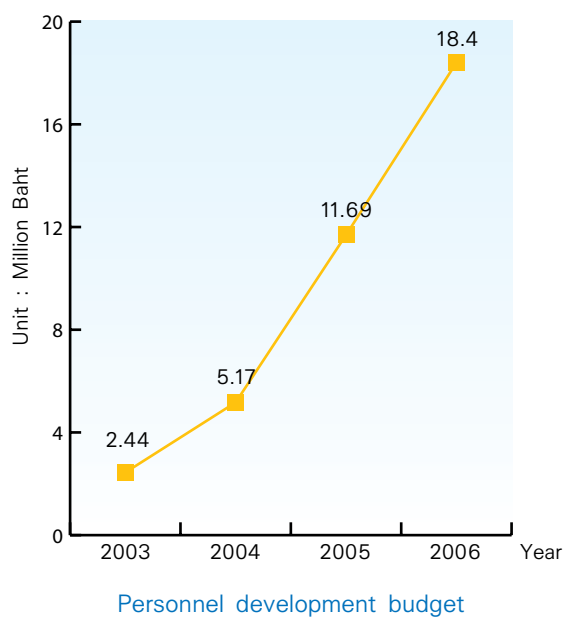
✿ **Personal Mastery**, including enthusiasm and determination to gain more knowledge for further development of oneself as well as of the organization,

✿ **Social and SHE Awareness**, i.e. emphasis on safety, occupational health and environment to be in compliance with the international standard, public awareness and participation in the activities that are beneficial to the organization, communities and society.

Training and Education

In order to enhance its employees' capability according to the Company's directions, Bangchak has organized various activities including technical trainings and operational seminars both in Thailand and overseas so as to encourage the staff to express their opinions that would be put into implementation. The Company also launched the e-library where information can be reached at all times and places that would lead to Company to become a lifelong learning organization.

In the past year, training courses under the budget of 18.4 million baht were held such as business laws, environmental management, corporate social responsibility, skill development for leadership, team synergy, essential English for business etc.

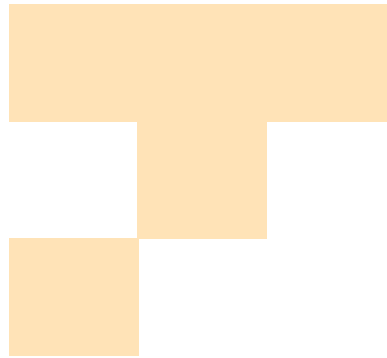


Apart from trainings on safety and environment to its staff, the Company has also provided knowledge on these matters to outsiders, using its training center on environment and safety, run by the Company's instructors. In 2006, Bangchak continually arranged the courses on Environmental Management Accounting as well as preliminary and advanced Fire Fighting to the staff of various organizations.



Employee Relations

The Company has always supported employee relations to enhance unity among the staff members and to encourage participation in the activities of the Company. Most important is to create moral value and awareness of the employees and understand nature of their jobs and business environment. Important operations on employee relations include:



Staff birthday activity, organized for the staff who have the same birthdays including parties and charitable acts at various places such as the communities around the refinery,

Outside trips to enhance relationship among the staff members,



Tod Pa Par, religious activity, donation to the temples or school on a yearly basis,

Songkran Festival activity, to pay respect to the aged in the communities,

Bangchak Family Day, arranged for the families of Bangchak employees to enjoy themselves together,

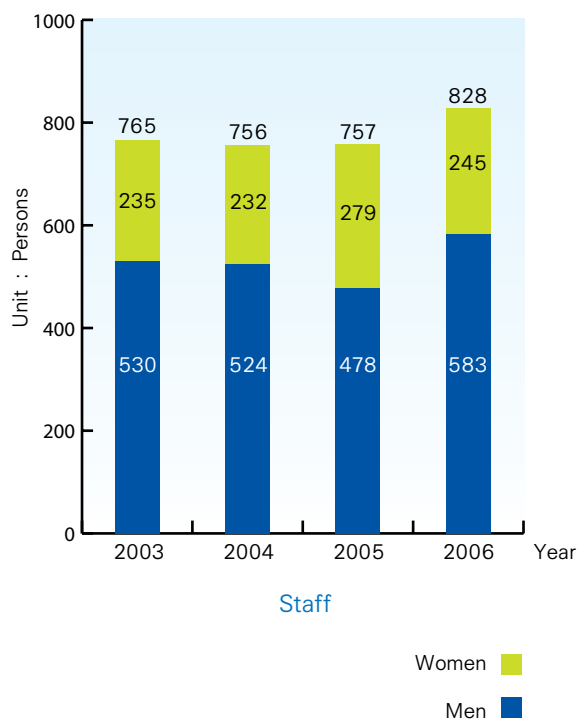


Commemoration of the Company's establishment, offering food to monks and other charitable activities.

Number of employees

Legal compliance is one of the policies of the Company, including the related law on labor. It is obligatory that all employees and contractors are not less than 20 years of age, men and women have equal right according to the Company's regulations. All employees receive appropriate returns and can be members of Bangchak Provident Fund by selecting to pay either 5 percent or 10 percent of their monthly salaries with the Company paying at the same percentage.

In 2006, the Company employed more staff to prepare for the Product Quality Improvement Project (PQI), of which completion would be in 2008. Total staff included 583 men and 245 women.

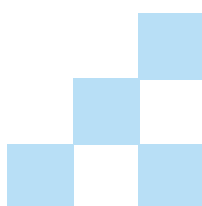


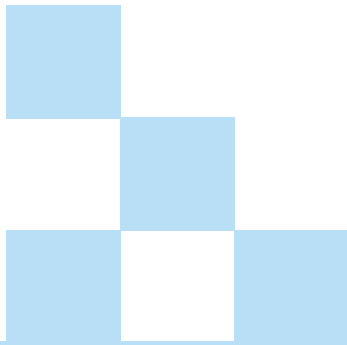
Bangchak Labor Union

The Company has initiated and provided support to establishment of Bangchak Labor Union. Its members are now composed of 20 percent of total staff. The Labor Union has cooperated with the Company in taking care of the employees' living conditions by maintaining regular meetings with the high-level Executives.

Employees' Committee

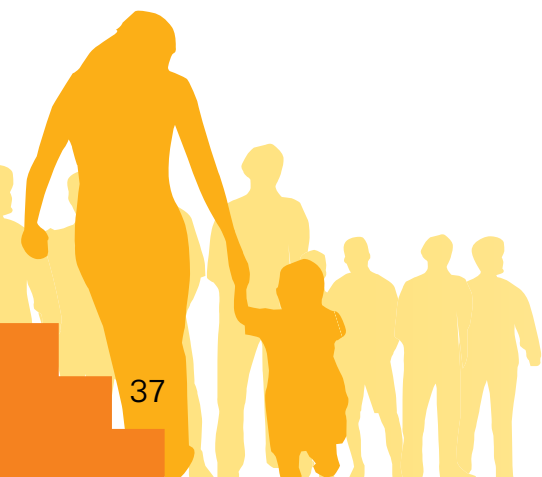
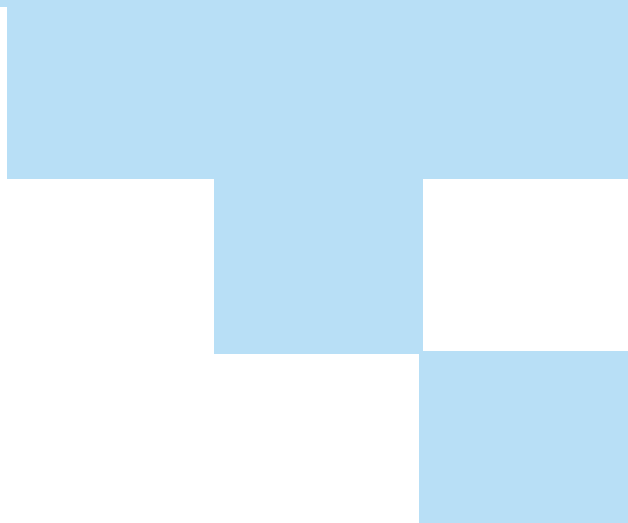
The Employees' Committee was set up by the Company to act as representatives of the employees. Half of its members are elected from all staff and the other half are nominated by the Company. The Committee works as intermediary or the "voice" of the employees in case they feel that they are unfairly treated. In 2006, the Committee provided useful consultation and coordination for the benefits of employees, for example improvement of fuel allowance for the Company's cars as well as personal cars that were used for the Company's businesses.





Employees' Clubs

Under its particular concept and culture of Bangchak with determination to create a society of faith and good wishes among its staff members, establishment of various clubs has been supported by the Company for the employees with different fields of interest. These clubs place emphasis on cooperation among the employees, joint participation, learning and responsibility and growth as well as lifelong learning through these activities. The different clubs include such activities as bird watching, marine conservation, photography, healthy mind and body, water-color painting, Thai classical and western music, badminton, football, swimming, tennis etc.

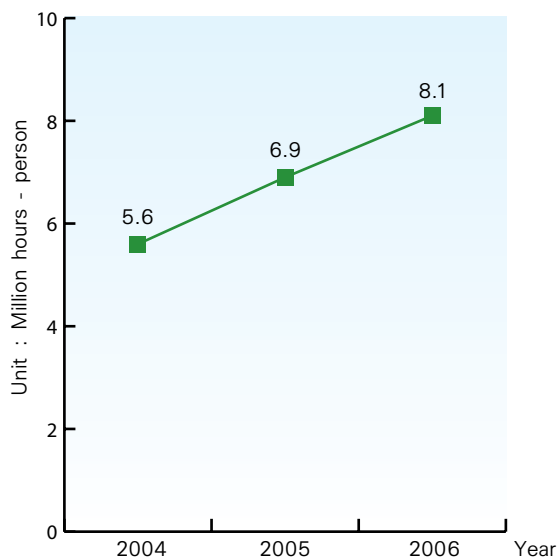


Health and safety

Due to the policy to emphasize importance of health, safety, environment and energy, the Company was granted the Industrial Standard TIS 18001 and OHSAS 18001 for its refinery, Bangchak and Bang Pa-in Terminals. In addition, the Company has formed various committees, composed of high-level executives and engineers to be responsible for all aspects of health, safety, environment and energy, for example:

Safety, Health, Environment and Energy Management Team - SHEEM

Composed of high-level Executives from all departments, its assignment concerns to map out policies and directions of operations with respect to safety, health, environment and energy. It is also responsible for reviews of the management systems of those aspects and for resource provision to develop these systems. One of SHEEM's roles is appointment of working groups to support efficient and effective operations of the concerned aspects.



Working Hours without absence accident at the end of 2006



Safe Operation Team - SOT

Responsible for reviews of design, working procedures and performance of JSA & QQA working group, HAZOP working group and EQT working group to be in consistence with the safety standard. Its members are all managers in the operational sectors.

Safety, Health, Environment and Energy Promotion Team - SHEE_P

Responsible for promoting employees' awareness on safety, health, environment and energy by organizing activities in which all employees can participate.

JSA & QSA working group

Responsible for reviews work procedures for safety and quality control.

HAZOP working group

Responsible for the design and any modification to comply with the accepted standard using HAZOP technique.

Safety activities

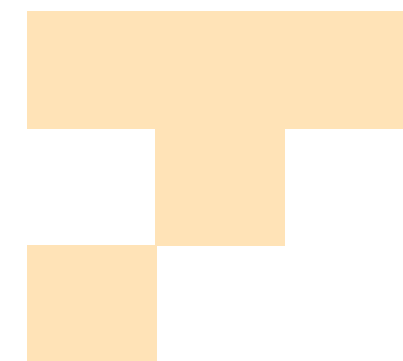
🌿 **Social & SHEE Talk Shows**, in the topics of “Creation of Safety Culture with Behavior Based Safety (BBS)” by Khun Veera Sue-suwan and “Mind Management to Create Positive Awareness” by Dr. Sanong Wora-urai in order to enhance safety awareness of the employees,

🌿 **Social & SHEE Movie Project**, organizing movie sessions related to community, society, safety, health, environment and energy for the staff members,

🌿 **Social & SHEE Tour**, arranging trips on Q-SHE for employees at Thai Oil Refinery and PTT terminal at Sriracha to gain knowledge that can be used in the matter of Social & SHEE of the Company.

Environment and Safety Training Center

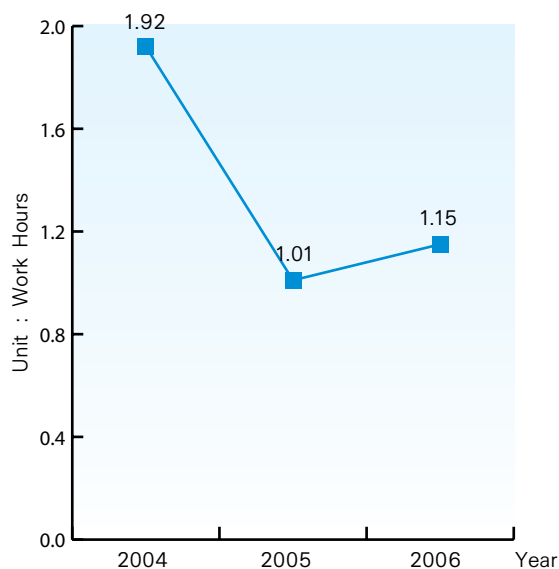
The Center of Environment and Safety was established at Bang Pa-in terminal to provide training courses of basic and advanced fire fighting techniques and annual fire drilling and environmental related courses for Bangchak employees as well as outsiders. In the past years, 57 training courses were arranged for 5,580 participants.



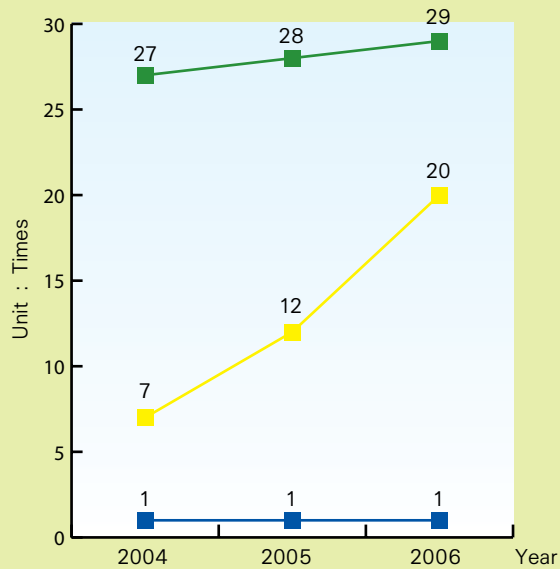
Targets and performance indicators

From 2004, Bangchak has formulated targets and performance indicators for the success of preventive safety together with statistics on accidents at work with the purpose to enhance awareness and participation of employees on safety control for themselves and for their colleagues. Important indicators include:

- 🌿 rate of injuries of employees tended to decrease during the period of 2004 - 2006,
- 🌿 no. of emergency preparedness rehearsal by sector was increasing in 2006

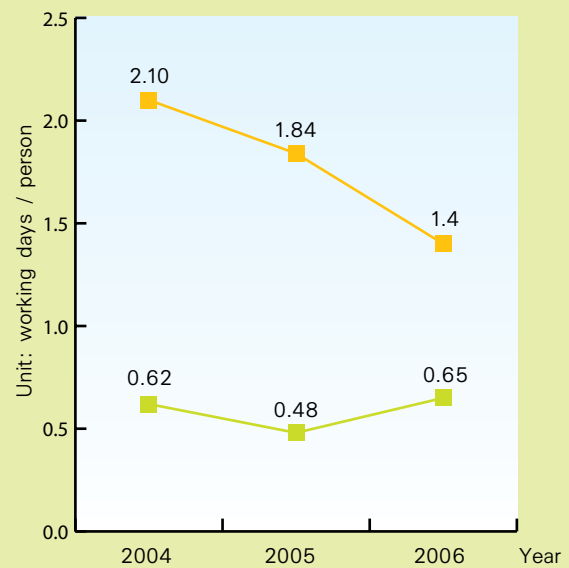


Injury rate of employees and contractors



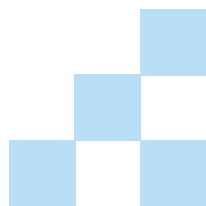
Indicator

- No. of Accidents ■
- No. of emergency preparedness rehearsal by sector ■
- No. of emergency preparedness rehearsal by whole company ■



Sick leave statistics

- External leaves ■
- Internal leaves ■



In 2006, the Safety Sector developed a supporting system for collection of information on the matters of environment, occupational health and safety, or the so-called Environment Health and Safety: EHS in the form of web-based application that is easily utilized by the employees. It is expected that the total system would be implemented within the year 2007.



Projects for environment and society

In recognizing that every single person has to take part in and is affected by various social problems, Bangchak has determined to participate in development of the living conditions in the Thai society by implementing the working culture of “sustainable business development in harmony with the environment and society”.

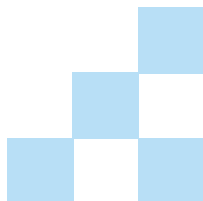
Business development with responsibility towards the society has more meaning than compliance to the related laws and regulations. This direction also includes participation in upgrading the living conditions of the Thai society in all aspects of business operations. Lending a hand to the surrounding society according to one’s capability is therefore other main duty of the Company as well as its entire staff.

Emphasis on participation process

Using the culture of “being good, knowledgeable and beneficial to the others” as a basis of work and way of life, Bangchak employees are proud to participate in creating benefits to the society.

The Company and its staff are well aware that sustainable development of the Thai society would begin from the smallest but most important sector of the society, i.e. the family that would produce potential persons to be the bright future of the country.

It is a duty of Bangchak employees to place emphasis on continued development of the quality of life of their families and their children, starting from the communities in the vicinity of the Company.





Consistence with the public benefits

The Company has launched the project of survey for the areas around its site so as to formulate the social activities that are in consistence with the conditions of these communities in the form of community-based development. These surveys have revealed the physical conditions of the communities as well as their histories and development, characteristics on population and society, needs of their members as concerns youth development, leaders and potentiality of children and youth development. In addition, the Company has also undertaken regular surveys on satisfactory and needs of the communities' members so as to attain further efficiency and effectiveness in community relation operations.

Readiness for emergency and crisis

As petroleum business is a large-scale industry, Bangchak has always attached importance to environment and safety. The Enterprise-wide Risk Management has been utilized in order to get minimum risk for the benefits of all stakeholders, including employees, customers, business partners, competitors, shareholders and especially the communities in the vicinity of the refinery.

Bangchak is also aware that its refinery is the only one locating in Bangkok, the Company therefore takes into serious consideration the risk factors concerning the refinery's location, environment and safety. Environmental and safety management has been undertaken on the basis of safety and environmental impacts. In addition to strict compliance to the relevant laws and regulations, the Company has also undertaken risk assessment in all steps of work. Maintenance of equipment has been on schedule. Furthermore, the Company has launched an "Emergency and Crisis Management Plan" which provides training to the concerned employees and has implemented an occupational health management system under the standard of TIS/OHSAS 18001 in all areas of operation. Bangchak has also encouraged its employees to use their knowledge on environment and safety for the benefits of the communities.

In addition, the Company and staff have continuously created social activities, emphasizing friendliness, benefit and safety to the communities. These activities included the following:

Safety projects

“Bangchak Cares for Community Safety” Project

This project has been created to raise awareness and support to safety in the communities located around the Company.



Safety training for the communities

The Company has organized fire fighting courses, conducted by its officers from the Environment and Safety Training Center, for the communities around the refinery to provide knowledge and principles of fire prevention and safe response, check and care of electrical systems and appliances, utilization of fire extinguisher and selection of fire fighting equipment appropriate to situation.

Basic fire fighting activity

Training on basic fire fighting was organized for leaders of communities in the vicinity of the refinery, both on theoretical and practical aspects. Participants could undertake fire fighting in the simulating situation held at the Company's Center of Environment and Safety at Bang Pa-in terminal.

Chemical replacement service and donation of fire extinguisher

The Company has encouraged the neighboring schools and communities to be aware of safety issues in the normal and emergency situation. Services are provided in checking of fire extinguisher for schools and communities, changes of damaged equipment and chemical replacement so that all tanks are always ready to be used. The Company has also donated the extinguishers to the schools and communities which are in need of.

Training courses on fire fighting and emergency rehearsal for schools

Fire fighting as well as evacuation has been trained for teachers and students in the schools located around the Company.

Sports

Bangchak Youth Futsal

In order to encourage the youth to take advantage of their free time, the Company has continually organized the event of Bangchak Youth Futsal. Other related activities include contest for cheering so that young people could learn to show off their talents and to work as a team.

Bangchak Community Futsal

From the schools to the youth groups around the Company, Futsal activity has expanded to the communities for the first time for the purpose to enhance unity and strength of the communities and to reduce risk concerning drugs. Futsal clinic has been set up to provide necessary techniques for the youth before the tournament.

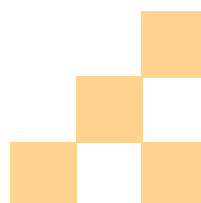


Education

“Opening up the world of learning with Bangchak Project”

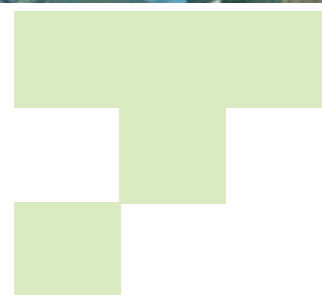
Activities on opening up the world of learning

The Company has been well aware that direct experiences make the learning process sustainably developed in accordance with a policy of the Government that encourages the local organizations to be the learning source. In teaming up with the Education Office Area 1, the Company has opened up a variety of activities to be participated by students from all over the country, including 3 learning units, namely Travel in the Oil World, Creativity for Environment and Preparation for Safety for advanced education where learners could gain direct experiences outside the school lessons. These learning units would connect technical elements on such areas as science, technology, vocational and social science, art, health, Thai and foreign languages that can be freely chosen by the schools. Each year, more than 2,500 teachers and students participate in these activities.



Activities on alternative energy

As a Thai energy company, the Company has been aware of importance of alternative energy development that would lead to sustainability, self-dependency in terms of energy in the future. This mission has been in line with creation of understanding among the Thai people on the change to the era of alternative energy, in compliance with the Government policy set up the year 2006 as the Year of Alternative Energy. The Company formulated learning media on alternative fuels, gasohol and biodiesel, for the schools around the refinery.



Our School Project

Activity of “BCP Elder Teaches Younger”

The Company employees found out that a number of children in the neighboring communities have been neglected as their parents do not have time to take care of their children after the school hours. This project has been initiated for the Company's voluntary employees to spend 1 - 1.5 hours before the end of working day, 4 days a week, to assist these children to do their homework and to arrange useful activities, in emphasizing knowledge concerning mathematics, English and Thai language, social science, art and ethics. This project, which is located in small area of the Company and does not take much of the Company resources, can also enhance the spirit to help the others for the employees in a friendly ambiance.



Bangchak Youth Camp

During the school semester brake, some children have no opportunities to attend any special classes. Bangchak employees then have voluntarily organized the Bangchak Youth Camp for the children living around the refinery. Emphasis has been put on the matter of being able to spend the time together, to work as a team, to develop awareness concerning environmental issues and other skills that can be used in everyday life, such as various recreational activities, sports, handicrafts, energy-saving and excursions. In addition, children who participate in the Camp can also make friend with children in other communities, which would be the opportunities of development in the aspects of knowledge, skill, mentality, socialization and mind.



Bangchak Scholarships

It is a firm intention of the Company to provide continued support to the Thai youth, in particular those who are good but lack fund for studying. In this connection, the Company has given opportunities to 19 schools under the Lunch Project through donation of 252 scholarships, including 131 to the children at the nursery and primary level and 65 to those at the secondary level or equivalent. In addition, support has also been provided to continuation of study through 35 scholarships for the level of university diploma and 21 for bachelor's degree level.



Quality of life aspect

“One Family Project”

From the concept to emphasize the value of environment, society and family unity, the Company has always realized that close relationship and healthy body and mind of the family members are important factors leading to happiness and healthy growth of the children. The Project of the One Family has been launched with the objective that family members can spend their free time together through learning and developing useful skills, environmental preservation and energy saving activities. These activities include yoga, bird watching, energy- saving camp, Thai massage for relaxation, healthy cuisine, laughing therapy and communication with love.



Environmental aspect

“Heart of Leaf” Project

“Sprout growing return to forest at Phu Long”

From the belief that environment does not only include trees, but concerns all aspects of behaviors, ways of thinking, culture and ways of life, solving of environment problem has to be undertaken at all of these matters. The Company has joined hands with “The Cooperation Project for Forest Rehabilitation at Pa-town Upper Watershed” which has various activities for the period of 5 years (2005 - 2009) such as nurturing of young sprouts, fire protection, rehabilitation of forest conditions, study on ecosystem of the planted forest, assessment of impacts of fire, diversity and distribution of local seeds and support of local communities. This activity created the corporation between the families and young children of the communities at refinery site and the local conservation group in reforestation.

Upper Watershed Forest Support

This project has combined environmental activity, reforestation, with religious activity, merit making, at Wat Pa Sukato, Chaiyabhum Province. The Company and employees also made some donation to support the project activities mention previously.



Training course on

“Environmental Management Accounting :EMA”

The Company has found that Environmental Management Accounting has been beneficial, in particular to the management decision making. Therefore the training on EMA was held for public in order that interested parties and enterprises can join and apply the knowledge for their sustainable business on August 28 - 29, 2006.

In addition to the environmental and social activities mentioned above, the Company has also issued the bi-monthly “Leaf Family Magazine” and “Around Bangchak Leaflet” to disseminate information on general knowledge, business performance and activities to the neighboring communities.

Next Step of Sustainable Business Development in harmony with the Environment and Society

The Company has always adhered to the directions of business development to attain sustainability with emphasis on the aspects of economy, society and environment, by continuing to provide support on the development and utilization of alternative energy as follows:

- ✿ operations of the Research and Development Center for Alternative Energy at Bang Pa-in terminal,

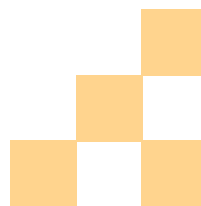
- ✿ continued expansion of service stations for alternative energy including gasohol 95, gasohol 91, biodiesel B5 and B100,

- ✿ dissemination of knowledge and understanding as concerns worthwhile, energy saving and alternative energy, in particular to the young people,

- ✿ continued implementation of environmental and social projects with emphasis on creation of new channels for participation of the groups of young people and families in the communities in the vicinity of the Company and encouragement for Bangchak employees to participate in these projects,

- ✿ support to the employees in self and lifelong learning in order to enhance Bangchak to become a learning organization and to upgrade the employees' qualities in terms of knowledge, skills and competency by setting up the Core Competency of the organization and the Functional Competency of each job title,

- ✿ expansion of the enterprise-wide risk management to become a part of normal activities and the Company's culture.



Rewards of success and Pride

✿ **Being one of nine companies with corporate-governance scores reaching “excellent” benchmark** in Corporate Governance Report of Thai Listed Companies project conducted by the Thai Institute of Directors Association (IOD). The project received support from the National Good Corporate Governance Commission, the Stock Exchange of Thailand and the Office of the Securities and Securities Exchange Commission. The project conducted the survey on good-corporate governance among 402 publicly-listed companies.

✿ **Distinction in Maintaining Excellent Corporate Governance Report:** The Company won the Distinction in Maintaining Excellent Corporate Governance Report from the Stock Exchange of Thailand (SET) for reporting our compliance with 15-item Good Corporate Governance Practice for two consecutive years at the SET Award 2006 event, which was held by Stock Exchange of Thailand (SET) and Money and Banking Magazine.

✿ **The Company’s Annual General Meeting Quality Winning 93.5** out of possible 100 points from Shareholders, and getting the full score on a part about how it organized the Annual General Meeting on the meeting day. The scoring was a part of the Annual General Meeting quality-evaluation project in Year 2006 by Office of the Securities and Securities Exchange Commission, Listed Company Association, and Thai Investors Association.

✿ **Best Corporate Social Responsibilities (CSR) Award** from the SET Award 2006 event, which was held by Stock Exchange of Thailand (SET) Money and Banking Magazine. The award was granted to listed companies that have been outstanding for their socially-responsible operations. The award serves to highlight the fact that the Company has won recognition for its responsibility toward the society and environment.

✿ **Distinction in Commitment to Social and/or Environment Issues** from the 5th “Thailand Corporate Excellences Awards” event in Year 2006. The event was held by Thailand Management Association (TMA) and Sasin Graduate Institute of Business Administration of Chulalongkorn University.

✿ **Distinction in Commitment to Energy Saving** from the 5th “Thailand Corporate Excellences Awards” event in Year 2006. The event was held by Thailand Management Association (TMA) and Sasin Graduate Institute of Business Administration of Chulalongkorn University.

✿ **Best Toilets on Main Roads of the Year 2006.** On the occasion that Thailand hosted World Toilet Expo and Forum 2006, the Health Department of the Public Health Ministry organized a contest on Best Toilets of the Year 2006 under “Development of Thailand” Toilet -project. The objectives of the project were to make toilet users aware of the need to keep the toilets clean, and to encourage toilet owners to provide good maintenance to their toilets making sure that they are clean, adequate and safe in lines with the national standards of Healthy, Accessibility and Safety. The Company joined in the contest and two of its stations, Service Station Paholyothin 38 and Nakok 1 in Samut Sakhon, were named the Best Toilets on Main Roads of the Year 2006.

✿ **Board of the Year for the year 2004/2005** from Thai Institute of Directors (IOD),

✿ **Best Corporate Governance Report, 2005** from Finance and Banking Magazine and Stock Exchange of Thailand (SET), which is the reward for the outstanding companies in terms of compliance to the 15 principles of Good Corporate Governance as stipulated by SET,

✿ **Most Creative Issue** from the event of Best Bond Awards organized by Thai Bond Dealing Centre (Thai BDC) for the creativity of bond issuance, 2005

✿ **Bronze Award** in the sector of auto vehicles, automotive products and services from the advertisement series entitled “Bicycle” from the event of Adman Awards & Symposium 2005,

✿ **Certificate of TIS/OHSAS 18001 (2005)** for the occupational health and safety management system at Bang Pa-in terminal from Office of ISO,

🌱 **Prueksa Nakara Medal** for large building category under the Project of “Mak Mai Ming Muang” organized by Bangkok Metropolitan Authority (BMA) in response with Her Majesty the Queen’s initiative with the purpose to enhance more green areas in Bangkok Metropolitan,
 🌱 **Top Quartile Company** for the year 2003 under the Project of Corporate Governance Report of Thai Listed Companies 2003, jointly organized by IOD, SET and Office of the Securities and Securities Exchange Commission (SEC),
 🌱 **Certificate of TIS/OHSAS 18001 (2005)** for the occupational health and safety management system at Bangchak terminal from Office of ISO,
 🌱 **Certificate of ISO 9001 : 2000** quality management system for lubricant oil businesses : product development, procurement, sales and car care for the year 2002 from the Office of Certification Body, Thailand Institute of Scientific and Technological Research, Ministry of Science and Technology,
 🌱 **Golden Certificate** for “clean, safe, pollution-free and lively” office from BMA for the year 2002,



🌱 **EIA Award 2001** from Office of Environmental Policy and Planning, Ministry of Science, Technology and Environment,
 🌱 **Certificate of TIS/OHSAS 18001: 2000** from Office of ISO in the scope of petroleum refinery.
 🌱 **Outstanding Occupational Health, Safety and Environment Committee** from the committee organizing Safety Week, 1998,
 🌱 **Certificate of ISO 14001:1996** “Scope of Petroleum Refining from AJA(EQS)”
 🌱 **EIA Award 1995** from Office of Environmental Policy and Planning, Ministry of Science, Technology and Environment,
 🌱 **Outstanding workplace for safety** by the committee organizing Safety Week 1995,
 🌱 **Prime Minister’s Award** for Outstanding Industry 1994,
 🌱 **Outstanding Environmental Protection Company 1991** from Chairman of Thai Federation of Industry, Environmental Engineers “Association of Thailand and Thailand” Creativity Association,
 🌱 **Outstanding Energy-saving Company 1990** granted by National Energy Policy Office, Ministry of Science, Technology and Energy.



Editorial Notes

This Sustainability Report has been compiled for the second year after the first issuance in 2005. Its first edition received much interest from the Company’s stakeholders, in particular those who were keen in the issues of “[Corporate Social Responsibility](#)” and “[Environmental Management Accounting](#)” Comments on the report improvement were welcome with appreciation and modification of this edition has been made on the basis of these comments.

Comments, suggestions and advices of the readers could be sent to chongprode@bangchak.co.th.

Report Scope

This Report presents information on the operational outcomes for the year 2006, in addition to the data of 2004 - 2005 reported in the previous edition. It covers activities of all departments of Bangchak Petroleum Public Company Limited, exclusion of those of the subsidiary and related companies. As for the Environmental Cost Accounting merely presents information of the manufacturing department, in which activities mainly concerns the environment.

CORPORATE

SOCIAL

RESPONSIBILITY ▶▶



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