

Sustainable products and services development

Bangchak is committed to develop products and services based on inclusive and sustainable business practices for the betterment of the country. During the COVID-19 crisis, Bangchak lend a helping hand to the society through various products and services such as giving out free alcohol gel at Bangchak service stations, selling alcohol gel at a discounted rate to consumers, setting up donation stations in our service stations, developing digital payment methods to maintain social distancing and reduce service time as well as developing EVO FAMILY products such as E20S EVO gasohol and offering diesel fuel which have sulfur level lower than 10 parts per million (PPM) and 5 times lower sulfur content in service station serving the Bangkok metropolitan area to help alleviate PM 2.5 problems.

In addition, the Company focuses on business innovations such as the development of E20 gasohol that meets Euro 5 standard (first in Asia), the development of B10 and B20 diesel fuel, and the development of Bangchak Mobile Application to give consumer better access to special privileges which also helps to management customer information systematically. In addition, the Company developed Unique Design Service Station that integrates customers' expectations with unique design for each area to bring the best and greenovative experience to our customers.

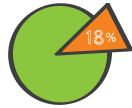
Bangchak places great important to listening to stakeholders' demands and expectations, especially customers and business partners which include end user, business to business (B2B) customers, dealers, and coop service station operators. In 2020, Product and Service Quality was a material issue for the business. As such, Bangchak has set Customer Centric as a strategy to address stakeholders' demands and expectations. The company strives to meet these expectations through innovation and technology under the "Evolving Greenavative Experience" framework and using Net Promoter Score (NPS) together with Customer Satisfaction as tools to monitor the effectiveness of our operations. Service quality are controlled using Standard Service Procedure and Service Audits are used to ensure the effectiveness of products and services delivered to customers and business partners. In addition, Bangchak uses Mystery Shopper program to audit service processes and maintenance of service stations. Products qualities are tested at service stations using Mobile and Training Lab. In order to ensure that Bangchak's products and services quality meet expectations, customers can use Mobile Application Survey to provide feedbacks in real-time.



2025 Targets



Maintain the 1st place in Service Station brand, as measured by Net Promoter Score



Increase revenue from service stations and increase market share to 18%



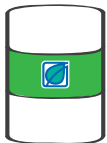
Continue to develop services, service stations, and non-oil businesses through products and services that are sustainable and responsive to customers' needs



Expand the number of service stations to 420 branches throughout the country and improve service station to be Unique Design to 75 branches from 33 branches currently



Develop and improve cooperative service stations to have the same quality and standards as Bangchak service stations



Develop high quality fuel products that keep with the changing automotive technologies while ensuring that all products are environmentally friendly



Develop brand and lubricant products



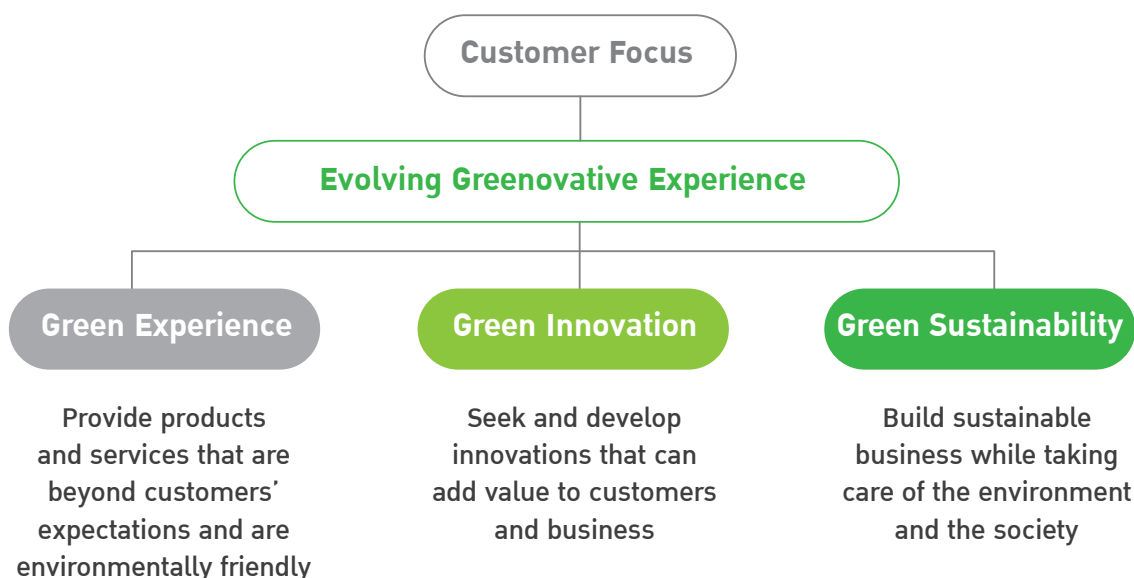
Provide high quality service experiences to customers through exceptional service standards



Develop Bangchak GreenMiles membership car toward The Best Loyalty Program that meet customers' expectations

Strategy

Bangchak's products, services, and experiences development are guided by "Evolving Greenovative Experience" framework to ensure that products and services delivered through our service stations are exceptional. The company aims to become the Most Admired Brand for service stations and response to any issues relating to product and service qualities from all stakeholders. The main strategy the company employs to are:



2020 Performance

Green Experience - provide products and services that are beyond customers' expectations and are environmentally friendly

Green Products: The delivery of products that are with in specifications and environmentally friendly

- Bangchak provides two products that are certified by Euro 5 standard. The two products are E20 S EVO gasohol and Hi-Premium Diesel S that not only has lower sulfur content than Euro 4 products but also fully compatible with new Euro 5 standard engine ensuring that engine can perform optimally. In addition, Bangchak offers diesel fuels which have sulfur level lower than 10 parts per million (PPM) and 5 times lower sulfur content in service station serving the Bangkok metropolitan area to help alleviate PM 2.5 problems.



- Promote the use of B10 biodiesel fuel under Hi-Diesel S brand, the fuel has S Super Booster additive that provide higher cetane value which helps engine efficiency and S Super Purifier additive which helps to clean injection nozzle and product engine from corrosion. The fuel is aimed to customers who want high quality, low price, and environmentally friendly diesel fuel. The development of the product also supports government's policy to help palm oil farmers as well as reduce transportation costs for customers and improve air quality.
- Develop gasohol S EVO FAMILY products to be the best in the market while improving E20 S EVO to be a premium product. To provide the best products for customers during COVID-19 crisis, Bangchak added S Dual Purifier and S Turbo Modifier to our gasohol S EVO FAMILY products to help clean injection nozzle, achieve better combustion which helps engine to



perform optimally. Tests show that using E20 S EVO improve performance in GDI engines.

- Develop standard lubricant products that are ISO 9001 (Quality Management System) and ISO/TS16949 (Quality Management system for automotive production and relevant service part organization) certified for the procurement, product development, sale, and after sales services to ensure quality and effective operational management. Continue to promote sales of biofuels for products that help to reduce greenhouse gas emission compared to traditional fuels. In 2020, there were 845 service stations that sold E20 gasohol and 335 service station that sole E85 gasohol. Bangchak was able to maintain number 2 market share for E20 gasohol at 16.6% and maintained the highest market share for E85 gasohol at 40.4%.



Innovative Service Stations : implement technology and innovation to improve service station, environment around service stations, and non-oil business

- ✔ Enhance brand image through Unique Design Service Stations that provide experiences in service stations through design and non-oil partnerships. At the end of 2020, there were 33 service stations branches
- ✔ Develop service stations along the main highways to better serve customers
- ✔ Support and improve the standards and brand image of 18 service stations to increase competitiveness both in terms of infrastructure and service quality
- ✔ Expand customer network for Fleet Card and Pre-Paid Card to improve revenue contribution from service stations
- ✔ Collaborate with Thailand Environment Institute (TEI) to develop guidelines for designing service stations under Inno-Green Station framework that take environmental factors into considerations, use innovation, safe, and aim to improve all groups of customers' qualities of life through better design
- ✔ Expand non-oil business such as Inthanin Coffee in service stations. There are now Inthanin Coffee in 673 service stations. In addition, Bangchak expanded new partnerships to include convenient stores brands. There are Tops Daily stores in 13 service stations and Family Mart in 21 service stations.
- ✔ Better management of service station areas to optimize benefits under the new business framework to provide end-to-end services such as car care services under "Wash Pro," "Green Wash," "Trye Care" brands; food kiosks and food trucks, laundry services, logistics and delivery services, and vending machines.



- ✔ Work with partners to develop EV charging points in service station on the main location to support the increase adoption of electric vehicles.

BCP Mind : Develop attentive services and use IT technology to manage customer data to provide quick and effective services

- ✔ Bangchak raised the cleanliness standard of all service stations in response to the COVID-19 pandemic. Cleaning measures standards were raised, and all employees are required to wear marks at all time. In addition, Bangchak provides alcohol gel for customers and the public and implement digital payment for payment and membership points collection at all Bangchak service stations, Inthanin Coffee branches, and convenient stores in service stations to reduce contacts and maintain social distancing between customers and employees in order to increase customers' trust in Bangchak service station.
- ✔ Improve the standards of service stations at are in prime areas to have good infrastructure to serve customers such as Point of Sale system (POS) and automatic tire inflator to emphasize quick service. In addition, restrooms standard was improved to ensure the highest customer satisfaction.
- ✔ Expand "Lost and Found at Bangchak" project to instill the importance of keeping lost or forgotten objects such as wallets, necklaces, and mobile phone safe in order to contact the owners and return to customers. Bangchak also plans to expand Road Side Assistant project to help drivers on basic emergencies such as changing spare tires and jump start their cars.
- ✔ Control service quality through service audits which are conducted randomly using Mystery Shopper.

Green Innovation - seek and develop innovations that can add value to customers and business

- Develop membership system into a Digitized Loyalty Program through the development of new Bangchak Mobile Application. The new application is built on the slogan “More than Giving is Caring”. New features include customer feedback for service station where customers’ comments and suggestions will be used to improve services; same price privileges; and system to help customers become more environmentally friendly such as “Your Tree” and “Giving Basket” that allow customers to donate their membership points to non-profit organizations and foundations.
- Use digital payment system for payment and membership points collection at all Bangchak service stations, Inthanin Coffee branches, and convenient stores in service stations by using QR code that can be paid with any mobile banking application to reduce contacts and maintain social distancing between customers and employees in order to increase customers’ trust in Bangchak service station.
- Developed BCP Link Application to facilitate dealers to access important information in real-time such as the Auto Ordering System (AOS) and work effectively through system such as Smart P&L which helps service station owners to monitor and manage the effectiveness of their operations.
- Develop online training for service station employees and operators to enable them to access important information anytime and anywhere.



Green Sustainability - build sustainable business while taking care of the environment and the society

Bangchak continues to drive projects and engage our customers and stakeholders in the development of society. Examples of projects are:

- Fuel Up and Share Project** Bangchak provides sales opportunities for innovative small and medium enterprises (SMEs) by providing agriculture products, OTOP products, or innovative products to service station customers. Proceeds are used to support SMEs.



- Employment of Disabled and Elderly Project** Support quality of life and self-value for disabled and elderly people as well as promoting the engagement of society in supporting products that are made by disable groups.
- Garden Vegetables in Service Station Project** Bangchak converted unused areas behind service stations into vegetable gardens to help reduce food cost for service station employees as well as to give away to customer as a thank you gift for using Bangchak service station. The gardens also serve to provide educational opportunities about growing garden vegetables to surrounding communities and schools.





- “Rak Pan Sook” Project” Using circular economy principles, the project take PET bottles and empty lubricant bottles donated by customers and put them through an upcycling process to produce new products, helping to reduce resources consumption and plastics waste.



- Inthanin Coffee, a leader in environmentally friendly coffee business” Inthanin Coffee was one of the first coffee shops to promote plastic reduction through “Bring Your Own Cup” campaign. In addition, Inthanin Coffee was a leader in using BIO Packaging including lids and cups that are made from plants and are fully biodegradable as well as ready to drink lids that reduce the need for straws; thus, reducing plastic waste.
- Thai Culture Promotion Project Provide experiences that create good impressions to Thai cultures to customers such as promotional events during major holidays, giving krathong to customers on Loi Krathong Day including a dedicated area for worshipping and watering buddha statues.

- Lost and Found at Bangchak Project to create a trustworthy image and good impression for service stations customers by providing lost and found service.
- Roadside Assistant Project (Road side assistant) instill a helpful mindset and culture to service station employees by providing basic services to drivers such as tires change and jump start.



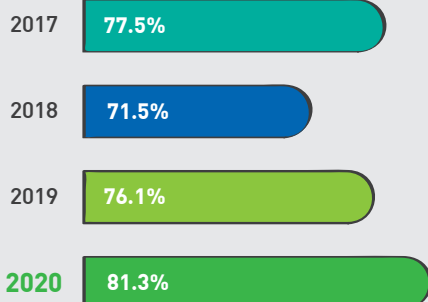
- Bangchak’s Members Collective Giving Project create engagement between customers who are Bangchak’s members and the society; Bangchak members can donate points from using Bangchak’s products and services to convert into cash donations to partner nonprofits and foundations such as Princess Maha Chakri Sirindhorn Medical Volunteer Foundation, Ramathibodi Foundation, and the Thai Red Cross Society.



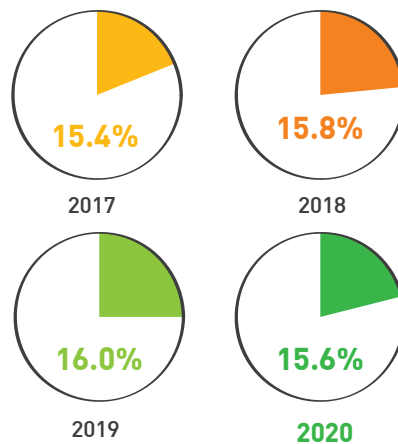
Bangchak service stations maintained the co-number one position as measured by Net Promoter Score (NPS) for the year 2017 – 2020 (based on a survey of 2,000 customers conducted by a third party).

NPS Score

1st (Joint)

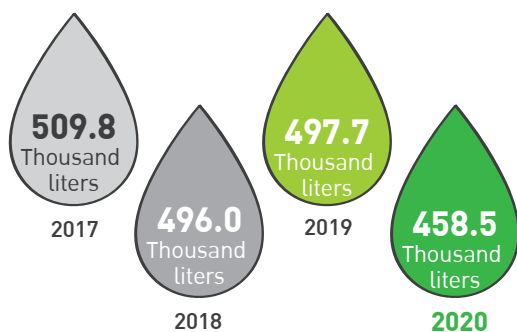


Retail market share



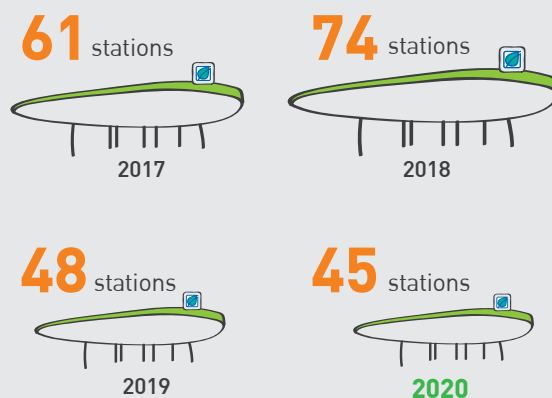
Average sale volume

Thousand liter/month/standard service station



Service station expansion

(Numbers of service stations)



Amount of GHG emission reduction from oil filling through Bangchark membership card (Unit: tCO₂e)



2017
196,828
Unit: tCO₂e

2018
215,469
Unit: tCO₂e

2019
232,146
Unit: tCO₂e

2020
197,737
Unit: tCO₂e

