

**Packaging Commitment and Associated Programs** 

2023-2024



**Packaging Commitments and Strategy** 

## **Packaging Strategy and Packaging Commitment**



#### **Our Commitments**

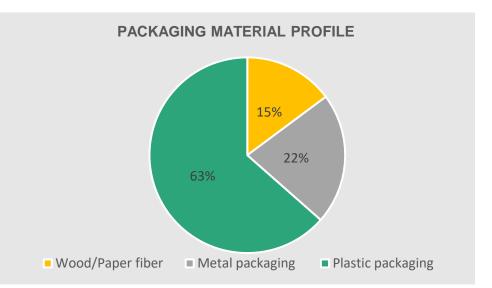
OR believes that sustainable packaging is an important aspect of the business. As a result, we continuously develop our group-wide products and services to be more sustainable and environmentally friendly. In 2023, OR continues to monitor and collect data on packaging within our business, collaborating with our business partners and suppliers to achieve our goals of reducing unnecessary packaging, reusing where possible, and striving for greater recyclability and recycled content. Environmental considerations are at the core of our strategy development.

To achieve our goals, we have studied the packaging usage profiles of our business operations. The results show that plastic packaging has the highest proportion among all packaging materials used. Consequently, OR has set measurable goal to reduce packaging waste as a group-wide target and being the part of OR's Healthy Environment goal of reducing the amount of waste from business operations one-third. Additionally, OR is in the process of expanding this commitment to include other business activities, ensuring a comprehensive approach to reducing our environmental impact across all sectors of our organization.

#### Our group-wide target and time-bound

We set our group-wide target which is the Healthy Environment aiming to creating a sustainable environment by reducing conventional energy consumption, reducing greenhouse gas emissions, and decreasing waste generated from business operations by more than one-third by 2030 compared to the year 2022. The target covers reduction of waste from business operations includes Packaging Waste and Operational Waste. Moreover, we set 3R waste strategy consisting of Reduce, Refine, and Reborn to drive the waste management achieving the Healthy Environment.





## **Packaging Strategy and Packaging Commitment**



#### **Our Program**

plastic packaging has the highest proportion among all packaging materials used. Café Amazon's business potentially uses and generates a significant amount of plastic packaging waste compared to other businesses. Therefore, the strategy for packaging waste reduction is initially focused on Café Amazon for plastic packaging management.

One example of Café Amazon's plastic packaging management includes programs to ensure that recyclable packaging is actually recycled. The PET bottles of beverages are collected and then transported to the plastic recycling plant to transform PET bottles into flakes suitable for upcycling. The material is broken down into small pieces and heated at about 180-220 degrees Celsius to melt the plastic. In 2023, 1.11 tons of PET cups were collected and sent to the recycling plant.



In addition, plastic packaging management are also included:

- Café Amazon Recyable Packaging to increase the use of recyclable packaging
- Café Amazon for Earth as bringing own cup for beverage discounting to increase the use of reusable packaging
- Amazon Cup Collecting/Cup Return, to ensure that recyclable packaging is actually recycled.
- The program of increasing the used of % biodegradable cups at Café amazon to achieve 100% (such as Bio-PBS-coated paper cups) and Introducing the used of plant-based Bio-PLA cups for cold drinks, and Bio-PBS + PLA straws to achieve 100% to allocate of R&D resources to sustainable packaging and alternative solutions.

Through this end, the amount of plastic packaging at Café Amazon can be minimized and be more sustainable. This is in line with our roadmap on Responsible Consumption & Production to accelerate the production and consumption that take into account the entire value cycle from the beginning of the production process to waste management after consumption, by reducing the amount of waste from the business operations 1/3 by 2030.

## **Overall Packaging Strategy and Associated Programs**



	Packaging Strategy	<b>Associated Programs</b>
Packaging Strategy	Programs to increase the use of reusable packaging.	Café Amazon For Earth, Reuse LPG Cylinder
"Environmental		
issue and risk factors related to unsustainable	Programs to increase the Use of eco-friendly materials	Café Amazon Store
packaging		
practices are the factors we uses to	Programs to phase out single-use plastic packaging.	No Plastic Shrink Wrap for Caps
develop our strategy on		
packaging waste management." This strategy is deployed to each OR operation businesses for implementation.	Programs to increase the use of recyclable packaging.	Recyclable Containers for Pail/Gallon Lubricants
	Programs to increase the use of recycled material as	Recyclable Containers for Pail/Gallon Lubricants,
	packaging solutions.	Recycled Corrugated Box
	Programs to ensure that recyclable packaging is actually recycled.	Yak Lak Yim x U-Turn, Wood Plastic Composite Furniture
	Allocation of R&D resources to sustainable packaging and alternative solutions.	Café Amazon Go Green/compostable packaging



## **Programs to Increase the Use of Reusable Packaging**

### "Café Amazon For Earth"



#### **Project Objectives**

- To reduce waste from packaging generated by the sales of 'Café Amazon' store
- To increase the use of reusable packaging

#### **Project Methodology**

Promote consumer to bring reusable cups and receive a 5 Baht discount on beverage purchases at Café Amazon

#### **Project Benefits**

• To increase the use of reusable packaging at Café Amazon and to reduce the amount of packaging waste that would be disposed to landfill after consumer use

#### **Amount of packaging reduction**

• The number of glasses that can be reduced from 2023 is 460 tons (22 million cups) which represents 110 million baht discount to customers.



### **Programs to Increase the Use of Reusable Packaging**

### "LPG Cylinder Refurbishing"





The program 'Reuse LPG cylinder' is designed to reduce volume natural resources (iron) usage. Once the cylinders are moved back to the filling plant, they would be screened and repaired following to the TIS standard condition before distributing. The program is ensured that the natural resources (iron) would be used optimally for cylinders production.

#### **Project Objectives**

- Circulating used LPG cylinders back to the market by screening and maintenance.
- Minimizing iron extraction from the natural resources.
- Saving investment cost from new LPG cylinders

#### **Project Methodology**

To circulate used LPG cylinders effectively, the steps of our maintenance process are as follows;

- 1. Screening and categorizing each cylinder base on their current condition such as Hot work cylinder, Hydrostatic cylinder, Expansion test cylinder, and damaged cylinder.
- 2. Vacuum remaining LPG
- 3. Unscrewing and checking valve condition and testing leak process
- 4. Clean the inside of the cylinders
- 5. The cylinders that have been used for 5 years would be hydrostatic tested
- 6. The cylinders that have been used for 10 years and Hot Work cylinders would be expansion tested
- 7. Coating cylinder and assembling valve
- 8. Rechecking overall cylinders condition

Currently, there are 6 warehouses supporting cylinders maintenance as follows;

- 1. OR petroleum warehouse in Bangkok (Bangchak), Chonburi (Ban Rong Po), Nakhon Sawan and Lumpang
- 2. OR LPG Maintenance warehouse in Songkla and Khon Kaen, Ayutthaya

#### **Project Benefits**

Reducing cost for new LPG cylinders 2,5000,000 cylinders per year



### **Programs to increase the Use of eco-friendly materials**

#### "Café Amazon Store"





Café Amazon Go Green embraces eco-friendly design and decoration by using environmentally friendly materials and furniture.

- All Café Amazon Store use environmentally friendly decorative materials and furniture according to BCG (Bio Circular Green) as part of their décor to make every store a Circular Economy Store.
- Café Amazon Concept Store is a special prototype that fully implements the principles of the Circular Economy. It achieves this by using 100% eco-friendly materials and furniture according to BCG (Bio Circular Green) principles. This includes interior wall decorations, tables, chairs, coffee counters, shelves, lamps, and artificial plants.

#### **Project Objectives**

To minimize environmental impact by using environmentally friendly materials and furniture

#### **Project Methodology**

- Decorative materials and furniture are made by using environmentally friendly material according to BCG (Bio Circular Green)

#### **Project Benefits**

• The income from environmentally friendly furniture sold to Café Amazon franchisee 41 Million THB.



### **Programs to Phase Out Single-use Plastic Packaging**

### "No Plastic Shrink Wrap for Caps"





### "International Plastic Bag Day"



Lubricants Business has strongly direction switching to more environmentally-friendly option, we collaborates with packaging suppliers who proceed according to "the OR Suppliers Sustainable Code of Conduct", continually design and develop lubricants packaging to reduce the environmental impact together with quality standards. Our program includes phasing out single-use plastic from our packaging by removing plastic shrink wrap for caps.

#### **Project Objectives**

• Phasing out single-use plastic from packaging by removing plastic shrink wrap for caps.

#### **Project Methodology**

- Study to remove plastic shrink and Testing (Leak test)
- Project started November 2019

#### **Project Benefits**

- Material saving 50 kg/year
- Reducing cost from purchased shrink plastics 0.1 million THB/year

OR has attended the event on International Plastic Bag Free Day 2024 and announced the intention to reduce plastic packaging together with the relating entrepreneurs including shopping malls / shopping centers, convenience stores, and coffee shop in Thailand. The plastic packaging collaboration statement covers the following items;

- 1. Promote the reduction/elimination of 3 types of single-use plastics; 1) plastic bags, 2) Plastic Cups 3) Plastic straws.
- 2. Encourage the collection of 100 percent targeted plastic products into the recycling system by 2027.
- 3. Create knowledge, understanding, and campaigns for entrepreneurs and consumers to reduce the amount of waste at the source, support environmentally friendly production, services, and consumption as a result reduce greenhouse gas emissions towards the goal of Thailand Net Zero 2065.



### **Programs to Increase the Use of Recyclable Packaging**

# "Recyclable Containers for Pail/Gallon Lubricants"





#### **Programs to Increase the Use of Recyclable Packaging**

We promote increasing the use of recyclable packaging such as the Lubricant pails/gallons packaging. PTT Lubricants has invited consumers, who come to change engine oil within FIT Auto, support the reduction of waste by delivering all type of the used lubricant gallons to FIT Auto. There will be then sent to upcycling process to produce Wood Plastic Composite material. The Wood Plastic Composite material will be used as raw materials to produce the sets of school desks and chairs to be donated to schools in needy area.

#### **Project Objectives**

• Encourage customers to support waste reduction activities by increasing the use of recyclable packaging.

#### **Project Benefits**

20 Tables made by the used of lubricant packaging were contributed to Ban Pha Nang School, Ma Jam District, Chaing Mai Province.



### Programs to Increase the Use of Recycled Material as Packaging Solutions

# "Recyclable Containers for Pail/Gallon Lubricants"



## **Pail/Gallon Lubricants**







Pail

Gallon

#### <u>Programs to Increase the Use of Recycled Material as Packaging Solutions</u>

Lubricants Business has strongly direction switching to more environmentally-friendly option, we collaborates with packaging suppliers who proceed according to "the OR Suppliers Sustainable Code of Conduct", continually design and develop lubricants packaging to reduce the environmental impact together with quality standards. Our program includes increasing use of recycled plastic in lubricant pails and gallons as packaging solutions.

#### **Project Objectives**

- Reducing raw material extraction from natural resources by using recycled plastics packaging and reducing weight of packaging as following;
  - Gallon: Reduced new HDPE by reducing weight of all gallon 3-12% and using recycle material 8-15%
  - Pail: Reduced new HDPE using recycle material approximately 30%

#### **Project Methodology**

- **Gallon**: Study to reduce gallon's weight at the design package process and use recycle material
- Pail: Increased recycled material ratio from 20% to 30%

#### **Project Benefits**

- Promote circularity by selecting recycled plastics packaging, allows the material to be fed into new production as secondary raw material.
- **Gallon**: Reducing new HDPE by reducing weight of all gallon and cost saving approximately 354,000 kg./year and 2.3 million THB/year respectively. Reducing new HDPE by using recycle material around 384,000 kg/year.
- Pail: Reducing new HDPE and cost saving approximately 140,000 kg./year and 0.85 million THB/year respectively.
- **Total** reducing new HDPE and cost saving approximately 878,000 kg./year and 3.15 million THB/year respectively.



## **Programs to Increase the Use of Recycled Material as Packaging Solutions**

### "Recycled Corrugated Box"





Lubricants Business has strongly direction switching to more environmentally-friendly option, we collaborates with packaging suppliers who proceed according to "the OR Suppliers Sustainable Code of Conduct", continually design and develop lubricants packaging to reduce the environmental impact together with quality standards. Our program includes increasing use of recycled pulp for all lube corrugated boxes as packaging solutions.

#### **Project Objectives**

• Reducing raw material extraction from natural resources by increasing use of recycled pulp for all lube corrugated box approximately 70-100%

#### **Project Methodology**

• Study to change all layers of Inner paper and corrugate paper to be recycle pulp that still maintain the quality of carton box.

#### **Project Benefits**

• Reducing raw material for producing corrugated boxes approximately 2,599 metric tones/year



### **Programs to Ensure that Recyclable Packaging is Actually Recycled**

#### "Yak Lak Yim x U-Turn"



of sustainable business collaboration between OR x GC



society, takes recycled waste and turns them into scholarships, consumer tools, and public utilities in various communities. The project has been implemented continuously since 2016. In 2023, there has been a collaboration with "You Turn", project by GC, to collect recycled waste into a standard recycling plant. This create confidence for customers, who separate recycled waste through the "Yak Lak Yim" bin in PTT Stations, that the recycled waste will be appropriately recycled by the qualified recycling plant. Since the beginning of the project in May, a total of 9.4 tons of waste were collected and recycled, valued at 19,000 THB and used to make upcycled sports shirts and sports hats to be distributed to the community.

The "Yak Lak Yim" Project, with the purpose of campaigning for proper waste separation in PTT Stations and creating benefits for

#### **External Collaboration Projects**

OR has integrated business cooperation and sustainable development with external parties by using OR's potential to build strength and continue creating business value added. In 2023, OR and GC (PTT Global Chemical Public Company Limited) signed an MOU covering cooperation in 4 areas, including the development of knowledge in sustainability, creating energy security, sustainable business operations throughout the value chain, and business development because OR believes in the concepts of "Creating Opportunities" and "Empowering All towards Inclusive Growth". Therefore, creating networks with external parties will strengthen sustainable business operations. Examples of projects related to the circular economy created in collaboration with GC include a scope expansion for waste management and creating closed-loop recycling. The recyclable packaging such as plastic bottles, paper, glass bottles, aluminum cans, etc., was collected through GC's Project named "You Turn Platform" and the "Yak Lak Yim" project by OR's PTT Station. There is also the "Yak Lak Turn" campaign, where customers can bring plastic that they have 'sorted' to 'exchange' for rewards at PTT Station. The plastic packaging will be collected and sent for upcycling by the recycle company such as ENVICCO to ensure that Recyclable Packaging is Actually Recycled. In 2023, the campaign has been expanded 66 areas in the PTT Stations. New life is given to these plastic bottles through the Recycle & Upcycle process correctly, 'turning' them into new beneficial products. This helps reduce plastic waste problems and greenhouse gas emission.





## **Programs to Ensure that Recyclable Packaging is Actually Recycled**

# "Wood Plastic Composite Furniture"







"Wood Plastic Composite Furniture for FIT Auto" project involves using discarded lubricant oil cans from FIT Auto to manufacture furniture products as an alternative wood for interior decoration within FIT Auto. This project follows the principles of the Circular Economy by utilizing waste materials as raw materials for other products

#### **Project Objectives**

- Increase and ensure plastic materials at FIT Auto being a recyclable materials.
- To reduce waste in our business process and introduce the new product that reduce the environmental impact to the market

#### **Project Methodology**

- The business operations of FIT Auto focus on providing light maintenance services for vehicles, including vehicle repairs and regular maintenance.
- · One significant activity is the service of oil and fluid change using PTT Lubricants brand
- · From this activity, it has been found a large quantity of used lubricant packaging
- Through research and study, it has been discovered that used lubricant packaging can be used to produce Wood Plastic Composite Furniture. Therefore, a collection and recycling process has been implemented to transform the used lubricant packaging into synthetic wood furniture for interior decoration within FIT Auto.

#### **Project Benefits**

• To reduce the amount of packaging waste that would be disposed to landfill after consumer use and ensure the recyclable packaging is actually recycled

#### **Amount of packaging reduction**

• In 2023, There are 12 branches of FIT Auto that decoration with wood plastic composite furniture by using 7.44 tons of used lubricant packaging.



## Allocation of R&D Resources to Sustainable Packaging and Alternative Solutions

### "Café Amazon Go Green/compostable packaging"





OR has a collaboration with PTT Group and business partners by developing and promoting on sustainable packaging and exploring alternative solutions, Café Amazon has successfully transitioned to biodegradable packaging materials while ensuring the packaging quality remains uncompromised. Moreover, In 2023 OR has strengthen on packaging development through signing the memorandum of understanding (MOU) with PTT Global Chemical (GC) which work together on research and development of sustainable business operations throughout the value chain and sustainable packaging made from bioplastics, recycled plastic and alternative/substitute materials that meets consumer needs.

Currently, most of waste is disposed of through to landfill. Changing Cafe Amazon's packaging into biodegradable packaging would help reduce waste from plastics that are difficult to decompose.

In addition, Café Amazon Go Green embraces eco-friendly by reducing plastic usage and substituting with environmentally friendly material that is biodegradable or can be naturally decomposed for instance hot cups and straws made from BIO Plastic, paper bags at all Cafe Amazon Store. Moreover, all barista uniforms, aprons and some merchandise products are made from upcycled PET.

#### **Project Objectives**

To maximize the benefit from using natural resources and create sustainable use of natural resources while preserving the environment, consistent with business operations according to BCG (Bio-Circular-Green Economy) Model

#### **Project Methodology**

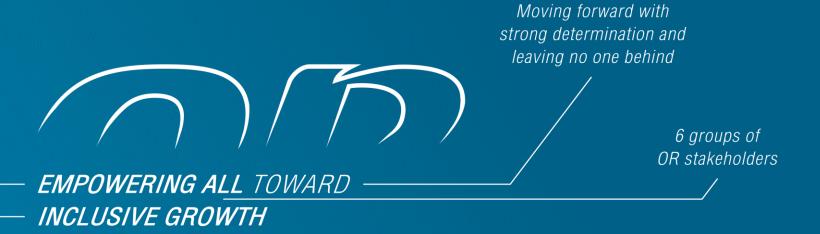
Biodegradable Packaging: Café Amazon switched to using biodegradable materials for packaging. This change allowed the packaging to naturally decompose over time, reducing its environmental impact.

#### **Project Benefits**

The allocation of R&D Resources to Sustainable Packaging and alternative solutions.

Moreover, in 2023, Café Amazon reduced the amount of plastic waste generated from packaging to 1,900 tons in total through our intention use sustainable packaging:

- Bio cup (Hot Drink)= 220.3 tons
- Bio Cup (Cold Drink) = 9.79 tons
- Bio Straw = 299.49 tons
- Bio Bag = 716.73 tons
- Paper Bag = 746.25 tons



Harnessing OR competencies to support, fulfill, and elevate

Sustainable growth
with Living Community,
Healthy Environment, and
Economic Prosperity

OR เติมเต็มโอกาส เพื่อทุกการเติบโต ร่วมกัน