



# BCP

## Bangchak Corporation PCL

Resources / Energy & Utilities

[www.bangchak.co.th](http://www.bangchak.co.th)

**Core Business:** BCP operates oil refining business from crude oil procurement, oil refining, and oil distribution through Bangchak gas station network. It also expands to solar farms, bio-fuel, petroleum exploration and production, and downstream innovation.

### Strategy and corporate culture for sustainability

Bangchak Group emphasizes the development of potential and knowledge of staffs. It focuses on being virtuous, knowledgeable, and contributive to others while embedding staffs with corporate core values “I AM BCP” comprising **i: Innovation, AM: Agility & Mobility, B: Beyond expectation, C: Continuous development, and P: Pursuit of sustainability.**

In sustainability management, the company takes into account internal and external changes, global sustainability trends, sustainability innovation, demand and expectations of all stakeholders to determine targets, strategies, and programs in response to key sustainability issues. BCP also applies Sufficiency Economy Philosophy, ISO 26000 Guidance on social responsibility, UN Global Compact, Dow Jones Sustainability Indices (DJSI), and Thailand Quality Award (TQA) as guidelines in sustainability management and use the results to improve performances in economic, social, and environmental aspects.

### Management approaches to challenges and rapid changes in business environment

Amid rapid and ever-changing business environment, risk management is an important process that helps the company cope with business uncertainties systematically. BCP applies COSO ERM and ISO 31000 to manage risks at all levels of the organization. Over the past year, the company recognized Technology Disruption as an external factor affecting its business. It includes increasing popularity of electric vehicles (EVs), which could weigh on revenue growth of refining and trading business.



To mitigate the aforementioned risk, BCP has invested in lithium mining to support the future growth of renewable battery and EVs. The company has been exploring new breakthrough in green and bio-based energy through Bangchak Initiative and Innovation Center (Biic) and collaborating with network and other agencies to create Green Ecosystem that promotes green innovation.



“The company is committed to sustainable development by developing green and innovative products for the society and bolstering the energy security of the country under the Greenovate our Tomorrow concept.”

Mr. Chaiwat Kovavisarach, President and CEO

### Contributions to the United Nations’ Sustainable Development Goals (SDGs)

BCP has been contributing to all SDGs at different levels. However, it is committed to push further achievements in goals that match its capability and interests. The company selected goals that cover the economic, environmental, and social dimensions including SDG 7 “Affordable and Clean Energy”.

The company has an efficient energy management system that meets ISO 50001 standard. Also, the company has continued to initiate projects on energy efficiency improvement, including the energy efficiency development in the refinery business and the renewable energy capacity expansion. For refinery business, the company targets Energy Intensity Index (EII) at 98.0 in 2020.

EII of BCP’s refinery in 2018 fell year-on-year to 100.5 (low EII implies high efficiency), thanks to investment in energy efficiency enhancement projects such as installation of IS-Limiter parallel existing reactant for loss reduction in GTG-2 reactant at cogeneration power plant.

### Financial Data / Stock Price

Results (unit:millions of baht)  
Fiscal Year ended: December 31

Items	2017	2018	2019*
Sales	172,138	192,025	140,343
Cost of sales	158,596	180,594	133,127
Gross profit (loss)	13,543	11,431	7,215
Net profit (loss)	5,778	2,463	1,112
Total assets	114,110	117,369	122,321
Total liabilities	61,979	67,831	73,533
Shareholders’ equity	45,650	42,715	41,756
EPS (Bt)	4.20	1.79	0.81
Gross Profit (loss) Margin (%)	7.87	5.95	5.14
Net Profit (loss) Margin (%)	3.29	1.27	0.79
ROE (%)	13.57	5.57	(1.00)
Dividend yield (%) **	4.42	6.77	5.40

Source: SETSMART

\* 3Q19 Financial statements ended September 30, 2019

\*\* As of November 29, 2019