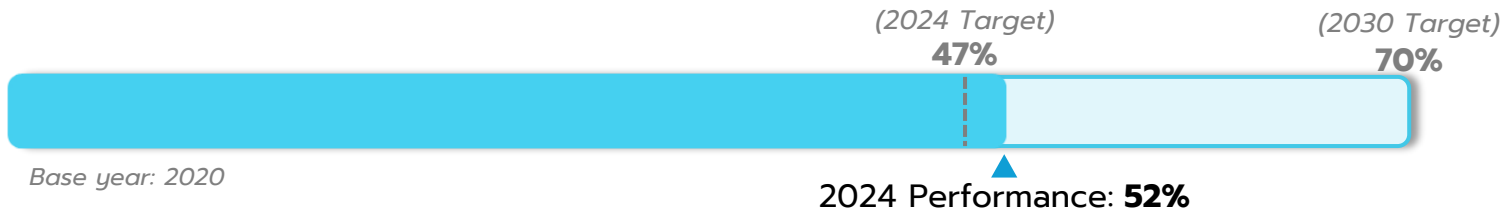


HEALTH & WELL-BEING

Target and Performance

Long-term target by 2030

70% of sales come from B2B and B2C products and services that promote health and well-being



2024 Target

47% of sales come from B2B and B2C products and services that promote health and well-being

2024 Results



Of Target

52% of sales come from products that promote health and well-being.

3% of sales from food products have reduced fat, trans fat, sodium, and sugar.

6% of sales from food products that increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals, or functional food additives.

34% of sales from food products are safe for consumers of all ages, from children to elders.

10% of sales from products and services that promote health and well-being.

3% of sales from healthier food products by reformulation/renovation.

Historical Result

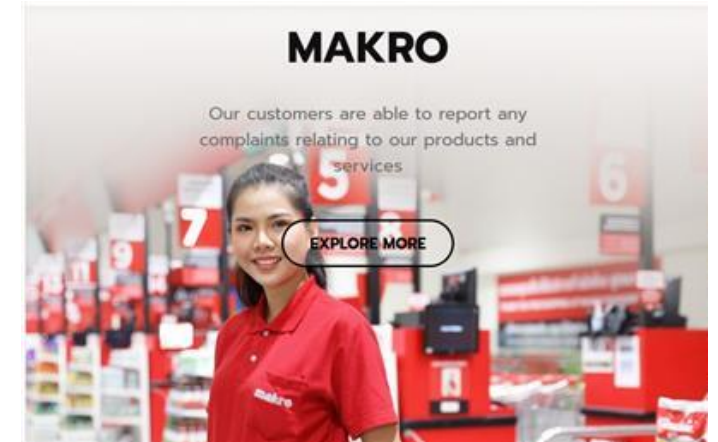


Product Quality Programs

The product quality programs seek out the stakeholder's requirement, regulation and international standard as the guidelines for producing agricultural products by standards and implemented to farmers and suppliers. To sure the compliance the company's quality manual notify;

- Processes to prevent or address defective products before delivering product to customers to avoid product recalls
- Internal audits of the quality management system
- 162 sites has has been certified the ISO22000:2018 by the external party (BSI Group (Thailand) Co.,ltd.)
- Conduct the training for internal stakeholders i.e QA, buyer, operation etc, on their roles related to the quality management system
- Mechanisms in place for external stakeholders to submit complaints about defective products
- Adopted the "i-Trace" system that systematically trace and notify the origin or raw materials and product nutrition information which customer and end user and find information through the QR Code on packaging

***Complaints about products and services, please contact hotline 1432**



Nutrient criteria for food products

Product Quality Inspection Process

Temperature Checking *

- Checking for
1. Supplier's Truck Temperature
 2. Product Temperature

(*) for temperature-controlled product



Document Checking

- Checking for
1. Movement permit and source of origin documentation for meat products (every delivery)
 2. Laboratory test results, e.g., ASF (African Swine Flu) - applicable to every delivery.
 3. Weight inspection certificate from suppliers (pork and poultry) – every delivery.

Quality Checking

1. Physical inspection (external and internal): Size, weight, defects, shape, color, sweetness (Brix level)
2. Chemical inspection using test kits:
 - Pesticide residues (fresh vegetables/fruits)
 - Formalin (fresh fish)
 - Beta-agonists (pork/beef)
 - Bleaching agents (beef offal)
3. Packaging
4. Labelling
5. Product Shelf-life

Final Result

1. Accept – receive the product
2. Reject the product

*** In case of **imported product**, refer to the QC inspection results of makro or Lotus's

Note: The criteria for product acceptance must ensure the absence of red meat accelerators, white meat accelerators, and formalin. Pesticide levels must comply with legal requirements.



Watch more videos at <https://youtu.be/8k0eL5BL1X0>

Product Quality Program Certification

Up-stream: Food safety from farm	Mid-stream: Control food safety along the process					Downstream: Product traceability
	มาตฐาน	Makro	Lotus's	Wholesale Distribution center*	Retail Distribution center**	
<ul style="list-style-type: none"> - Sourcing from farms that complied with Good Agriculture Practices (GAP) standard. - Qualified by "MQP" and "Selected". - Over 176 farmers and suppliers have qualified for the standards "MQP" and "Selected". 	GMP ⁽¹⁾	162	84	2	n/a	<ul style="list-style-type: none"> - 100% of products sold in Makro and Lotus stores must indicate the origin of production and production lot on the label for customers can trace back the products. - i-Trace, which able to trace products in the fresh food category and bakery category, More than 14,000 items are implemented (100% of Under "aro" brand) - Smart CoA software to provide proper CoA to customers.
	GHP (CODEX) ⁽²⁾	156	n/a	2	n/a	
	HACCP (CODEX) ⁽³⁾	134	n/a	n/a	n/a	
	ISO22000:2018 Compliance Certified ⁽⁴⁾	162	n/a	n/a	n/a	
	ISO22000:2018 Accredited Certified ⁽⁵⁾	3	n/a	1	n/a	
	HALAL ⁽⁶⁾	11	10	1	n/a	
	Livestock – Ok ⁽⁷⁾	154	2,232	3	4	
	Q-Modern Trade ⁽⁸⁾	154	n/a	n/a	n/a	
	Organic Shop ⁽⁹⁾	154	n/a	n/a	n/a	
	Covid Free ⁽¹⁰⁾	154	n/a	n/a	n/a	
TISI Shop ⁽¹¹⁾						
		145	n/a	n/a	n/a	

(1) GMP no. 420 Certified by the ISO Certification Institute (MASC)

(2) GHP (Codex) Certified by Bureau Veritas (Thailand) Co., Ltd.

(3) HACCP (Codex) Certified by Bureau Veritas (Thailand) Co., Ltd.

(4) ISO22000:2018 Compliance Certified by BSI Group (Thailand) Co., Ltd.

(5) ISO 22000:2018 Accredited Certified by Bureau Veritas (Thailand) Co., Ltd.

(6) HALAL (มาตรฐานฮาลาล) Certified by the Central Islamic Committee of Thailand

(7) Livestock – Ok (Livestock standards OK, Certified by the Department of Livestock Development.

(8) Q-Modern Trade Certified by the National Bureau of Agricultural Commodity and Food Standards.

(9) Organic Shop Certified by the National Bureau of Agricultural Commodity and Food Standards

(10) Covid Free (Standards of compliance with additional special measures to prevent contamination from the Coronavirus 2019) certified by the Department of Fisheries.

(11) TISI Shop (TIS shop standards) Certified by the Industrial Product Standards Office.

* 162 stores of wholesale business (as of December 31, 2024).

** 2,491 stores of retail business (as of December 31, 2024).

Product Recall

	2021	2022	2023	2024
Number of recalls issued	10	2	0	0
• Own Brand	• 0	• 0	• 0	• 0
• Supplier's Brand	• 10	• 2	• 0	• 0
Quantity of products recalled (ton)	NA	9.85	0	0
Cost impact to company	0	0	0	0

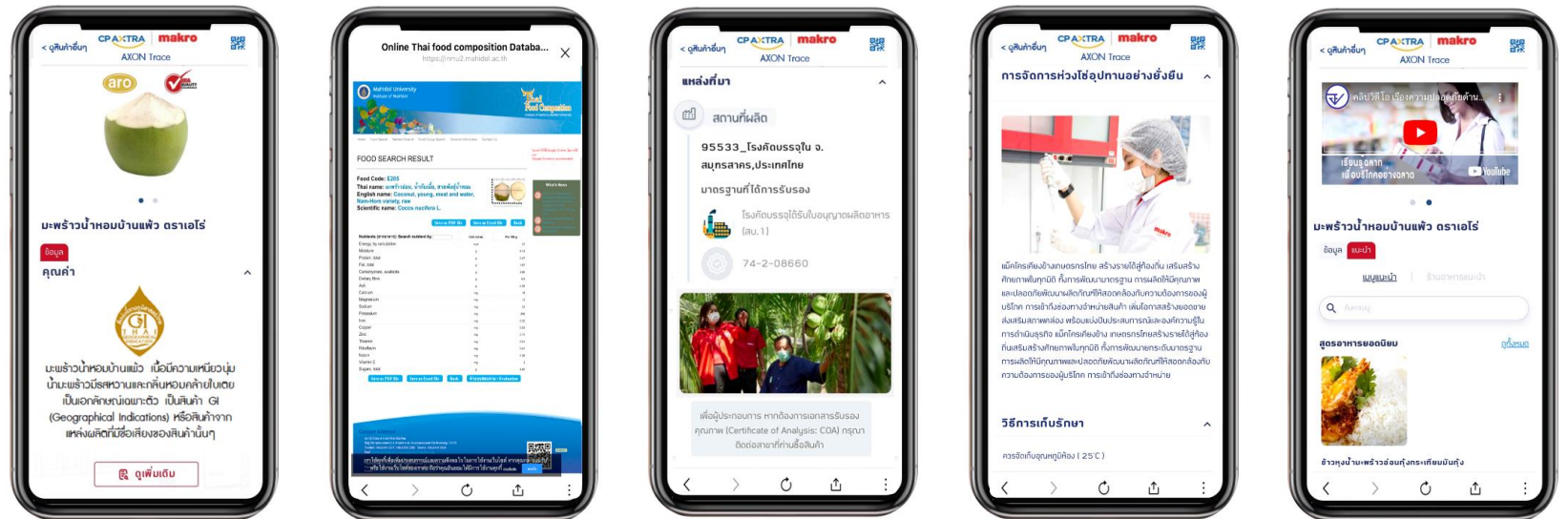
During 2021-2024, the product recall occurred from the suppliers' branded which sold in store but never occurred in own brand products. Otherwise, the company's monitoring and developing the highest product standard both own brand and suppliers to protect customer rights and prevent the damage a reputation due to consumer hesitance regarding the safety and reliability of the products. Furthermore, the recall expenses are monitored as the risk of the company, including sales disruption, increased disposal costs and increased waste, replacement costs, regulatory fees, and fines, amongst others to mitigate risk of liabilities and investment costs.

Traceability and Health & Nutrition fact

Continuously cooperates with Mahidol University to develop nutrition facts, laboratory research nutrition in food, and Thai Food Composition Databases integrated into The Company's "i-Trace", the QR code for traceability information on labels, to ensure all products are traceable and comply with food safety requirements including trustworthy products for customer and consumer. Furthermore, healthy food trends are influenced while nutrition facts are informative for consumers to design their own meals such as protein, fat, carbohydrate, fiber, water, mineral, vitamin, cholesterol, fatty acid. Includes video clips to communicate awareness, purchasing, cleaning and practices to promote good health, and can also be linked to the food menu. In 2024, the "i-Trace" system has been further improved to be up-to-date and support the development of traceability technology. It will contain information from cultivation, harvesting, production/packaging, transportation, and acceptance throughout the supply chain.



Scan to visit



2024 Results

- **11,000** product items has Nutrition facts on i-Trace.
- Raised awareness about nutrition and health, with over **192,000** visits to the platform.
- **100%** own brand product and fresh food are implemented. And fresh food branded **>30%**.

Supplier Capacity Development in Product Quality and Manufacturing Standards

“CP Aextra collaborates with FDA to enhance food safety and build consumer confidence” Project

CP Aextra, in partnership with the Thai Food and Drug Administration (FDA), recently hosted a seminar for its partners, importers, and manufacturers. The initiative aimed to enhance food safety standards and build consumer confidence. During the event, FDA representatives provided guidance on comprehensive product quality management, covering the entire supply chain fromต้นน้ำ (upstream) to ปลายน้ำ (downstream). Additionally, experts from leading laboratories shared their knowledge on inspecting residual substances in fruits and vegetables, encompassing both domestically produced and imported goods. This collaboration underscores CP Aextra's commitment to advancing food safety standards. By working closely with government agencies and experts, the company strives to deliver high-quality, safe products that meet international standards.



2024 Results

CP Aextra enhances the capabilities of farmers, SME partners, and community enterprises by promoting knowledge in standardized agricultural production.

- **574 ไร่** agricultural products under the MQP (Makro Quality Pro), aro Gold, and Selected labels.
- **939 ไร่** agricultural packing facilities to meet GMP* standards and developed.

“Developing Thai SMEs and Farmers in Product Standard Management” Project

The company continues to support Thai SMEs and farmers by collaborating with both public and private sector partners to develop their potential and increase their competitiveness in all dimensions. This is achieved through training and knowledge transfer, developing the quality of agricultural products to align with Makro and Lotus's standards. This initiative aims to promote employment in communities and create sustainable income for over 70 small entrepreneurs and farmers in Saraburi and Pathum Thani provinces, reinforcing the company's commitment to being a "Platform of Opportunity" to help SMEs grow strongly.



2024 Results

- Developing over **70** small entrepreneurs and farmers in the pilot areas of Saraburi and Pathum Thani provinces.

"Developing Small Entrepreneurs in the Northeastern Region on Production Standards and Safety in Meat Products" Project

The company supports Thai SMEs by continuously elevating and promoting the development of its partner, Ton Thong Pig Slaughterhouse Limited Partnership in Surin Province. This has involved ongoing efforts to develop production and product safety standards from 2021 to 2024, leading to the attainment of international certifications such as GHPs and HACCP. The objective is to achieve sustainable mutual growth with the community and help reduce pollution from transporting goods from central areas. By enhancing product quality, the company can deliver fresh, clean, and safe pork products directly to Lotus's branches, thereby increasing the competitive potential of small businesses to better meet consumer demands.



2024 Results

- Entrepreneurs can distribute products to **17** Lotus's branches, covering Surin province and nearby areas.
- Income distribution to the community has grown from **15** million baht in 2021 to over 300 million baht per year currently.

Health and Nutrition Policy

To promote good health and well-being among the public through the consumption of healthy food, as well as to support physical exercise and access to health services and knowledge.

Target and result

The Company's commitment that **70%** of the total sales volume of products and services help promote health and wellness. To promote nutritional and healthy food to society with 3 dimensions.

2024 Result:



Increasing the Healthier
product in store



Education health and
nutrition to consumer



Health-service
to Society

Health and Nutrition Programs

Initiatives	Actions	Results
Use of a nutritional profiling system	<ul style="list-style-type: none"> • Use of "Healthier Choice": The Company follows Guidelines for Applying the "Healthier Choice" nutritional logo to provide a clear, standardized way to compare products and support healthier choices. 	<ul style="list-style-type: none"> • 20 Private Label products are certified Healthier Choice (reduce sweet, sour, salty or fat) such as juice, whole wheat bread and ice cream etc • 69 items of plant-based and protein products, Purchasing amount 98,787,875 Baht.
Health & nutrition criteria that align with external benchmarks	<ul style="list-style-type: none"> • "Health & nutrition criteria that align with external benchmarks" : The Company emphasizes food safety, quality, and nutrition through implementation of recognized international standards across its supply chain. These include Good Agricultural Practices (GAP), Good Manufacturing Practices (GMP), HACCP, and ISO22000 certifications. The Company supports farmers and suppliers by developing the Makro Initiative Accreditation (MIA) guideline, enabling standardized agricultural production and ensuring consistent product quality and nutrition. • The Company actively collaborates with the Thai Food and Drug Administration (FDA) and other government agencies to promote food safety and nutrition standards. This includes promoting and certifying agricultural products and facilities under the MQP (Makro Quality Pro), aro Gold, and Selected label programs. 	<ul style="list-style-type: none"> • 574 suppliers certified under MQP, aro Gold, and Selected labels under the "Developing Thai SMEs and Farmers in Product Standard Management" project. • 939 agricultural packing facilities upgraded to meet GMP standards.
Quantified targets to reduce levels of fat, salt, sugars, or additives	<ul style="list-style-type: none"> • 2024 Targets to reduce levels of fat, salt, sugars, or additives and increased sale from food products are safe for consumers of all ages, from children to elders more than 35% sales : The Company establishes its target to reduce level of these substances aligning with Healthier Choice criteria. This is achieved through increasing the number of products certified with Healthier choice 	<ul style="list-style-type: none"> • Total Sales of products with Healthier Choice Logo in 2024 is accounted to 2,085,531,781 Baht • 37% of total sales from <ul style="list-style-type: none"> - 3% of sales from food products have reduced fat, trans fat, sodium, and sugar. - 34% of sales from food products are safe for consumers of all ages, from children to elders.

Health and Nutrition Programs

Initiatives	Actions	Results
<p>Quantified targets for fortified foods with increased nutritious ingredients</p>	<ul style="list-style-type: none"> • 2024 targets to enrich food products with beneficial nutrients such as dietary fiber, vitamins, minerals, phytochemicals, or other functional food additives. These targets focus on incorporating ingredients like fruits, vegetables, nuts, legumes, and whole grains to boost the nutritional value and support improved health outcomes for consumers.: 	<ul style="list-style-type: none"> • 9% of total sale from <ul style="list-style-type: none"> - 6% of sales from food products that increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals, or functional food additives. - 3% of sales from healthier food products by reformulation/renovation. • 69 items of plant-based and protein products, Purchasing amount 98,787,875 Baht • 1,164 items of fortified foods and reformulation, Purchasing amount 21,556,616,005.45 Baht
<p>Reporting on progress of Health & Nutrition targets</p>	<ul style="list-style-type: none"> • “Reporting on progress of Health & Nutrition targets” : To achieve its 2024 Health & Nutrition target of 47% sales from health-promoting products and move toward the 2030 goal of 70%, the Company implemented key initiatives such as developing health-oriented private label products, improving product traceability through the i-Trace system, enhancing food safety through supplier capacity-building, and promoting healthier choices in the supply chain. The company also launched public health education programs, introduced in-store health services, and collaborated with regulatory and academic partners to ensure safe, nutritious, and transparent food offerings for all consumers. 	<ul style="list-style-type: none"> • 52% of total sales came from health and well-being–related products and services • 3% of sales from food with reduced sodium, sugar, fat, or trans fat • 6% from products with increased nutritious content • 34% from food safe for all age groups • 3% from products improved via reformulation • 10% from wellness-promoting goods and services

Health and Nutrition Programs

Initiatives	Actions	Results
Products specifically aimed at priority populations	<ul style="list-style-type: none"> • Products specifically aimed at priority populations : The Company develops and offers specialized products targeting priority populations, including individuals with <ul style="list-style-type: none"> • diabetes, • low-income groups, • children, • pregnant and lactating women, • and the elderly. <p>The company focuses on formulating products with reduced sugar, controlled portion sizes, and enhanced nutritional profiles suitable for these vulnerable groups. The Company also engages in community outreach and education programs to raise awareness about nutrition and healthy eating tailored to these populations?</p>	<ul style="list-style-type: none"> • In 2024, The Company successfully launched product specifically for priority populations, contributing to improved access to nutritious foods for these groups. Sales is accounted to 8,403,162,671.89 THB. • Example of products show in <i>page 16-17</i>
Portion-Control packaging design	<ul style="list-style-type: none"> • Packaging design for clear communication and healthier consumption: Packaging design plays a crucial role in clearly communicating product information, such as nutritional content, ingredients, and portion sizes, to help consumers make informed choices. By using intuitive visuals, readable labels, and standardized icons, the Company can enhance transparency and accessibility of health-related information. Thoughtful design can also promote healthier consumption by encouraging appropriate portion control and highlighting healthier product options. 	<ul style="list-style-type: none"> • 100% private label products adopted portion-control packaging, contributing to improved consumer understanding of serving sizes and portion-based nutrition. These products recorded 507,052,630.93 THB in sales or customer engagements.
R&D investment to improve nutrition	<ul style="list-style-type: none"> • R&D investment to improve nutrition: The Company is committed to investing in research and development initiatives that enhance the nutritional value of food products by developing improved formulations, reducing harmful ingredients like excess sugar and sodium, and increasing essential nutrients to support better public health outcomes. 	<ul style="list-style-type: none"> • 20 private label products were certified with the “Healthier Choice” logo (e.g., juice, whole wheat bread, ice cream), and 69 plant-based/protein-focused products were developed to expand healthy food options. • Total investment 11,850,000 THB i.e. non-additive milk ice cream corner at 79 stores
R&D investment to improve affordability or accessibility of healthy products	<ul style="list-style-type: none"> • R&D investment to improve affordability or accessibility of healthy products : The Company is committed to conducting targeted research and development activities that focus on making nutritious food products more cost-effective and accessible to underserved populations, particularly those with economic constraints, through innovative product modifications and distribution strategies. 	<ul style="list-style-type: none"> • Total investment 20,328,000 THB for product innovations that specifically led to reduced prices, enhanced shelf life for low-resource settings, or broader accessibility of healthy products i.e. Low Fat Rotisserie Corner at 84 stores

Health & Nutrition Revenues

Category	Revenue (THB)			
	2021	2022	2023	2024
Reduced fat, trans fat, sodium, sugar	2,753,072,018.00	8,935,562,540.67	7,561,999,436.82	11,257,795,207.95
Increased nutritious ingredients	4,427,312,959.33	9,640,135,893.00	20,322,612,193.72	21,556,616,005.45
Healthy food product for all ages	111,499,911,574.00	121,696,547,819.00	119,033,213,679.87	129,835,279,421.67
Healthy wellbeing product and service	14,229,840,423.33	23,185,712,620.52	29,656,304,254.01	36,090,813,452.95
Total Healthy Product Revenue (THB)	132,910,136,974.67	163,457,958,873.19	176,574,129,564.42	198,740,504,088.02
Total Revenue (THB)	319,844,215,710.05	359,395,094,588.00	363,131,513,872.30	379,728,363,532.50
% Healthy Product Revenue	41.55	45.48	48.63	52.34

Example of Healthier Products

20 Private Label products are certified Healthier Choice (reduce sweet, sour, salty or fat) such as juice, whole wheat bread and ice cream etc. Sales amount to **2,085,531,781** Baht.



69 items of plant-based and protein products, Purchasing amount **98,787,875** Baht.



Example of Products specifically aimed at priority populations



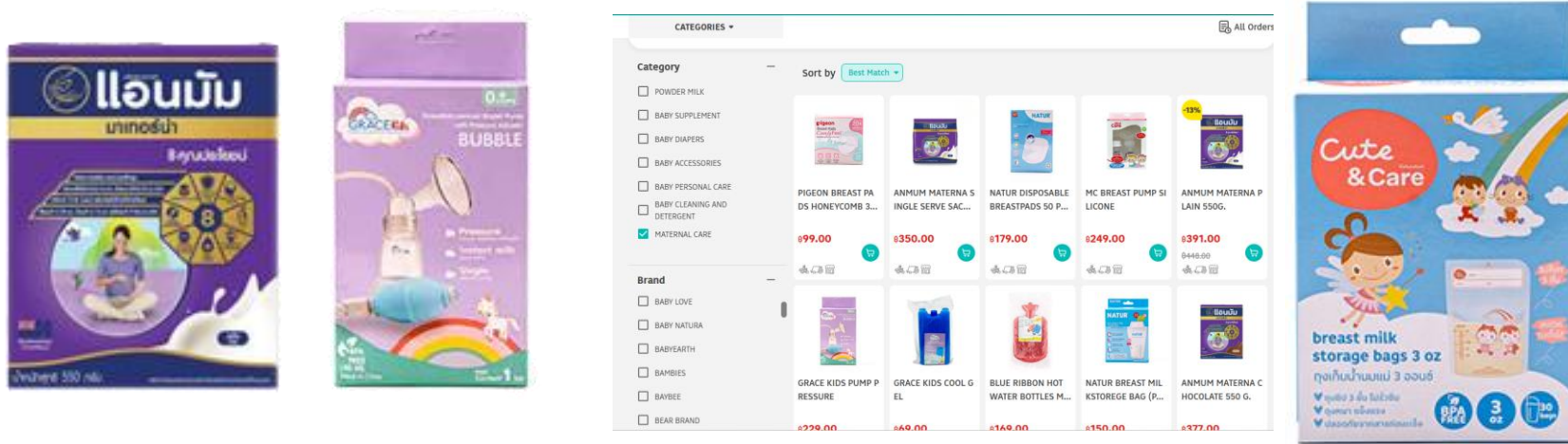
Diabetes

Own brand products for low-income groups (KHUM KHA / Savepak)



Children

Example of Products specifically aimed at priority populations



Pregnant and Lactating woman



The elderly

Enhancing Food Safety from Farm to Production Source

"Safe Oranges Save Thai Smile 11th Consecutive year" Project

The company has partnered with the Ministry of Public Health, the Ministry of Agriculture and Cooperatives, and Kasetsart University to support orange farmers in managing cultivation throughout the entire supply chain. This includes the use of bio-substances as chemical substitutes, environmentally friendly management practices, and chemical residue inspection using international ISO 17025 accredited laboratories both domestically and internationally. Furthermore, the oranges have received Good Agricultural Practices (GAP) certification, ensuring that every orange is of high quality and safe from chemical residues. Traceability is also possible through scanning the QR Code of the i-Trace system attached to the packaging or displayed at the point of sale. This initiative promotes the production of Thai oranges, creating sustainable careers and income for Thai farmers.



2024 Results

- Over **72** farmers participated covering an area of 2,279.1 rai across a total of 7 provinces.
- Totaling support agriculture of **8,400** tons per year.

Promote Healthier Choice Product in Supply Chain

To encourage supplier's products that are certified "Healthier choice". In 2024, The Company selected and recognized the supplier's healthier products through the "Supply Chain Sustainability Excellence Award" in the category of "Health and Well-Being" at 17th Makro's HoReCa Event at Muang Thong Thani 31 October-3 November 2024



2024 Results

- **83** items are recognized increased 63 items.
- The sale amount of Healthier Choice products increased **2,975,190,437** Bath compared to last year.

"True Healthy Corner" the Free Medical Consulting Service at Wholesale store

The Company has collaborated with True Digital to launch the drugstore True Health Corner to provide a new healthcare experience for all customer groups through easy medical service access. Customers can access several health services through MorDee; Health smart platforms that connect online and offline health care services, online preliminary health checks, consultation with doctor and order the prescriptions in one click.



2024 Results

- **2** stores have True Healthy service.
- **21 stores** of wholesale and retail stores have healthcare services.
- Total sales amount **6,242,824,638** baht.

Health Screening and Exercise Service to Society



- 5th consecutive year of Pink October campaign, the free breast cancer screening with Mobile Mammograms for women in society. Since the beginning of the project, there have been more than 976 women have been screened.
- 6th consecutive year for the. Free preliminary screening service for diabetes to the public. There is a sugar level monitoring service, an initial physical examination service, and a giveaway for healthy coconuts from farmers. The objective is to support good health for Thai people and promote public access to preliminary health services more than 1,968 people have been screened and found 359 potential cases.
- Lotus's Aerobic Dance Fit & Fun at 10 retail store in Bangkok area also available on TikTok platform. The free of charge exercise professional exercise trainer with variety i.e Cardio, free dance for the society.



2024 Results

- Donated **200,000 baht** from selling women's clothing and lingerie in October to the National Cancer Institute for Institute to purchase tools and medical equipment to help underprivileged patients.
- **946** people has benefited from these campaigns.