



Environmental Policy and Strategy

**Remark: This policy has been approved by Board of Directors
on 1 October 2024**

1. Principle

CP Axtra Public Company Limited (the “Company”) is committed the environmental responsibility with continuous effort to operate the business sustainably through employees, customers, suppliers, and other stakeholders along the supply chain in every country where the Company operates and adherences to follow international principles and practices as the Ten Principles of the United Nations Global Compact (“UN Global Compact”), Sustainable Development Goals (SDGs) and the Company’s Strategic framework “Living Right, Living Well, Living Together or Heart-Health-Home”.

2. Scope

This policy applies to the Company and its subsidiaries, production operation, business facilities, products and services, distribution, logistics, management of waste, suppliers, service providers, contractors, key business partners, e.g. non-managed operations, joint venture partners, licensees, outsourcing partners, etc. including the due-diligence, mergers, and acquisitions.

3. Definition

The Company	means	CP Axtra Public Company Limited and its subsidiaries.
Subsidiaries	means	Companies that The Company holds more than 50 percent shareholding or has authority in management.
Employee	means	Employees and workers at all levels of the Company.
Business Partner	means	The significant supplier / organization / group of persons who agree to work together with the Company to achieve a shared goal or to improve operational performance. The partnership is formed on a formal basis to assist in moving towards a shared goal or objective.

4. Roles and Responsibilities

4.1 SD Steering Committee

- 4.1.1 Encourage and business operations to achieve the sustainability target and respond to significant environmental aspects.
- 4.1.2 Establish the structure and responsibility for the environment as the working team which members are assigned leaders from every related department to drive the organizational performance to comply with this policy and related requirements.
- 4.1.3 Endorse this policy, support, and oversee the compliance to prevent environmental impact in all business activities of the Company, including in its business value chains and concerned stakeholders.

4.2 Sustainability Working team

- 4.2.1 Define and periodically review the environmental policy and guidelines to prevent any environmental impact within the Company's business operation including the business value chain and business partner.
- 4.2.2 Define and update the related procedure based on business context and compliance with this policy and related requirements in each country where the Company operates.
- 4.2.3 Implement the Environmental management system which consists of the following:
 - 1) Integrated roles and responsibilities of environmental risk management to functional leader's objective and target.
 - 2) Review feedback from stakeholder groups and management and plan the corporate process with other potentially affected groups and stakeholders.
 - 3) Assess the environmental impact by gathering and assessing environmental aspects from stakeholders.
 - 4) Identify proper remediation measures to reduce the impacts also the preventive measures and action to mitigate the internal and external risks.
 - 5) Monitor and audit the environmental management system including the effectiveness of preventive measures and environmental complaint handling.
 - 6) Communicate the result of environmental impact assessment, remediation measure, the status of correction that is addressed from environmental violations.
 - 7) Engage all relevant groups through open dialogue or feedback with affected groups, environment experts and civil society organizations.
 - 8) Provide the effective environmental compliant receiving channel are in place for those who are affected by environmental violations, complaint handling and feedback the corrective or preventive action.
- 4.2.4 The related document and information of environmental aspects and impact assessment are collected and retained with proper record keeping.
- 4.2.5 Report the environmental performance to the Sustainability Development Committee including the involved functional management at least once annually.

4.3 Functional Management

- 4.3.1 Communicate environmental policy and the objective to all employees and stakeholders in the supply chain which is under responsibility for appropriate awareness and practice.
- 4.3.2 Supervise all employees under responsibility to ensure they understand this policy and practice including encouraging them to inform if find any risk that is potentially against this policy.

5. Environmental Policy

The Company commits to preventing and minimizing the environmental impact of our operation and being the organizational practice also advocates employees and all related business partners through the value chain to acknowledge and perform this policy as duties and responsibilities.

- 1) Compliance with all relevant environmental laws and regulations in every country that has operated.
- 2) Operation of our business, facility, distribution, and logistics include the activity of suppliers, contractors including service providers in a manner that prevents and minimizes the environmental impact with proper management of waste.
- 3) Develop products and services that can be operated, produced, distributed, used, disposed or recycled in a safe and sustainable manner
- 4) Review existing and potential environmental risks and manage through the Company's risk management processes and this information shall be considered during the merger and acquisition process.
- 5) Set targets and objectives to reduce environmental impacts and public disclosure of the annual environmental practices, performances, and targets as annual basis.
- 6) Continuous improvement of environmental performance and collaboration with suppliers, contractors, and service providers for the reduction of the environmental impact from the Company's operations.
- 7) Train employees and workers to understand the impact of their work activities on the environment. Altogether, measures to raise internal and external stakeholders' awareness of environmental management policy and environmental impacts.

6. Guideline

For being the guideline for environmental protection practices and ensure the employee including stakeholders within the supply chain has acknowledgment and perform to minimize environmental impact. The written guideline for implementation are following by

6.1 Climate Change Policy & Strategy

The Company commits to achieving Carbon neutrality from our operation within 2030 (compared to the baseline year 2021). By balancing the emitting carbon with the offset and/or absorbing carbon and towards "Net Zero Emission within 2050" (90% reduction of Scope 1&2 and Scope 3 compared to baseline 2021 year) which has the framework as

- 6.1.1 Evaluate risk, opportunity, and impact from climate change through the supply chain both upstream and downstream with trustable methodology as TCFD framework and integrated to the Company's risk assessment process.

- 6.1.2 Set up the long-term plan, appropriate scope and target to improve energy efficiency, energy-saving, increasing renewable energy or clean energy proportion include applying technology or innovation to reduce overall energy consumption.
- 6.1.3 Train and communicate to raise awareness that related to climate change to the employees, temporary workers, contractors and other workers in the supply chain.
- 6.1.4 Encourage key business partners, service providers and contractors from the production, transportation, storage, distribution and trading to reduce carbon emission through the supply chain.
- 6.1.5 Publicly disclose the status of climate change project's performance compares targets as annually basis
- 6.1.6 Collaborate with other organizations such as government, education institute, community, etc. to find the opportunity for corporative solving the climate change issue.

6.2 Water Stewardship Policy & Strategy

The Company commits to reduce 20% compared with baseline 2020 year of the water consumption per revenue within 2030 which has framework as

- 6.2.1 Assess water risk facility of own operation and critical tier 1 that is located within or nearby water stress area which are quantity, quality or water pricing structure, flooding, water conflict, regulation, water pricing structure or other significant water risks. Including water use assessment to identify opportunities for water efficiency improvement.
- 6.2.2 Set up a long-term plan with the target to reduce water consumption and intensity such as rainwater reservoir, maintenance program to prevent water leakage, utilize water-saving equipment, and application of water recycling including action to improve wastewater quality monitoring to ensure its complied with the legal requirement.
- 6.2.3 Train and communicate to raise awareness related to the water efficiency management program to the employees, temporary workers, contractors, and critical tier-1 suppliers who have high risk in the water stress area.
- 6.2.4 Encourage key business partners, service providers and contractors from the production, transportation, storage, distribution and trading to implement the water-saving program and increase water recycling.
- 6.2.5 Encourage key business partners, service providers and contractors from the production, transportation, storage, distribution and trading to implement the water-saving program and increase water recycling.
- 6.2.6 Collaborate with other organizations such as government, education institute, community, etc. to find the opportunity for corporative solving the water risks.

6.3 Food Loss & Waste Policy & Strategy

Food loss means losses that occur in the food supply chain up to but excluding, retail. Any food that is discarded, disposed of, and does not re-enter in any other productive utilization. Losses occur during storage, transportation, and processing.

Food waste means food waste that occurs at the retail and consumer level. Food may be wasted in many ways; such as fresh produce that deviates from what is considered optimal, for example in terms of shape, size, and color, is often removed from the supply chain during sorting operations. Similarly, foods that are close to, at, or beyond the “best-before” date are often discarded by retailers and consumers, and large quantities of wholesome edible food are often unused or leftover and discarded at eating establishments.

The Company commits to achieving zero waste, food loss & waste to landfills within 2030 and has a framework as

- 6.3.1 Measuring food loss & waste with the acceptable method and breaking down volumes by category and/or lifecycle stage or processing flow to identify the critical area for improvement.
- 6.3.2 Define appropriate action plan and target that may have economic, environmental, or social benefits instead of being discarded without any value creation such as the appropriate inventory planning, destinations, and repurposing actions may include any utilized for other processes including the alternative uses of waste and food waste which based on food safety practice.
- 6.3.3 Train and communicate to raise awareness related to food loss & waste reduction actions and targets to the employees, temporary workers, contractors, and suppliers in the supply chain.
- 6.3.4 Collaborate and encourage the up/downstream partners, service providers, and contractors among production, transportation, storage, distribution, and trading to reduce the amount of food loss & waste in the value chain.
- 6.3.5 Publicly disclose the status of the food waste & food loss reduction program and performance compares targets as annual basis
- 6.3.6 Collaborate with other organizations such as government, education institutes, community, etc. to find opportunities for corporate solutions the food loss & waste such as The World Business Council for Sustainable Development.

6.4 Sustainable Packaging Policy & Strategy

The Company commits to 100% using packaging that must be reusable, recyclable or compostable and zero waste to landfill within 2030 which has a framework as

- 6.4.1 Review the environmental aspects and impact of packaging including measuring and monitoring of usage and recycle volume and /or weight in each material category with a proper methodology to identify at-risk areas and mitigation plan.

- 6.4.2 Take action for sustainable packaging such as the programs to increase reusable and/or recyclable packaging, phase out single-use plastic packaging wherever possible, increase the use of recycled material as packaging solutions, ensure the recyclable packaging is actually recycled, allocate R&D resources to sustainable packaging and alternative solutions etc.
- 6.4.3 Train and communicate to raise awareness that related to sustainable packaging to employees, temporary workers, contractors, and critical tier-1 suppliers who have high risk in the sustainable packaging aspect.
- 6.4.4 Engage with potential business partners to develop and promote sustainable packaging consumption including recycling or upcycling processing.
- 6.4.5 Publicly disclose the status of sustainable packaging projects and performance compare targets as annual basis
- 6.4.6 Collaborate with other organizations such as the government, education or research institutes, community, etc. to develop sustainable materials or solutions for packaging.

This policy implementation is consistent with the intent of the Company based on the core philosophy “3-Benefit to Sustainability (for the Country, People and Company)” that operates on good governance, social and environmental responsibility. This includes encouraging business partners to grow responsibility together in accordance with the international practice for sustainability development.