

(Translated version)

CP ALL Public Company Limited

Environmental Policy Announcement

Doc. No. SDD 020/2019

1) Principles

CP ALL Public Company Limited and all subsidiaries (Hereby with “Company”) definitely commit to proceed on sustainable business operation base on environmental responsibility. By recognition and attention of importance to minimize environmental impacts from any business operations, products and services, company definitely enforce policy to develop manufacturing process and creating an innovation in order to minimize any environmental impacts which might be happened. And up to this, company also clearly specify goals for efficiency use of natural resources, minimize use of limited energy resources and providing a plan and responding criteria in order to participate with problem solving from any challenging of climate change situation, campaign for deforestation program, encouragement for any water management more effusiveness including with protection of ecosystem and biodiversity. As above mention, company is definitely voluntary to align our business policy in accordance with environmental law and registration, international standard and being participation with sustainability development. In order to continual development and compliance with UN-SDGs (United Nation for Sustainability Development Goals) by being a part of UN Global Compact, company having strongly commitment to preserve environmental responsibility in key element of principle no. 7, 8 and 9, respectively, which having detail as follows.

Principle 7: Supporting a monitoring for any operations that may affect to environment

Principle 8: Promoting any activities that raise up level of environmental responsibility

Principle 9: Promoting development and publicize for any environmental friendly technology

2) Scope

This policy will be fully implemented under CPALL (Public) Company Limited and its subsidiaries. And also conveying this message to its Business Partners and Suppliers in order to apply for their business operations and encourage participation with any associated parties throughout value chain in which already classified that having significant level for environmental responsibility.

3) *Definitions*

- *The company* means that CP ALL Public Company Limited
- *Subsidiary* means that a limited or public company limited under the control of the company in the manner in accordance with the Notification of the Securities and Exchange Commission in Thailand
- *Employee* means that employees and workers at all levels of the company
- *Business Partners* means that any significant organizations or group of people that working with company in order to achieve the same goals, (or) operational performance improvement and official collaboration to meet specific targets or objectives i.e. to achieve strategic objective, to deliver specified products which already classified in significant level etc.

4) *Procedure*

The company recognizes an importance of crating the balance of social responsibility, environment, and economic development as well as having strongly commits to conduct duties and responsibilities in environmental protection both for internal and external working place. And having environmental procedure in detail as listed below.

- Compliance with Law and Legislation both for Internal and Domestic regulations including with any related company regulations, strictly.
- Proceed on business operation with social and environmental responsibility by emphasize on manufacturing process, operational tools and any associated activities which having less impacts to environment and community nearby.
- Providing environmental monitoring and measurement from any associated operations and activities by clearly identification an objective and goals as well as applying an Environmental Impact Assessment
- Encouraging an awareness program by training and educating an environmental issue to all employees and any associated stakeholders in order to create more understanding about Climate Change, Natural Resources Preservation and Importance of negative environmental impact protection including with impact to Ecosystem and Biodiversity.
- Communicate Policy and any regulation to business partners to ensure that all service providers, contractors, suppliers and partners compliance with environmental standards and

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procedures in appropriate manners. And also have to compliance with environmental regulation and requirement that required in each country

- Disclose an operational performance in term of environment to public society into Sustainability Development Report (SD Report) or disclose in other formats depending upon an approval by top management consideration. Up to this, environmental policy will be officially signed by top management to be implemented throughout organization.
- This policy will be wholly applied to company which also discloses to acknowledge a public society for any associated stakeholders. And will be measured and verified by internal and external party. Up to this, company is strictly assumed that all employees at all level and all related business partners have to perform this policy as duties and responsibilities.

5) Covering issues under Policy Environmental policy covering all key issues as listed below

Climate Change

As a fact, climate change is a critical global agenda and having tendency that presently showing significant impact to economic, society and environment in future. Up to this regard, company strongly commits to proceed on business operations with responsibility in order to minimize an impact occurrence and providing following practices as mentioned below.

- Encourage all associated operational functions within organization to run on energy efficiency improvement, more effectiveness in the use of natural resources and developing an innovation and any new measures to minimize energy consumption as a whole.
- Increasing the proportion of using renewable energy, clean energy and supporting low carbon activities whenever feasible
- Setting up goals to reduce GHG (Green House Gases) emissions in long term and also cooperation with key partners, servicers, suppliers and business partners started from the production process through distribution and logistics as a whole chain
- Improve waste management process by means of applying 3R concept; (1) R-Reduce the use of unnecessary natural resources (2) R-Reuse more effectiveness for natural resources and (3) R-Recycle any natural resources that be able to bring it back in order to have less waste quantity to environment

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- Providing an environmental impact assessment covering through the whole value chain of key products and services
- Encourage an awareness and understanding of climate change for employee and any key stakeholders by training, sharing and cooperate campaign together.
- Responding preparedness for any natural catastrophe in order to run on business operations and minimize environmental impacts which originating from that
- Disclose an operational performance in term of climate change by passing through CDP (Carbon Disclosure Project) in part of climate change. And also reporting an update status of this program comparison with specific goals and also inform to all associated stakeholders
- Collaboration with any associate governmental authorities, NGO (Non-Governmental Organizations), education institutes, communities and others in order to solve any problems originating from climate change in national and international level

Water Stewardship

Water is one of natural resources that are essential to all living, direct effects to life and having an importance for business operations at the same time. At present, water shortage situations potentially become a severe issue throughout the world. The company also realize in this particular problem and any risks occurrence. Therefore, company prepare this procedure to ensure that is able to preserve a balance between the utilization of water and demand of water from community and nature as listed below.

- Commit to minimize any negative impacts to natural water resources to ensure that every household having a good water quality and adequate water quantity for any consumable purposes
- Promoting all business functions within organization to handle with the use of water, effectively. Providing water risk assessment and perform the best of any preservation practices and also applying any appropriate technologies to rise up the quantity of reused and recycled water
- Applying the principles that safe water supplies should be accessible and affordable for all members in community in a fair and equity manner
- Promoting collaboration between community and any associated stakeholders in water utilization and water preservation including with responding to any concerns from local community and society with transparency manners

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- Encourage an awareness and understanding of water preservation program for employee and any key stakeholders by training, sharing and cooperating campaign together.
- Disclose an operational performance of water management and reporting its outcome against with specified goals to any associated stakeholders
- Collaboration with any associate governmental authorities, NGO (Non-Governmental Organizations), education institutes, community and others in order to solve any problems about water resources management in local and global level

Ecosystem and Biodiversity Protection

The company strongly believes that preservation of biodiversity and the utilization of natural resources are one of the key responsibilities for business operation and also for all associated parties in public society.

With respect of this regard, key responding criteria are able to categorize into detail as follows.

- Participation in preserve ecosystem and biodiversity in accordance with international standard and specify goals in long term. In order to be a guideline for business operation and collaborate with any organization that involved with this issue.
- Minimize an impact for ecosystem and biodiversity throughout value chain as much as possible by means of developing value chain responsibility, promoting prevention criteria for deforestation and effective operations.
- Applying management for ecosystem as a tool for risk management and business opportunity, effectively.
- Encourage an awareness and understanding about ecosystem as well as biodiversity protection and preservation for employees and any stakeholders by training and sharing knowledge
- Providing activities campaign i.e. participation with the Convention on Biological Diversity and Participation in the Earth Summit Forum etc.
- Disclose an operational performance in term of ecosystem and biodiversity program by passing through CDP (Carbon Disclosure Project) in part of forestation. And also reporting an update status of this program comparison with specific goals and also inform to all associated stakeholders
- Collaboration with any associate Governmental Authorities, NGO (Non-Governmental Organization), education institute, community and others in order to solve any problems in national and global level

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The Environmental Policy No. SDD 005/2017 has been annulled. This new policy will be effective from 15 March 2019 onwards.

Announced on 1 March 2019

Korsak Chairasmisak
Chairman of Executive Committee