

CENTRALRETAIL

Environmental Policy

Central Retail Corporation Public Company Limited

(24 July 2023)

Environmental Policy

The Environmental Policy is the commitment of Central Retail Corporation Public Company Limited (CRC) to the laws, regulations, international standards, social responsibilities and sustainable development goals, concerning environmental issues. These issues include climate change mitigation and adaptation, energy management, air and water pollution prevention, waste management, ecosystem management, maintenance of biodiversity, and the management of natural resources.

Scope

The Environmental Policy is applied to all businesses within CRC to integrate into their operations and actions to collectively meet the environmental performance targets to reduce environmental impacts that are established in the corresponding guidelines. Operations also include relevant business stakeholders including suppliers, service providers and contractors to ensure limited environmental impacts in the value chain. The implementation of the policies will provide the opportunity for CRC to deliver superior value to customers, and ensure the viability of our planet, society, and communities for the generations to come.

Roles and Responsibilities

Roles and responsibilities to ensure implementation of Environmental Policy and practice will be distributed amongst business units and performances reported to either Executive Management or Board of Directors who have oversight of the implementation of the Environmental Policy.

- **Corporate Governance and Sustainability Committee** is responsible for overseeing compliance with and promotion of corporate governance and sustainability issues under ESG framework, including development and revision of policies, and setting of targets and strategy. The Corporate Governance and Sustainability Committee consists of at least three members of the Board of Directors, which also include the Chief Executive Officer (CEO).
- **President of The Subsidiary or Associate or Business Unit** is responsible for driving compliance with the Environmental Policy through developing and implementing effective environmental management system and practices. Executive Management and Business Unit Presidents report to the CEO on a regular basis.
- **Environmental Working Team** is responsible for monitoring environmental performance throughout the Company and for providing support to business units in implementing various environmental initiatives. The Environmental Working Team reports to the Corporate Governance and Sustainability Committee on a regular basis.

1. **Reducing greenhouse gas (GHG) emissions:** By promoting clean energy, energy conservation, and efficient use of resources to reduce greenhouse gas emission as climate mitigation action.
 - To implement low carbon practices for energy conservation, business operations and consumption patterns.
 - To ensure the uptake of low carbon technologies in buildings, equipment, and transportation with cleaner alternatives, and power generation from renewable energy sources in buildings and where it is appropriated.
 - To promote low carbon products and services, and GHGs emissions information in products' labels.

2. **Minimizing ecological footprint:** By reducing environmental impacts at every stage of operations, minimizing the use of resource inputs and the creation of waste, pollution and carbon emissions.
 - To assess and reduce the ecological footprint from the business operations, travel, energy and water use, procurement and investments.
 - To promote renewable and environmentally friendly materials, as well as sustainable procurement processes throughout the value chain.

3. **Moving towards zero waste:** By integrating the principles of "Circular Economy" through putting in practice measures opting for reusable materials in design, ending wasteful production and consumption patterns, and embracing renewables.
 - To develop a system of waste segregation with the goal to maximize the recovery of resources from wastes.
 - To reduce and phase out single-used plastic, toxic chemicals and non-biodegradable materials from the products and packaging of house brand, delivery and services, as well as to promote the substitutes that are more environmentally friendly.
 - To reduce food loss and waste in terms of prevention, recovery, and recycling.

4. **Sustainable sourcing:** By promoting sustainable sourcing and production of products and working with suppliers to promote sustainable resource management practices.
 - To promote life cycle thinking in the procurement of goods and services.
 - To support supply chains that are locally sourced, nature-based and environmentally friendly materials and products.
 - To work with suppliers in reducing the environmental impacts of our procurement and products offered to customers.

5. **Offering of eco-friendly products/services:** By reducing environmental impacts at every stage of the life cycle of our products and services offered to domestic and overseas markets.
 - To develop and offer products that contribute to environmental preservation, resource conservation and energy conservation.
 - To develop markets for repurposed and environmentally friendly products.

6. **Transitioning to sustainable transportation and distribution:** By improving the environmental performance of distribution, logistics and transport providers, and implementing sustainable transport practices across all activities with the aim of achieving the carbon reduction targets.
 - To support the sustainable mobility of employees and customers.
 - To optimize the transportation and distribution of products for cost and energy efficiency whilst ensuring that this limits environmental impacts and maintaining quality of operations and occupational health and safety for all.

7. **Advancing sustainable consumption and production patterns:** By improving customer-oriented and stakeholder communications and encouraging responsible consumption patterns and behavior regarding product use and disposal.
 - To encourage employees and customers to consider good environmental practices of their own lifestyles.
 - To support and scale up actions for all stakeholders to regenerate the environment, including to develop and implement program to have the maximum positive impact on the environment and society.
 - To promote development of innovative technologies and products that contribute to environmental preservation, resource conservation and energy conservation at CRC and for other key business partners.

8. **Due-diligence process:** Incorporate relevant environmental aspects into the due diligence, mergers and acquisitions processes. Ensure that CRC's business operations must comply with relevant environmental laws and regulations.

9. **Building environmental awareness:** Build awareness and engagement for CRC employees to gain knowledge about the importance of the environment and the environmental impact relating to business activities. Also, promote environmental conservation culture which employees can apply in their daily lives.

Continuous Improvements

CRC is committed to continuous improvement of environmental performance of business operations through setting target and objectives, implementation of environmental programs and initiatives, measurement of performance, and evaluate progress against targets. The process for continuous improvement of environmental performance is being conducted on a regular basis, which will also be communicated and reviewed by either Executive Management or Board of Directors. Importantly, CRC shall engage, communicate and provide capacity building for employees and relevant stakeholders, including suppliers, service providers, contractors, non-managed operations, joint venture partners, licenses, outsourcing business partners, etc., in understanding of the Environmental Policy and its implementation and compliance, as well as to contribute collaboratively in reducing and mitigating associated environmental impacts and risks, and in compliance with relevant environmental laws and regulations.

This Environmental Policy comes into force from 24 July 2023 onwards.

-Signed-

(Dr. Prasarn Trairatvorakul)

Chairman of the Board of Directors

Central Retail Corporation Public Company Limited