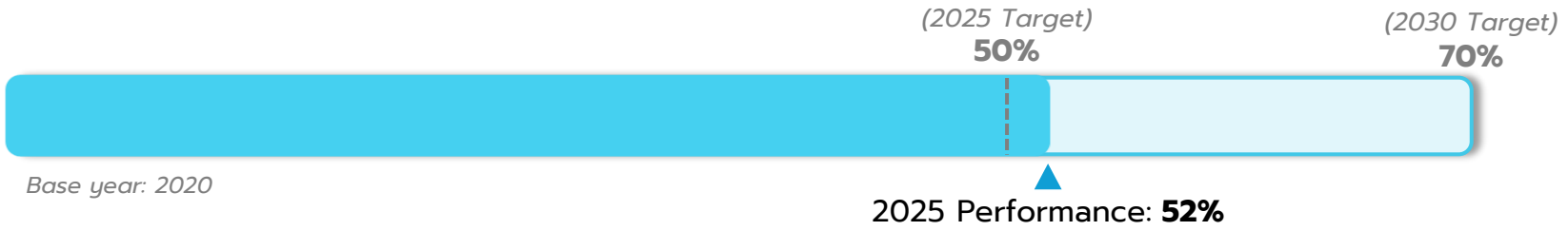
HEALTH & WELL-BEING

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



2025 Target:

50% of sales come from B2B and B2C products and services that promote health and well-being

2025 Performance:



Of Target

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

6% 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

9% of sales from non-food products and services that promote health and well-being.

Product Quality Programs

Policy: "We deliver high-quality, safe products with a steadfast dedication to consumer safety and social responsibility"

Target: 100% sites have related quality certificate and All own brand product are traceable by i-Trace by 2030

2025 Result: 100% site have certified and 100% own brand product are traceable on i-Trace

CP Axtra strive to ensure food safety and quality development through these following guideline;

Responsible Sourcing:

- purchasing, production, distribution to ensure quality and safe product and service are delivery to customer. The specification of product & service are reviewed to ensure compliance with regulation and stakeholder's expectation.
- Requirements for supplier adherence to the company's product and service quality standards are communicated and all supplier are enforced through the contract agreement, prerequisite certificate and supplier code of conduct.

Process Control: ensuring that all process will be operated and control appropriately

- 100% Internal audits of stores and DCs as annual basis
- Stores and DCs are certified ISO22000:2018 and other standards by the external party (more detail at page 4, Product Quality Program Certification)
- 100% products are inspected and non-performing are identified, segregated and controlled before deliver to customers to avoid product recalls

Personnel and Resource:

- Roles and responsibilities are clearly defined and communicated to personnel.
- Annual training related to quality management system for internal stakeholders (i.e QA, buyer, operation, delivery)
- Integration of emerging technologies to enhance product and service quality.

Customer Centric:

- Having the mechanisms in place for employee, customer and external stakeholders (i.e consumer, government, NGO, etc.) to submit complaints about defective products for better product development and decision-making.
- Utilizing data analytics to deep down customer Insights for better product development.

Traceability:

- Adopted the "i-Trace" which is block chain technology for traceability the origin and product nutrition information. The customer and end user able to find information through QR Code on packaging.









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 prior Selling

1. Accept – receive the product on self or deliver to customer
2. Or Reject the non-performing and follow product withdrawal procedure.

**** 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 No beta-agonist, growth hormones, added accelerators, formalin. The residual pesticide levels must comply with FDA requirements.









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

Product Quality Program Certification

To support farmers and partners, the Company developed the 'MIA' guidelines to ensure agricultural production meets industry standards. Through this system, users can conduct self-assessments to improve production knowledge and deliver quality products to consumers. MIA has since been expanded for internal evaluations at our distribution and retail centers ahead of official certification. Furthermore, the Company continues to implement 'i-Trace' to ensure raw material traceability and provide product nutritional data."

Up-stream: Food safety from farm	Mid-stream: Control food safety along the process					Downstream: Product traceability
	มาตรฐาน	Makro	Lotus's	Wholesale Distribution center*	Retail Distribution center**	
- Sourcing from farms that complied with Good Agriculture Practices (GAP) standard. - Qualified by "MQP" and "Selected". - Over 900 farmers and suppliers have qualified for the standards "MQP" and "Selected".	GMP (1)	166	98	2	1	- 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)	166	2	3	n/a	
	HACCP (CODEX) (3)	142	2	3	n/a	
	ISO22000:2018 Compliance Certified (4)	166	n/a	n/a	n/a	
	ISO22000:2018 Accredit Certified (5)	13	2	2	n/a	
	HALAL (6)	11	10	1	0	
	Livestock – Ok (7)	167	2,446	0	0	
	Q-Modern Trade (8)	167	0	0	0	
	Organic Shop (9)	167	0	0	0	
	TISI Shop (10)	167	226	0	0	

(1) GMP no. 420 Certified by the ISO Certification Institute (MASCI)
(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 Certified by BSI Group (Thailand) Co., Ltd.
(5) ISO 22000:2018 Accredit Certified 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
(11) TISI Shop (TIS shop standards) Certified by the Industrial Product Standards Office.
** 167 stores of wholesale business (as of December 31, 2024)*
*** 2,526 stores of retail business (as of December 31, 2024)*

Product Recalls

Target: Zero quality breach case that impact to customer and consumer's health and well being

	2021	2022	2023	2024	2025
Number of recalls issued • Own Brand • Supplier's Brand	**10** • 0 • 10	**2** • 0 • 2	**0** • 0 • 0	**0** • 0 • 0	**0** • 0 • 0
Quantity of products recalled (ton)	No Data	9.85	0	0	0
Cost impact to company	0	0	0	0	0
Corrective action	See below description	See below description	N/A (due to zero incidents)	N/A (due to zero incidents)	N/A (due to zero incidents)

During 2021-2022, the product recalls occurred from the suppliers' branded which sold in store but never occurred in own brand products. The company corrective actions by comprehensive inspection, monitor and develop the best product standard both own brand and suppliers. And implemented the digitalization platform for centralized quality inspection, approval list, product specification, lab-test result database for fasten monitoring, NC handling and decision-making process at every stores and distribution centers.

Furthermore, recall volumes and expenses are monitored as the enterprise risk and quarterly follow up to mitigate risk of liabilities. and investment costs. These continuously improvement cause to during 2023-present, there was zero breach case that caused to product recalls.

Integration of emerging technologies to enhance product quality and service

link to website: Digital Transformation | CP Axtra

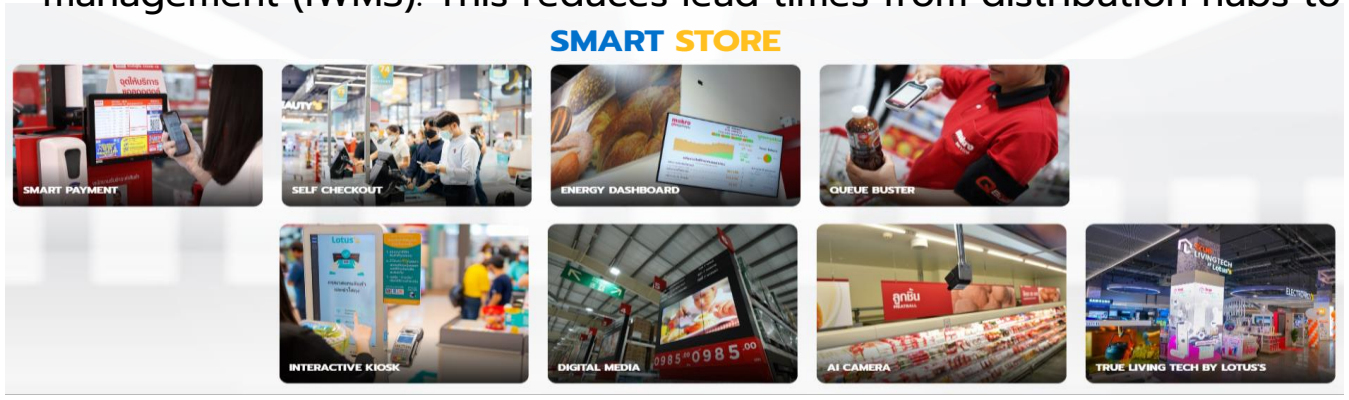
CP Axtra leverages digital transformation to create best customer experience through;

SMART STORE: Better quality of products and services

- **Demand Forecasting & Merchandising:** Partnering with Tencent Cloud, CP AXTRA utilizes machine learning to forecast demand accurately and optimize its product assortment. This minimizes stockouts of fresh food categories while remains best quality of product.
- **AI Planograms:** Collaborate with Cainiao, the company implements AI-based store layouts to optimize in-store selling and inventory placement, making popular items easier to find.
- **Own Brand Differentiation:** Data analytics allow CP AXTRA to design and expand its high-margin own brand product lines, tailoring products directly to evolving consumer health, wellness, and lifestyle preferences.

SMART APPLICATION: Better Delivery & Omnichannel Convenience. Successfully becomes Thailand's #1 grocery e-commerce platform by merging physical stores with digital convenience:

- **The Digitalized Ecosystem:** the **Makro PRO app and Lotus's SMART App** serves as a seamless B2B/B2C ecosystem. It features a tailored loyalty system and hyper-personalized customer promotions based on historical purchasing data.
- **Rapid Delivery Scaling:** By modernizing their application infrastructure, have drastically upgraded their service speed, with over 1,000 online delivery orders per day.
- **Fulfillment Innovation:** Partnered with CJ Logistics to integrate robotics, advanced fulfillment data, and smart warehouse management (iWMS). This reduces lead times from distribution hubs to stores, guaranteeing fresher products for customer.



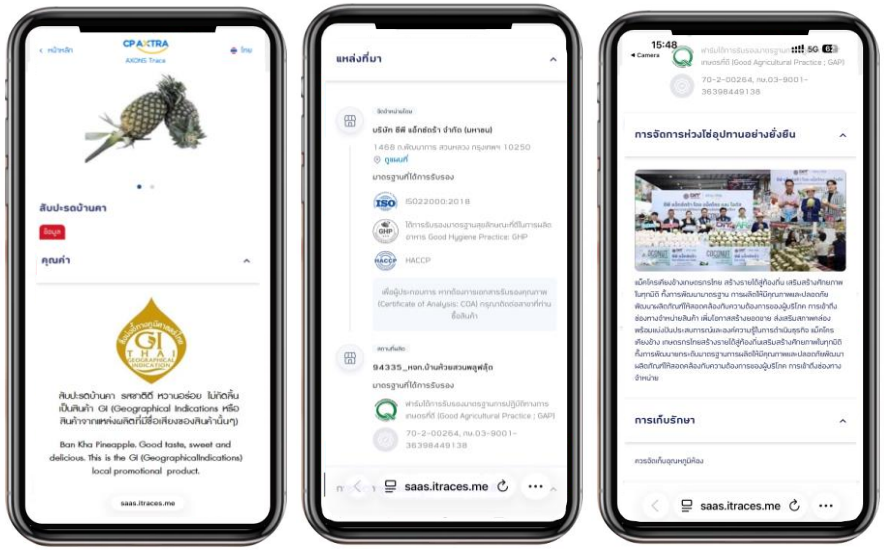


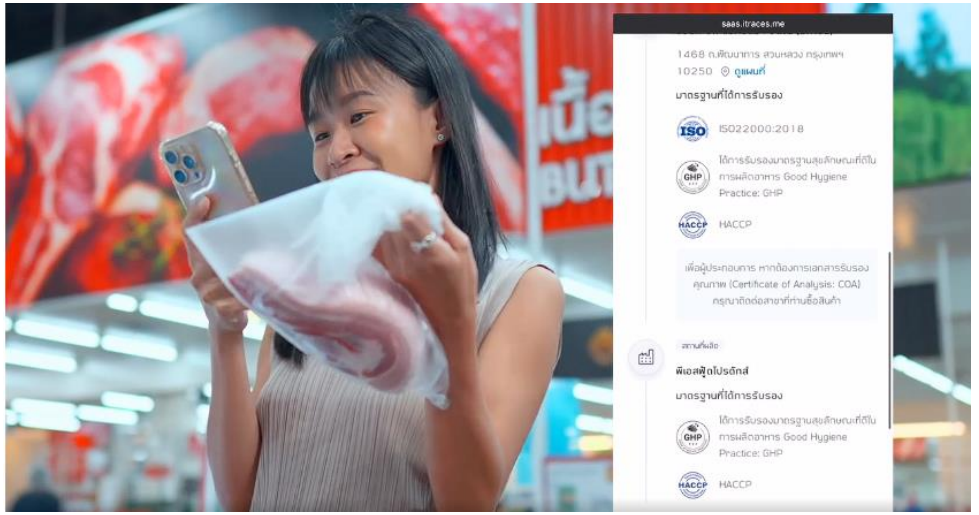
Integration of emerging technologies to enhance product quality and service

Block Chain Traceability (i-Trace)

The i-Trace system is seamlessly pairing consumer interfaced QR codes for product traceability, quality and nutrition fact. The immutable blockchain infrastructure are adapted rather than relying on easily alterable traditional databases. The system utilizes a distributed ledger where every stage of the agricultural supply chain—from initial harvest and origin data to distribution center logistics—is securely recorded and mathematically linked into tamper-proof blocks. The printed QR code functions as a transparent digital key, allowing consumers and stakeholders to instantly retrieve this unalterable product journey, which not only guarantees quality and GI (Geographical Indications) product, but also provides highly reliable primary data and prevents greenwashing , or support crucial corporate sustainability assessments like Scope 3 emissions tracking, human rights due diligence, and food loss reduction.

Example: i-Trace QR Code





Employee Capacity Development - Product Quality and Standard Requirement

“Annual Halal Training 2025 to Enhance Employee Knowledge” Project

The Company recognizes the importance of strict compliance with religious principles and food safety requirements. In collaboration with the Central Islamic Council of Thailand, the Company organized training on halal regulations and requirements for all related employees (operation, buyer, QA etc.) The training aims to integrate halal standards into supply chain management, covering every stage from raw material selection and storage to product delivery. This initiative helps build consumer confidence and improve quality of life through products and services that comply with Islamic principles, while reinforcing the Company’s image as an organization that values cultural diversity.





2025 Result:

- **130 (100%)** related employee have trained.
- **21 stores and 1 distribution center** got certified Halal Standard

Supplier Capacity Development - Product Quality and Manufacturing Standards

“CP Axtra collaborates with FDA to buildup supplier capacity”

CP Axtra, in partnership with the Thai FDA), conduct training to supplier during the annual seminar. The initiative aimed to enhance food safety standards and build consumer confidence and Requirements for supplier adherence to the company’s product and service quality standards. During the event, FDA representatives provided guidance on comprehensive product quality management, covering the entire supply chain from upstream to 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 strives to deliver high-quality, safe products that meet international standards.









2025 Result:
CP Axtra enhances the capabilities of farmers, SME partners, and community enterprises by promoting knowledge in standardized agricultural production.

- **925** agricultural products under the MQP (Makro Quality Pro), aro Gold, and Selected labels.
- **990** agricultural packing facilities to meet GMP* standards and developed. (increased 51 from last year)

“Developing Thai SMEs and Farmers in Product Standard Management“

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 60 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.






2025 Result:

- Developing over **60** small entrepreneurs and farmers in the pilot project in Saraburi and Pathum Thani provinces.

“CP AXTRA Partners with the Department of Livestock Development to Enhance Meat Quality and Standards, Support Distribution Channels, and Strengthen Traceability Systems”

The Company signed a Memorandum of Understanding (MoU) with the Department of Livestock Development to support Thai farmers by promoting fair distribution channels while enhancing product quality. This includes strengthening an integrated traceability system throughout the supply chain and certifying quality standards, with the aim of creating stability and sustainability for Thailand’s livestock industry.







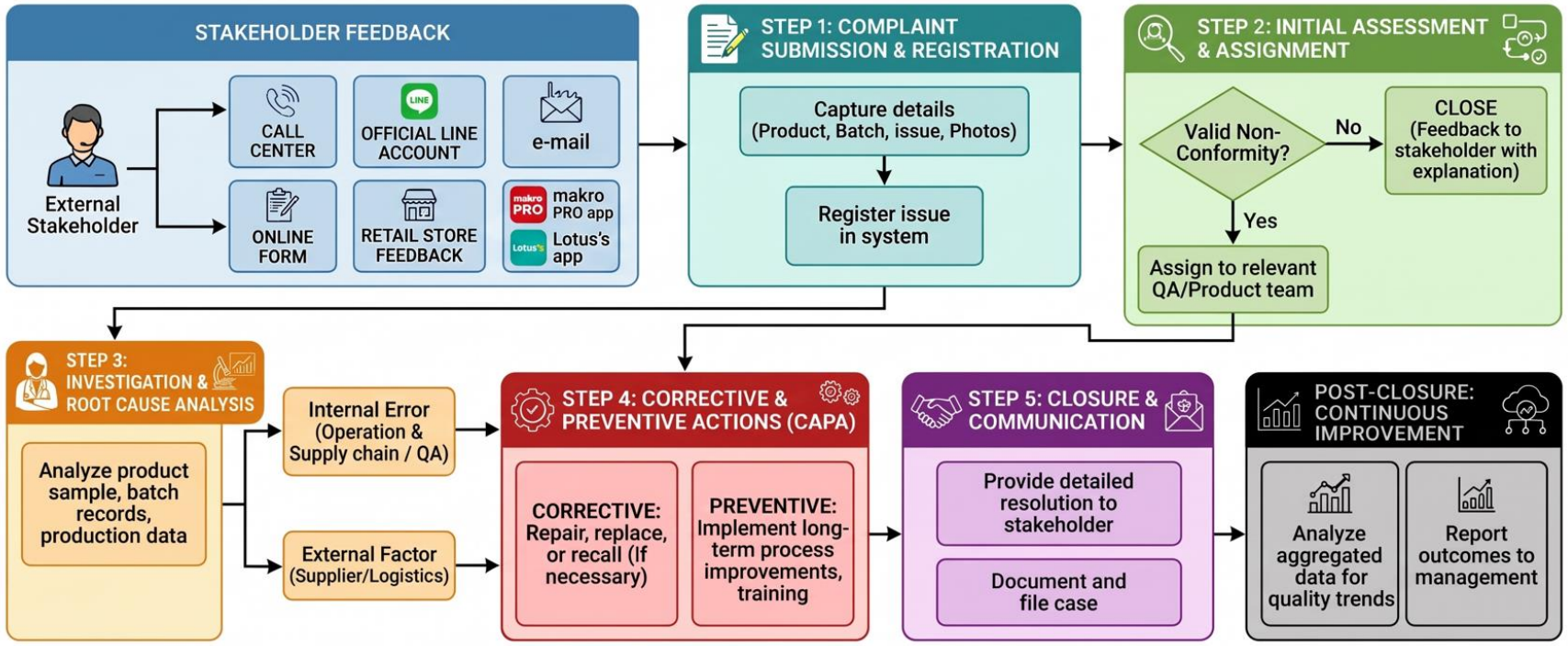


2025 Result:

- Collaborating to Develop Quality, Safety, and Product Traceability Standards to Promote and Elevate Beef Standards from Farmer Groups
- Smallholder farmers can supply products for sale at **5** Makro branches in the northern region, with the pilot area covering Chiang Mai Province.

Mechanisms in place for external stakeholders to submit complaints about non-conforming products

All complaints about defective products for better product development and decision-making. And utilizing data analytics to deep down customer insights for better product development.





☎ **hotline 1432**



☎ **hotline 1430**

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.

Long term target: By 2030, **60%** of sales comes from healthy product, **20%** from product that reduce level of fat, sodium and sugar and **30%** from fortified foods that increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals, or functional food additives.

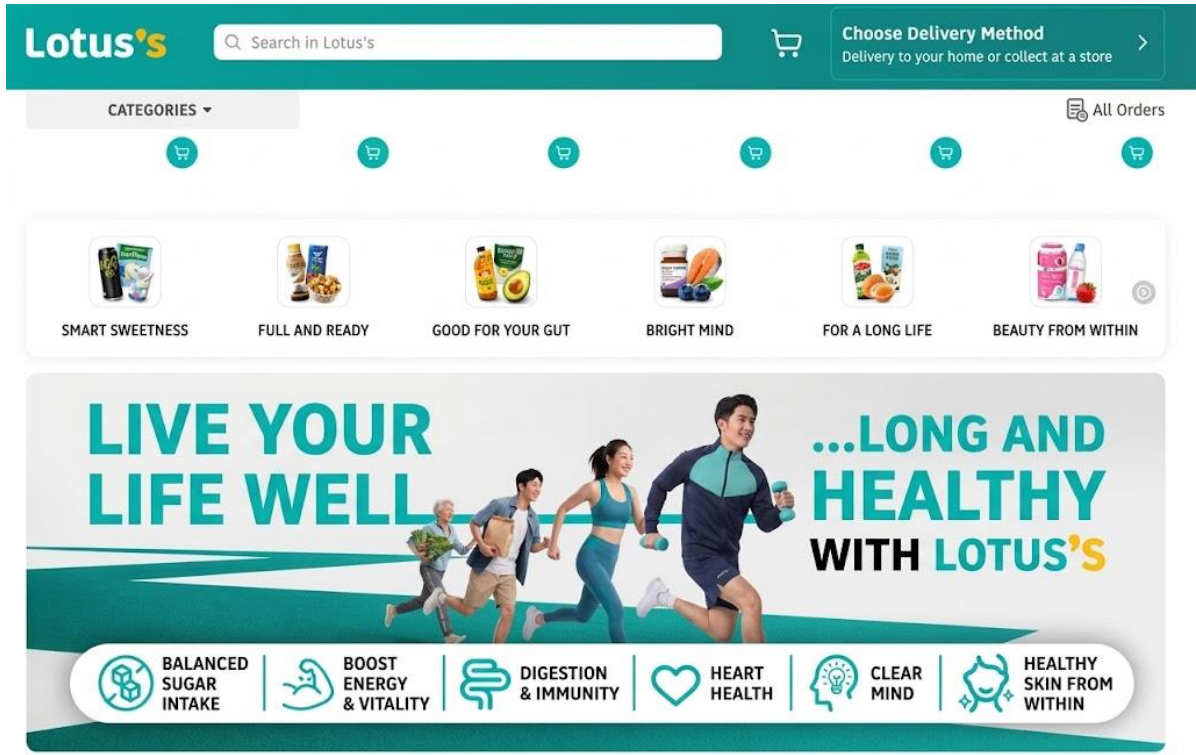
2025 Target: **54%** of sales comes from healthy product by 2030, **14%** from product that reduced fat, sodium, and sugar, **25%** from fortified foods that increased nutritious ingredients.

2025 Result: Achieved all annual targets;

57% of sales comes from healthy product

15% of sales from product that reduced fat, sodium, and sugar

25.43% of sales from fortified foods that increased nutritious ingredients



The company promotes health and well being society by

Increasing the Healthier product in store

Education health and nutrition to consumer

Health-service to Society

Reporting on Progress of Health & Nutrition Targets

The Company use of a nutritional profiling system, health & nutrition criteria aligned with external benchmarks as Thai FDA "Healthier Choice" and Health Star (HSR) with nutrition values from Mahidol University database, define healthy product must have HSR score at least 3.5 or certified "Healthier Choice".

To achieve the target of 60% sales from healthy product by 2030. The Company implemented many health & nutrition improvement program such as developing health-oriented own brand 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.

Category	Revenue (THB)					
	Target by 2030	2022	2023	2024	Target by 2025	2025
Revenue from product that reduced fat, salt, sugars	20%	8,935,562,540.67	7,561,999,436.82	9,427,294,861.72	14%	11,466,568,382.51
Total revenue of this groups		76,308,292,461.29	61,159,046,113.74	68,549,362,312.71		76,034,764,852.77
% of revenue		**11.71%**	**12.36%**	**13.75%**		**15.08%** Achieved annual target
revenue from enrich food products with beneficial nutrients such as dietary fiber, vitamins, minerals, phytochemicals, or other functional food additives.	30%	9,640,135,893.00	20,322,612,193.72	18,912,145,424.04	25%	24,058,010,328.45
Total revenue of this group		50,511,851,970.24	91,255,555,427.57	76,207,948,346.00		94,604,838,098.51
% of revenue		**19.08%**	**22.27%**	**24.82%**		**25.43%** Achieved annual target

Health & Nutrition Revenues

Category	Revenue (THB)			
	2022	2023	2024	2025
Nutrition quality rating (HRS)	121,696,547,819.00	119,033,213,679.87	128,235,134,337.27	129,957,379,339.67
Healthier Choice	18,575,698,433.60	27,884,611,630.54	28,339,440,285.76	35,524,578,710.96
Total revenue of healthy product*	140,272,246,252.67	146,917,825,310.41	156,574,574,623.03	165,481,958,050.63
Total food & beverage revenue	266,684,790,118.28	285,447,305,778.15	302,253,699,129.05	288,697,268,955.35
% of healthy products revenue	52.60	51.47	51.80	57.32
Total revenue from health and well being product & service**	163,457,958,873.19	176,574,129,564.42	190,956,640,890.98	201,472,771,503.58
Total Revenue	359,395,094,588.00	363,131,513,872.30	379,728,363,532.50	384,903,044,471.36
% Health and well being product & service Revenue	45.48	48.63	50.13	52.34

Remark:
**Food and beverage (Fresh Food, Dry Food and Beverage exclude Non-Food categories)*
***All product include Non-Food categories and Service*

Improving Nutritional Profile, Affordability and Accessibility

R&D investment to improved new formulations, reduced sugar, sodium, trans-fat and increasing essential nutrients to support better public health outcomes. Also conducting R&D 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.

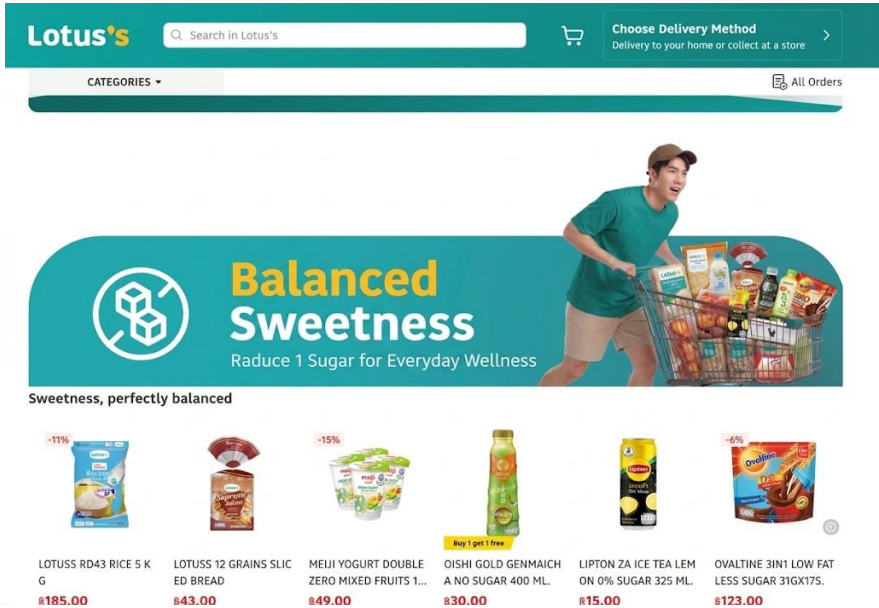
2025 Result:

Invest **11,850,000 THB/yr**, 25 own brand products are certified Healthier Choice (+5 items from last year) sales amount of these product is **161,137,360.39** THB while new 69 items of vegan, plant-based and protein products, sales amount **98,787,875** THB. The investment **20,328,000** THB for product innovations and distribution channel to reduced prices, enhanced shelf life and improve accessibility of healthy products i.e. Low-Fat Rotisserie Corner and Natural milk soft serve available at 84 stores (increased 5 stores from last year).









Products specifically aimed at priority populations

Enhancing nutritional profiles to everyone, including specialized formular that suitable for priority group as infants, young children, pregnant and lactating women, elderly, people with chronic health issues i.e diabetes, allergic or diet control. Also the low-income community, ensuring they have adequate nutritional needs with affordable price and proper diet i.e low sugar, salt, fat.

2025 Result:

The Company successfully launched product specifically for priority populations, contributing to improved access to nutritious foods for these groups. Sales amount **8,498,880,858.93** THB.



For diabetes, allergic, vegan etc





Healthier choice formular for Infants and Children



Own brand products for low-income groups

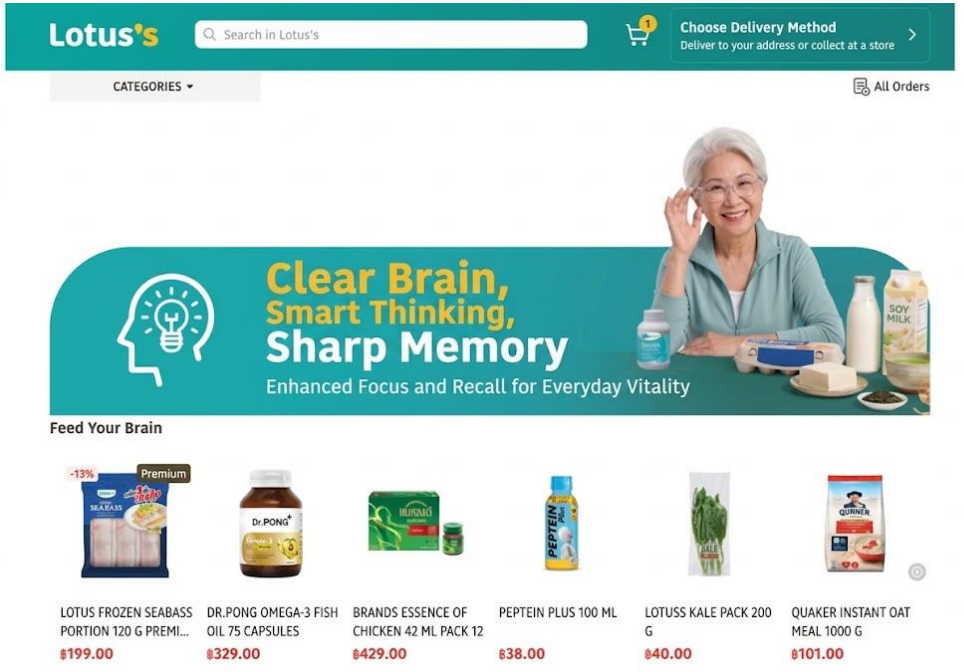
Example of Products specifically aimed at priority populations (continue)



For Pregnant and Lactating woman



For Elderly group

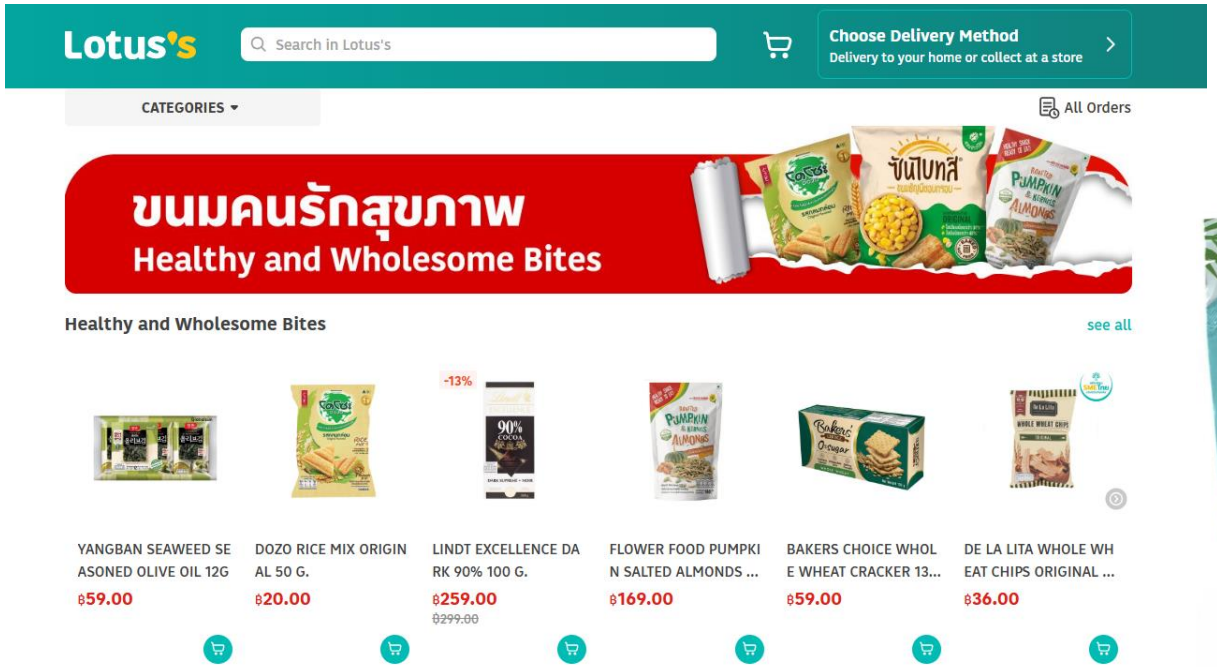


Portion-Control packaging design

The Company enhance transparency and accessibility of health-related information. The packaging design promotes healthier consumption by encouraging appropriate portion control and highlighting healthier product options. such as nutritional content, ingredients, and portion sizes, to informed and educated consumers through visuals, readable labels, and Healthier choice logo. Altogether, redesign the smaller packaging for children, add zip lock packaging or container to maintain quality for multiple serves.

2025 Result:

100% items of own brand products adopted portion-control packaging, contributing to improved consumer understanding of serving sizes and portion-based nutrition. The sales amount **598,467,453.73** THB.











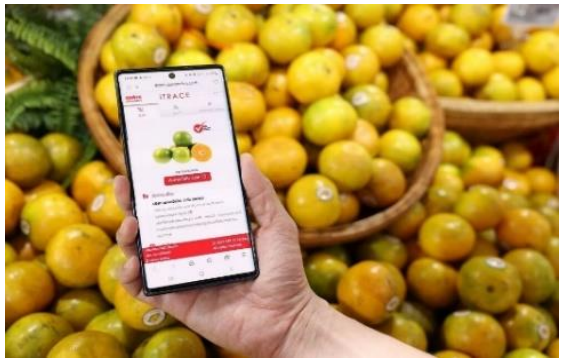
Enhancing Food Safety from Farm to Table

"Safe Oranges Save Thai Smile 12th 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.







2025 Result:

- Over **60** farmers participated covering an area of 23,000 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 2025, The Company recognized the supplier's healthier products through the "Supply Chain Sustainability Excellence Award" in the category of "Health and Well-Being" Awards at 18th Makro's HoReCa Event at Muang Thong Thani Convention Hall during 30 October-2 November 2025





2025 Result:

- **263** items are recognized increased **180** items from last year.
- The sale amount of Healthier Choice products increased **5,036,657,051** Bath compared to last year.

Partners with CheckGo Launch New Health Check-Up Service at Makro Rangsit

CP AXTRA and CheckGo by Occicare have announced a strategic partnership to launch a new health check-up service at Makro Rangsit, with plans to expand the service through a franchise model to 50 Makro and Lotus's branches nationwide by the end of 2026.This initiative is part of CP AXTRA's 2025 business goal to continuously develop its rental spaces under the concept of "A Happy Space for the Community." The spaces are designed to align with the context of each local community, strengthening CP AXTRA's role as a destination for good food and health, while advancing toward becoming a community lifestyle center that brings together a comprehensive range of products, services, and experiences to meet the needs of modern consumers who are increasingly health-conscious.







"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.





2025 Result:

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