



ESG REPORT 2024



Content

04 Corporate Governance

24 Human Rights & Labor Practices

54 Education & Inequality Reduction

62 Leadership & Human capital development

73 Cyber security & data protection

90 Health & Well-being

112 Social impact & economic contribution

129 Food security & access to nutrition

135 Innovation

142 Stakeholder Engagement

149 Climate Resilience

163 Circular Economy

181 Water Stewardship

190 Ecosystem & Biodiversity Protection

196 Responsible supply chain management

2030 SUSTAINABILITY STRATEGIES

Sufficiency Economy Philosophy	C.P. Excellence Management Approach	The 10 UNGC Principles 17 UN SDGs & UNGP	Regulations, and Standards
HEART Living Right	HEALTH Living Well	HOME Living Together	
 Corporate Governance	 Health and Well-Being	 Climate Resilience	
 Human Rights and Labor Practices	 Social Impact and Economic Contribution	 Circular Economy	
 Education and Inequality Reduction	 Food Security and Access to Nutrition	 Water Stewardship	
 Leadership and Human Capital Development	 Innovation	 Ecosystems and Biodiversity Protection	
 Cybersecurity and Data Protection	 Stakeholder Engagement	 Responsible Supply Chain Management	

CORPORATE GOVERNANCE

Target and Performance

Long term target by 2030: The company has set a long-term target to pass corporate governance assessments every year, by a recognized institution.



2024 Performance: Achieved the 2030 target, the Company has passed Thai Listed Companies Corporate Governance Assessment from Thai Institute of Directors (IOD) by receiving an **"Excellent"** (5-stars) rating for the 7th consecutive year.



100% Corporate Governance (CG) policies are updated, communicated, public disclosed and implemented.

100% ESG risks are integrated in the Organizational risks.

100% Board of Director are trained Code of Conduct and Anti-corruption as annual basis

100% Executive, Manager and Employee are trained Code of Conduct and anti-corruption as annual basis

100% Monitor non-compliance, enforcement action, penalty and reporting periodically

100% Whistleblowing cases are investigated and corrected

Opportunities and Challenges

To attain business growth on the path of sustainability, the Company emphasizes Corporate Governance (CG), building on an anti-corruption culture, managing risks across the organization, preparing organizational competition readiness, and expanding long-term business opportunities.

Policy and Management Approach

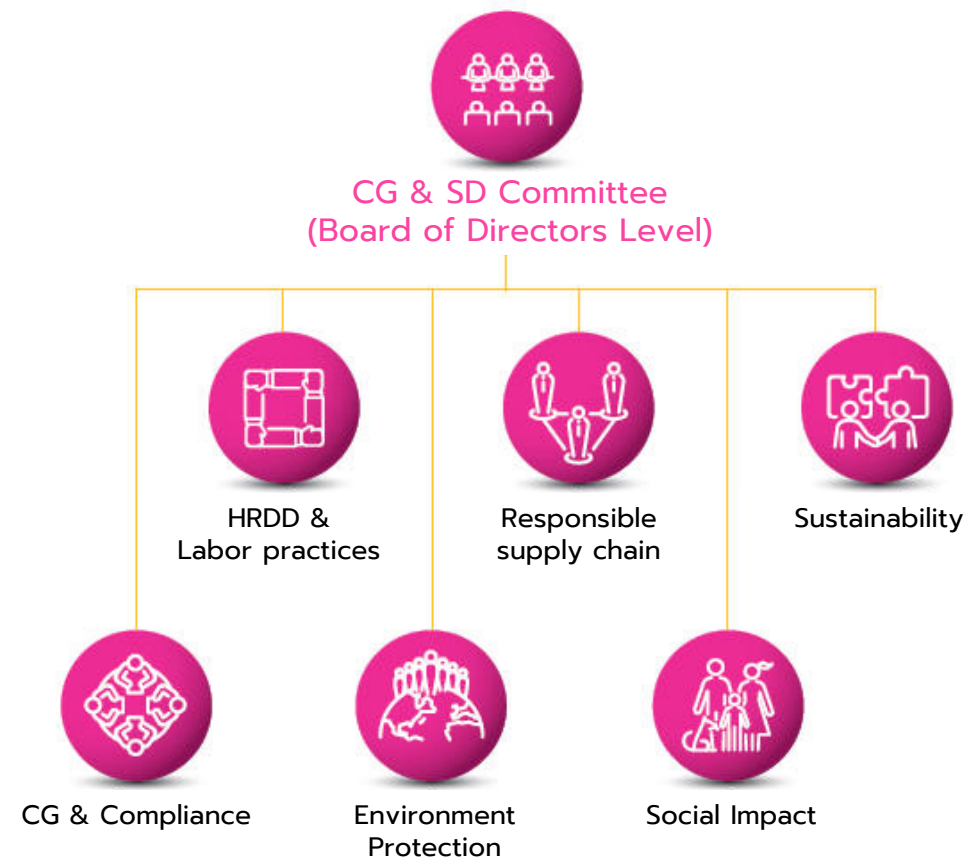
The company implements Zero tolerance policy and guidelines of the Corporate Governance (CG) and Business' Code of Conduct Manual in Thai, English, and Cambodian for a thorough understanding of executives, employees, and Company's representatives alike, to be applied as duties and responsibilities. All personnel must sign, acknowledge and strictly comply with the guidelines in the manual, to achieve Company's goals while maintaining the highest level of the Business' Code of Conduct.

See more ****[Policies and Corporate Document](#)****

Corporate Governance & Sustainable Development Committee

The company has announced the CG & SD Committee to oversee the efficiency and effectiveness of sustainability performance throughout the organization. The committee consists of senior executives from all departments related to economic, social and environmental aspects, responsible for setting targets, action plans to monitor performance and assigning the working teams to implement and drive the action plans to achieve 2030 sustainability strategies.

See more [*****Appointment of the Sustainability Development Committee*****](#)



Action and Result

Code of Conduct management system

Strategies	Description and 2024 performance
Policies and guidelines with clear responsibility and accountability	• Corporate Governance and Code of Conduct manual • Guideline for Fair Trade Practice and Treatment of Business Partners under Fair Trade Competition • Anti-Corruption policy • Supplier's Code of Conduct
Code of Conduct Monitoring Process	• Complaints are screened, investigated, resolved, and remediated • 100% of complaints are fully investigated within two weeks • 100% of investigation outcomes are reported to the Audit and Risk Management Committee (Board of Directors level) on a quarterly basis
Consultancy Hotline / Advisory	• Education & Consultancy channel within CG Journal (quarterly basis) • Whistle Blowing and issuer protection
Training & Communication	• 100% of Board of Director are trained Code of Conduct and Anti-corruption as annual basis • 100% of Executive are trained Code of Conduct and Anti-corruption as annual basis • 100% of Manager are trained Code of Conduct and Anti-corruption as annual basis • 100% of Employee are trained Code of Conduct and Anti-corruption as annual basis • 100% of Supplier are trained and acknowledged the supplier's CoC manual
Motivation & Disciplinary	• Compliance link to employee remuneration. • CoC compliance are integrated to Employee performance & Promotion. • Disciplinary action of breach case as Company's Rules Manual
External verification	• Certificate by IOD - supported by The Stock Exchange of Thailand (SET) – rated "Excellent" (5-stars) for the 7th consecutive year. • Certification of CAC for Anti-corruption change agent

Trained and Communicated on Code of Conduct & Corporate Governance & Anti-Corruption Policy



Board of Director



Management-level



Non-management level,
operational
officers and staffs



New employees



Business partners acknowledge
the anti-corruption policy through
the Supplier's Code of Conduct.

Partnerships to Drive Sustainable Development

Since 2020, the Company has committed to the ten principles UN Global Compact (UNGC) to support human rights, labor practice, environment, and anti-corruption, as well as collaborating with the World Business Council on Sustainable Development (WBCSD). In 2021, the Company also endorsed the Women's Empowerment Principles (WEPs) to advocate workplace policies and practices that promote gender equality, enhancing sustainable performance in the process. And, in 2023 the Company participated in CDP - climate reporting ([cdp-report-en.pdf](#))

Membership of Associations in 2024

The Thai Chamber of Commerce (TCC)	Netherlands Thai Chamber of Commerce
The Personnel Management Association of Thailand (PMAT)	The Global Compact Network Thailand (GCNT)
The Thai Listed Companies Association (TLCA)	World Economic Forum
The Thai Institute of Directors Association (IOD)	Thailand Carbon Neutral Network
The Thai Retailers Association (TRA)	Italian Chamber of Commerce
Thai Rice Packers Association	Thai Frozen Foods Association
The Federation of Thai Industries (FTI)	World Business Council for Sustainable Development
The Regulatory Affairs Pharmacy Association (Thailand) (RAPAT)	Kanchanaburi Tourism Association
Thai-Russian Chamber of Commerce	CDP (Carbon Disclosure Project)
Asia-Pacific Economic Cooperation	

Association Membership Fees

Association	2020 (Baht)	2021 (Baht)	2022 (Baht)	2023 (Baht)	2024 (Baht)
Lobbying, persuasion, or similar activities	0	0	0	0	0
Local, regional, or national political campaigns / associations / candidates	0	0	0	0	0
Trade associations or tax-exempt groups (e.g., expert groups)	248,988.85	1,028,817.14	1,048,253.77	1,797,483.76	1,867,682.38
Others (e.g., spending on voting or referendum measures)	0	0	0	0	0
Total	248,988.85	1,028,817.14	1,048,253.77	1,898,816.26	1,980,708.38
Climate disclosure – CDP	0	0	0	101,332.50	113,026

Top 3 Spending of Sustainability Membership Fee

No.	Association	Description	Contribution (Baht): fiscal year 2024
1	The Global Compact Network Association (GCNT)	The world's largest sustainability development network drives strategic actions through broader social goals focusing on partnership building and innovative developments. It lays strategic operational groundwork under the ten principles of the UN Global Compact, covering four key areas: anti-corruption, environmental protection, labor practices and human rights.	700,000
2	The World Business Council for Sustainable Development (WBCSD)	The global organization as a community of around the world over 200 leading business CEOs to promote and create a sustainable in terms of economic, social, and environmental aspects. The council works on several related issues in attaining the 17 Sustainable Development Goals (SDGs).	373,792.50
3	Thai Chamber of Commerce (TCC)	The intermediary institute promotes enterprises and collaborates between business entities, traders, the private sector, and the Thai government under the Chamber of Commerce Act 1966.	23,635.21
Total			1,097,427.71

Trade Associations and Lobbying - Climate Alignment

Target Carbon Neutral by 2030 and Net Zero by 2050, collaborate with i.e Thailand Carbon Neutral Network. This covers all jurisdictions where operates trade associations and lobbying activity. The management system in place with executive's accountability. The SD committee conduct quarterly review and monitor. The head of operation, logistic and construction lead the actions. The result are verified by external auditor and publicly available on website of [TCNN](#)



Whistleblowing

The company recognizes the importance of whistleblowing and complaints, so we have established a Whistleblowing Policy. This policy serves as a tool to prevent potential damage to our company's assets and reputation. It encourages both our staff and all internal and external stakeholders to report any practices that conflict with or are suspected of violating laws, regulations, ethics, or rights. This helps ensure we conduct business correctly and transparently, treating all stakeholders fairly in line with good corporate governance principles and international standards. All whistleblowing reports and complaints are processed through an independent third party, ensuring complete confidentiality while allowing complainants the choice to submit their reports either anonymously or with their identity disclosed.

See more [***Whistleblowing***](#)

See more [***Whistleblowing Policy***](#)

Channels for Complaints and Whistleblowing

Mail to:

Chairman of the Board / Chairman of the Audit Committee / Group Chief Executive Officer / Head of the Internal Audit Department

CP Aextra Public Company Limited.

1468 Phatthanakan Road, Phatthanakan subdistrict Suan Luang District, Bangkok 10250

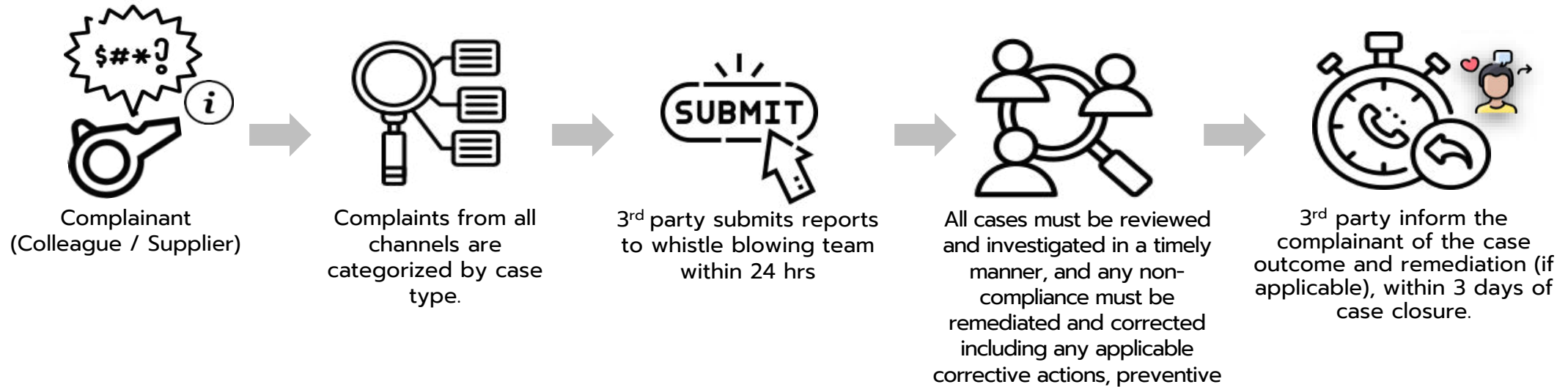
Email: cgooffice@cpaxtra.co.th

Toll-free: 1800019099 (Everyday 08:00 hrs. to 19:00 hrs.) *operated by an independent 3rd party*

Fax: 0-2067-9119

Complaint Management and Remediation Process

Whistleblowing Process



Reporting of Breach Cases

Reporting on Code of Conduct breaches

Reporting on Code of Conduct breaches	Issued case	Makro	Lotus's (Thailand)	Lotus's (Malaysia)	CP Aextra	Confirmed	Under Investigation	Management Measure					
								Verbal Warning	Written Warning	Training	Suspension / Transfer	Legal action	Dismissal /Resigned
Breach category	Case												
• Conflict of Interest : COI	Case	3	0	0	3	3	0	1	-	-	2	-	-
• Money Laundering / Insider Trading	Case	0	0	0	0	0	0	-	-	-	-	-	-
• Corruption	Case	0	0	0	0	0	0	-	-	-	-	-	-
• Fraud & Bribery	Case	8	38	3	49	24	12	1	7	-	-	3	13
• Misconduct	Case	37	108	0	145	85	17	24	25	11	6	-	19
• Customer Privacy	Case	0	0	0	0	0	0	-	-	-	-	-	-
• Discrimination	Case	13	73	0	86	42	9	10	9	18	1	1	3
• Harassment	Case	28	94	21	143	82	10	27	19	31	-	-	5
• Sexual Harassment	Case	1	2	0	3	2	0	1	-	-	-	-	1
Fine & Penalty	Baht	-	0	-	0	0	-						
Closed Action of Substantiated cases	%	100											
Correction	%	100											

Reporting on Community, Social & Environmental breaches

Description	Unit	Total	Makro	Lotus's
Beaches case	Case	0	0	0
Fine & Penalty	Baht	0	0	0
Closed Action of Substantiated cases	%	-	-	-
Correction	Compensation for construction-related damages paid to those affected			

Corporate Governance in Actions

'AXTRA CG DAY 2025: Good Governance for Sustainable Growth

CP Axtra reinforced the commitment to corporate governance by hosting **"AXTRA CG DAY: Good Governance for Sustainable Growth"** on July 16, 2025, at CP AXTRA Head Office. The event underscored the company's dedication to embedding strong governance principles as the cornerstone of its business operations while cultivating a culture of transparency, accountability, and fairness across all stakeholder relationships.

The company continues to foster good governance as part of its organizational DNA, systematically integrating governance principles across all work processes—from head office to its extensive network of stores nationwide. This approach ensures that true sustainability begins from within and extends outward to positively impact the broader community.

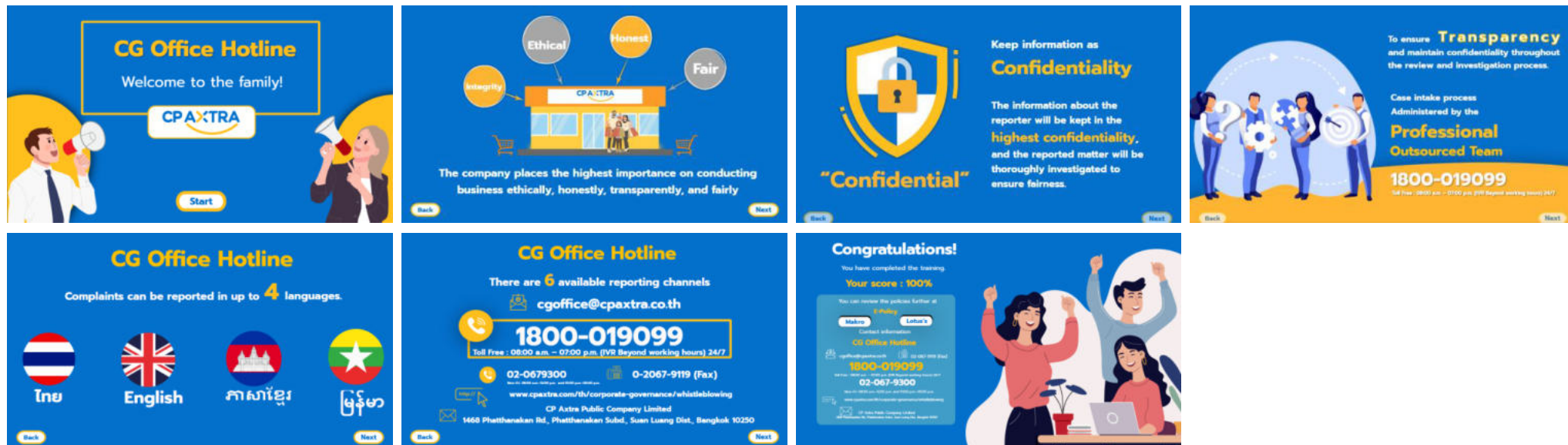
The event demonstrated strong commitment from every organizational level, with attendance from CP AXTRA's Board of Directors and executives, led by Mr. Suphachai Chearavanont, Chief Executive Officer of Charoen Pokphand Group and Chairman of CP AXTRA's Board of Directors. Employees from head office and over 2,600 Makro and Lotus's stores nationwide participated both in-person and online. The event also welcomed media representatives and honored guest Ms. Sineenart Chamsri, Senior Vice President of Corporate Sustainability Development at the Stock Exchange of Thailand, reinforcing the shared commitment to governance excellence.



Corporate Governance in Actions

Annual Whistleblowing Training

The Company conducts mandatory annual whistleblowing training for all employees to reinforce our commitment to maintaining the highest standards of ethical conduct and encouraging a speak-up culture in the organization. This comprehensive training ensures that all colleagues understand their rights and responsibilities regarding the reporting of misconduct, illegal activities, or unethical behavior within the organization, while actively encouraging them to voice concerns when they witness wrongdoing. By providing clear guidance training on how to identify potential issues, navigate the reporting process, and understand the protections available to whistleblowers, this training encourage employees to step forward and speak up. We believe that every employee has a vital role in safeguarding our organization's integrity by promptly reporting concerns, no matter how minor they may seem. The annual training ensures compliance with regulatory requirements, and maintaining stakeholder trust.



Risk & Crisis Management

Risk Governance



Risk Management Process

To increase the opportunity to achieve the business goals, reduce the chance of the organization’s risks or negative impact on stakeholders occurring in terms of corporate governance, society, and environment. The Company therefore gives importance to the risk management system and implements it throughout the organization with 4 steps operational strategy as follows:

Strategy	Detail and 2024 Performance
Risk review	• 100% of departments are assessed the risk • 100% risk are review exposure • 100% Risk appetite • 80% mitigation plan are completed
Sensitivity analysis and stress testing	• 25% financial risk • 25% non-financial risk
Report progress committee	• 100% risk are quarterly reporting to Audit and Risk Management Committee (Board of Directors Level) • 100% review meeting are conducted as quarterly basis
Audit risk management process once a year	• 100% internal audited

Risk Culture & Motivation Program

Strategy	Detail and 2024 Performance
Risk management training program	• 100% Board of Directors, All Non-Executive Directors, Top Management, and Managers trained the Compliance and Risk Management course as well as being communicated on risk management • 100% employees trained in “Risk management on cashier job” 
Risk management metric link to incentive	• 100% Top Management Level • 100% Promotion to Manager
As KPI for annual performance evaluation and financial incentives	• 100% Top Management Level • 100% Middle Management Level • 100% First Level Management Level
Incorporate risk criteria in development of new products and services approval	• 100% New business passed risk criteria • 100% Own brand product passed risk criteria
Continuous improvement	Followed up in Audit and Risk Management Committee every quarters and reviewed annual plan continuously
The risk culture survey	• 100% Risk champion participate the questionnaire survey • 100% Result and feedback are reviewed for improvement

Tax Strategy & Governance

The company commits to comply with all tax laws and regulations in its countries of operation and not to use secrecy jurisdictions or so-called "tax havens" for tax avoidance. The adoption of a formal tax policy serves to guide company practices and provide investors, regulators, and other external stakeholders and disclosures 2-years comparative information as below and also within the financial statement in this report.

Parameters	2022	2023	2024
Number of employees (Person)	71,591	64,645	73,268
Revenue (Baht)	469,131,439,242	489,949,167,345	512,041,888,147
Profit (Loss) before tax (Baht)	10,410,668,467	11,133,839,204	13,570,923,194
Income tax accrued (Current year) (Baht)	951,189,844	971,087,422	1,079,071,579
Income tax paid (Baht)	3,635,698,357	3,345,399,017	2,901,796,214
Earnings before Tax (Baht)	10,410,668,467	11,133,839,204	13,570,923,194
Reported Tax (million Baht)	2,728,827,225	2,534,760,158	3,026,147,516
Cumulative acceptable adjustment	0	0	0
Cash Taxes Paid (Baht)	3,635,698,357	3,345,399,017	2,901,796,214

Primary activities	Names of all the resident entities:
Wholesale Business(Makro)	Makro ROH Company Limited, ARO Commercial Company Limited, Makro (Guangzhou) Food Company Limited, Guangzhou Huadu Makro Food Supermarket Company Limited, CP Wholesale India Private Limited, Makro (Cambodia) Company Limited
Foodservice	Siam Food Services Limited, Indoguna Vina Food Service Company Limited, Indoguna (Cambodia) Company Limited, Indoguna (Singapore) Private Limited, Indoguna Dubai Limited Liability Company, Indoguna Lordly Company Limited, Just Meat Company Limited, Maxzi The Good Food Restaurant & Cafe Limited Liability Company, Maxzi Global FZCO, Indoguna Muscat Limited Liability Company
Retail Business (Lotus's)	C.P. Retail Development Company Limited, Lotus's Store (Thailand) Company Limited, Lotuss Stores (Malaysia) Sdn Bhd, Ek-Chai Distribution System Company Limited, Lotus's Mobile (Thailand) Company Limited, Retail Properties Company Limited, Lotus's Money Service Company Limited, Synergistic Property Development Company Limited, Sukhumvit Mixed-Use Company Limited, Sukhumvit Living Company Limited, Lotus's Retail Growth Freehold and Leasehold Property Fund

HUMAN RIGHTS & LABOUR PRACTICES

Target and Performance

Long term target by 2030: 100% of business groups conduct annual human rights impact assessments for high-risk organizational activities and direct suppliers.



2024 Performance: Achieved the 2030 target, 100% completing the annual human rights impact assessment for the organization and its suppliers.



- 100%** own operation and value chain was reviewed the human rights impact assessment
- 100%** Salient issued are identified and corrected
- 100%** employee and critical vendor (both tier 1 and non tier 1) are trained the human rights & labour practice policy
- 100%** of tier 1 suppliers are committed to follow the human rights & labour practice policy
- 100%** high risk supplier and vendor are onsite audited and **100%** closed the corrective action

Opportunities and Challenges

Recognizing diversity and respecting the rights of others are essential for any community. Whenever inappropriately communicated and managed can cause the business' operational risk. The Company respects human rights and labour practices in all operations, promoting equality, non-discriminatory and workplace occupational health & safety. This includes preventing human rights violations and protecting the person from discrimination and harassment.

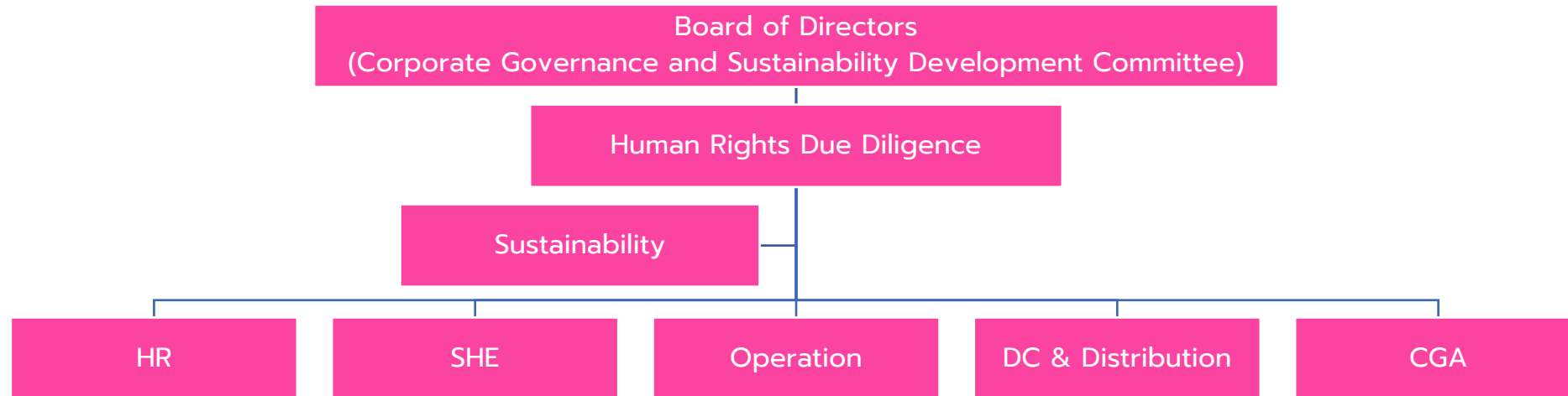
Policy and Management Approach

The company respects human rights and labour practices, such as the Universal Declaration of Human Rights (UDHR), the UN Global Compact, the UN System Code of Conduct, the UN Guiding Principles on Business and Human Rights (UNGPs), and the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO), including regulation in all countries where business is operated. The company regularly reviews human rights due diligence and communicates the human rights policies and labour practices to stakeholders.

See more [****Policies and Corporate Document***](#)

Human Rights Due Diligence Working Team

The Human Rights Due Diligence (HRDD) working team to review and driven the policy compliance to the global standard and drive the result performance in human rights, labour practice, occupational health, and safety to be effective within the organization, and among the supply chain and quarterly update the progress to SD steering committee.



Human Rights and Labour Practices Policy

CP Aextra Public Limited Company (the “Company”) is committed to respecting fundamental human rights and Labor practices with continuous effort to operate the business sustainably through employees, customers, suppliers, and other stakeholders along the supply chain. The Company aims to protect human rights against discrimination & harassment and also provide equal opportunity for capability development.

The Company respects fundamental human rights and Labor practices in every country where the Company operates and adherences to follow international principles and practices such as the Universal Declaration of Human Rights: (UDHR), the Ten Principles of the United Nations Global Compact (UN Global Compact), UN Guiding Principles on Business and Human Rights (UNGPs), Declaration on Fundamental Principles and Rights at Work and International Labor Organization (ILO).

To prevent any form of negative impact on, or violations of human rights, associated with the Group’s operations, products and services throughout the value chains with the guideline practice for.

Respect for Human Rights	Labor Practices Guideline
• Civil and Political Rights • Economic, Social, and Cultural Rights • Gender Rights • Zero Tolerance for harassment and sexual harassment • Community Rights • Human Rights in the Supply Chain • Rights to Land and Natural Resources • Personal Data Privacy Rights	• Working Hour, Payment and Fair Treatment • Human Trafficking & Forced Labour • Child, Female and Pregnant, Elderly, Disabled and Migrant Workers • Freedom of Association and Right to Collective Bargaining • Rights to a Decent Working Environment, • Access to Clean Water, and Sanitation and Clean Air • Training • Whistleblowing

This policy applies to the business operation of CP Aextra Public Limited Company and its subsidiaries, own operation and supply chain including supplier, vendor, and partners.

Human Rights Due Diligence Process

Policy Commitment	• Periodically review and update policy to comply with regulation and requirement. • Announce the Human Rights Due Diligence working team which is responsible for reviewing policies to ensure alignment with international standards, as well as driving tangible outcomes in human rights, labour practices, and occupational health and safety—both within the organization and throughout the supply chain. Performance results are presented quarterly to the Sustainability Development Committee.
Embedding	• Conduct training to all employees and add it to the new employee orientation programs. • Enforce policies and guidelines by integrating them into employee remuneration and performance evaluation criteria.
Identify & Assess Human Rights Risk	• Identify and assess risk in all our own operations at least every 2 years or whenever a new business unit is merging, acquiring, or a JV or new facility is opening or any change in process that has a potential impact on human rights. • Identify and assess all tier 1 suppliers and vendors at least every 3 years. • Identify and assess all new suppliers, contractors and vendors.
Integrating to Risk Map	• All salient issues are reviewed and integrated into the Enterprise risk management process (ERM). • Define the root cause and proper action.
Tracking Performance	• Monitor performance on a quarterly basis in the SD steering committee and Risk steering committee. • Follow-up action and performance of high-risk suppliers in every quarter.
Validation by third party	• External audit (see assurance report).
Stakeholder Engagement	• Engage during human rights impact assessment and onsite audit. • Supplier development program. • Disclose performance in The Company's Annual Report.
Remediation and Grievance Mechanism	• Develop a rights-based approach for complaints channels. • Determine the remediation for salient issues.

Human Rights Assessment

In 2024, The Human Rights Due Diligence committee conducted the Human Rights Risk Assessment (HRRA) to review the potential risk that related to our operation including new business and operation which is retail business unit, migrant worker in store operation and potential impact to rights of indigenous people. The 16 concerned issues are identified, 7 Silent Human Rights Issues. 2,663 sites implement the mitigation plan (include 167 sites which breach case occurred). These salient issues are reviewed the root cause and periodically follows up on the correction and remedial action for every significant salient issue.

Category	% of total assessed in last three year	% of total assessed where risks have been identified	% of risk with mitigation actions taken
Own operation	100	100	100
Supplier, Contractor & Vendor	95.42	100	100
Joint ventures	100	100	100



Salient issues have been Identified, assessed and closed all mitigate action



Breach cases are investigated and remediated



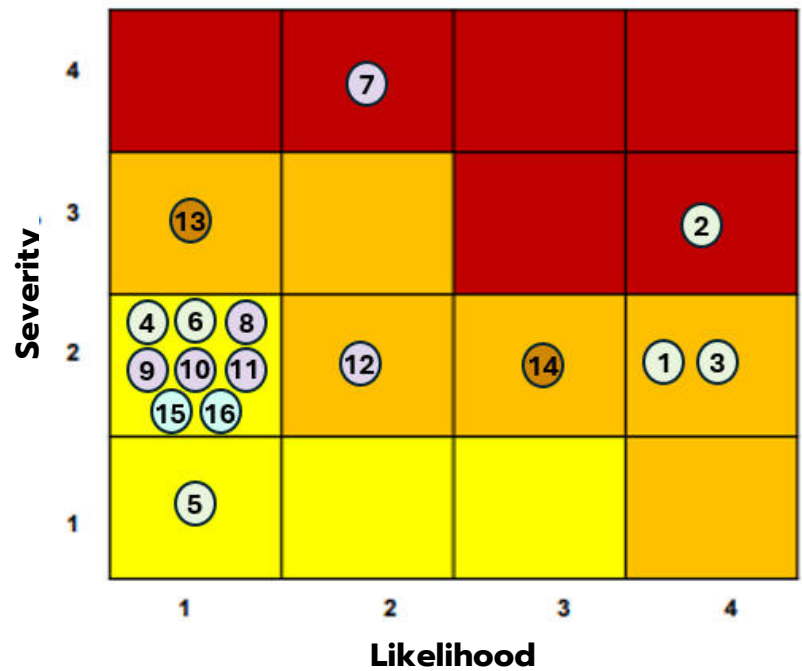
Employee are trained basic human rights in workplace



Supplier and vendor are trained the human rights and labour practice policy

2024 Result of Human Rights Assessment

The **16** concerned issues are identified, **7** Silent Human Rights Issues. 2,663 sites implement the mitigation plan (include 167 sites which breach case occurred). These salient issues are reviewed the root cause and periodically follows up on the correction and remedial action for every significate salient issue.



# Human Rights Issues	
Employee Practices	
1	Working Condition
2	Occupational Health and Safety
3	Discrimination and Harassment Including Equal Remuneration
4	Illegal Forms of Labours
5	Freedom of Association and Right to Collective Bargaining
Supplier and Contractor Practices	
6	Working Condition
7	Occupational Health and Safety
8	Discrimination and Harassment
9	Illegal Forms of Labours
10	Unfair Vendor Treatment in Procurement Process

Community Practices	
11	Health and Safety
12	Standard of Living
Customer Practices	
13	Health and Safety of Customers (Food Safety & Well-being)
14	Discrimination and Harassment
15	Data Privacy Cybersecurity
All Right Holder	
16	Security Management/ Security Forces

2024 Significant Human Rights Salient Issue and Mitigation

Salient Issue	Potential Impacted Group	Risk Level	Mitigation Action and Result
Health & Safety	Employee Delivery Contractor Community	High	- Announce the Life Saving Policy and compliance audit at site. 100% conduct defensive driving training and testing for all transportation vendor. 100% onsite human rights and safety audit to all high-risk vendors and 100% closed the corrective action request
Discrimination and Harassment	Migrant worker Supplier Contractor	Medium	100% migrant worker received training and development opportunity equality to local employee. 100% vendor has trained nondiscrimination, diversity and inclusion during annual vendor engagement meeting. 100% employee manual and related form, document or sign board are updated to cover all migrant worker
Equal Remuneration and Standard of Living	Migrant worker Female employee Indigenous worker	Medium	100% review migrant worker are paid and welfare equality. - Completed third-party audit for gender equity payment. 100% living wage review for staff including migrant worker and indigenous worker
Working Condition	Employee Supplier & Contractor	Medium	Prohibit the excessive working hours to comply with regulation and monitoring to reduce the excessive working hours
Forced Labour, Child Labour and Illegal Form of Labour	Employee Supplier & Contractor Children	Medium	- All worker including supplier and vendor are prohibited to use the force labor, child labor and any illegal form of labor - Onsite audit the supplier and vendor to verify all migrant worker are strictly follow the labor regulation.
Food Safety & Well Being (New)	Customer Local community Indigenous people	Medium	- Reinforced the product quality assurance program - Enhance the selling of Health promoting product to customer which the result has increased 3% compared to last year. - Provide health promoting activity for community i.e. Health check-up, Breast cancer screening, Aerobic dance - Support local cultural festivals around the year
Sexual Harassment	Employee Female worker Indigenous worker	Medium	100% of beach case are investigated, corrected and 100% completed the remediation within 2 weeks. 100% employee are trained and acknowledged sign for the Zero tolerance sexual harassment and harassment and the punishment in employee CoC document. 100% employee are trained and acknowledged sign for the Zero tolerance sexual harassment and harassment and the punishment in employee CoC document. 100% employee including migrant worker are refresh trained the whistle blowing channels as annually basis

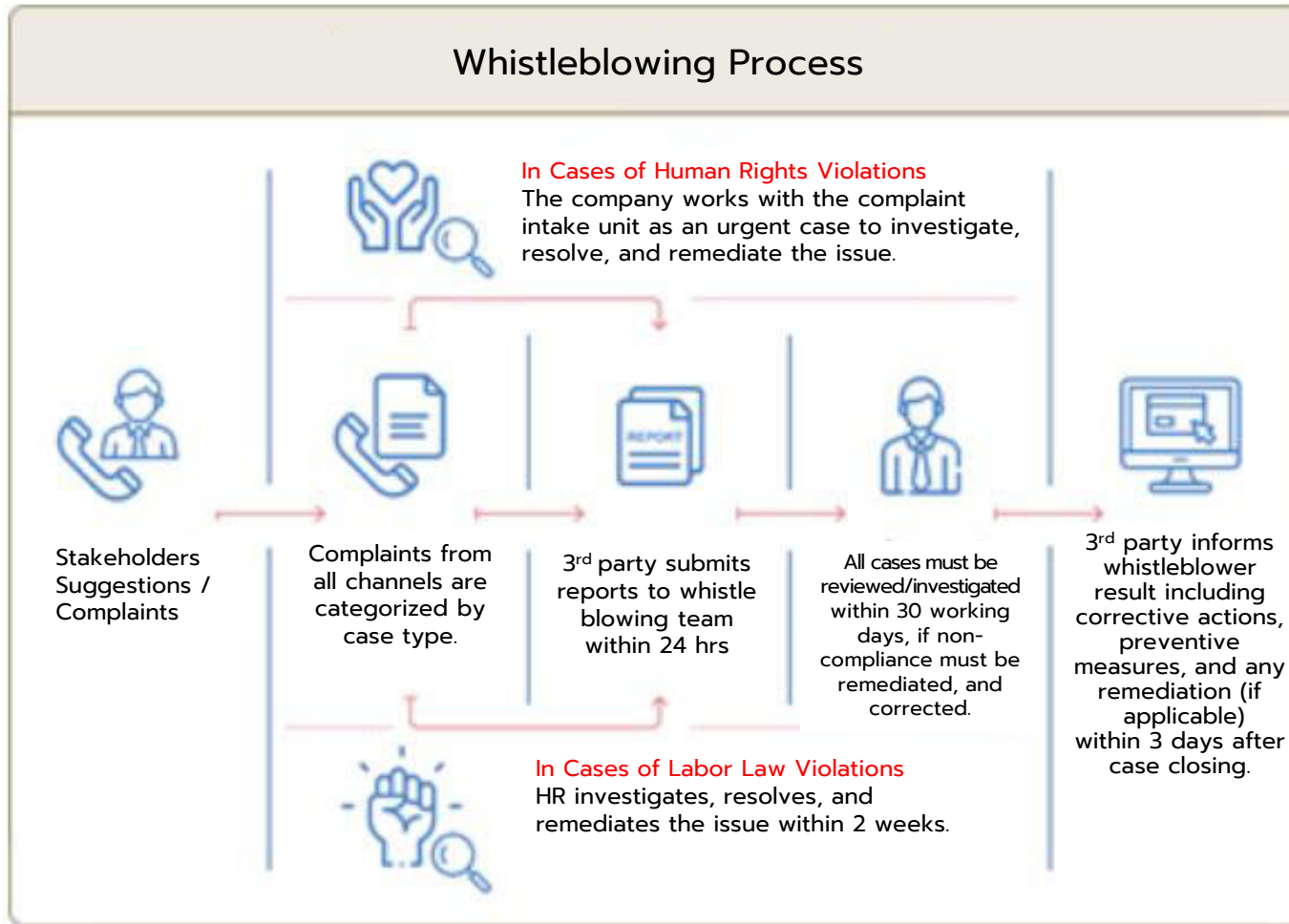
Breach case of Human Rights & Labour Practice Monitoring & Action

The Company monitor and disclose the human rights and labour practice performance that cover all own operation, contractors & vendors, and suppliers including the action as

Human Rights and Labour Practices Issue	Issued	Makro	Lotus's (Thailand)	Lotus's (Malaysia)	CP Aextra	Confirmed	Under Investigation	Disciplinary action (if any)					
								Verbal Warning	Written Warning	Training	Suspension / Transfer	Legal Action	Dismissal / Resigned
Discrimination	Case	13	73	0	86	42	9	10	9	18	1	1	3
Child and Youth Labour	Case	-	-	-	-	-	-	-	-	-	-	-	-
Forcen Labour	Case	7	61	-	68	41	5	8	19	9	-	-	5
Sexual Harassment	Case	1	2		3	2	-	1	-	-	-	-	1
Harassment	Case	28	94	21	143	82	10	27	19	31	-	-	5
Indigenous's rights	Case	-	-	-	-	-	-	-	-	-	-	-	-
Freedom of association rights	Case	-	-	-	-	-	-	-	-	-	-	-	-
Fine & Penalty	Baht	-	0	-	0								
Closed Action of Substantiated Cases	%	100	100	-	100								

In 2024, 167 cases are confirmed and every case has the action and penalty as guided in human rights and labour practice policy, company's rule and regulation.

Complaint Management and Remediation Process

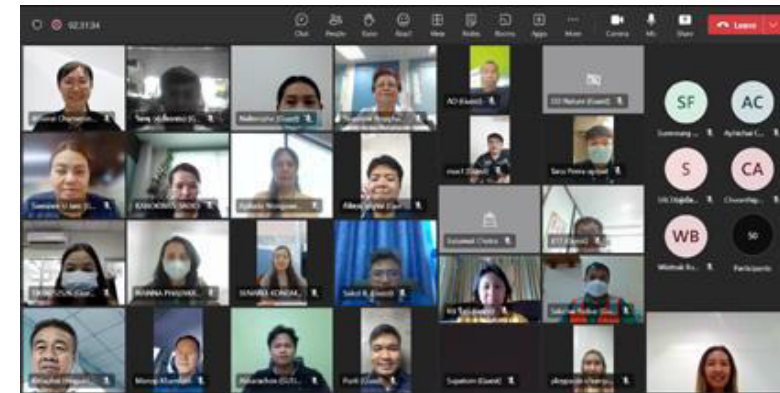


Example of Remediation

- Overtime compensation
 - Retroactive salary adjustment and bonus payment
- total remediation amount of 41,364 Baht

Human Rights Policy and Non Discrimination Online Training

Human Rights and Labour Practices Policy and Guidelines has been conducted training to all employee and manager to emphasizing respect for human rights, labour practices, diversity, and inclusion behaviour including zero tolerance policy for any form of harassment and sexual harassment. In 2024, The Company has also expanded these trainings to the Company's supply chain.



2024 Performance

100% of new employee, employee, supplier, and vendor are trained the human rights & labour practice policy, prevention of discrimination, harassment and sexual harassment.

100% of supplier have been advised to apply human rights & labour practices

Diversity & Inclusion, Non-discrimination and Gender Equality

"At CP Aextra, we respect the individuality of every employee and embrace inclusive hiring practices, grounded in equality and gender diversity. We believe that diversity unlocks limitless potential—empowering both our people and our organization to thrive."

The company respects diversity and inclusion where employees, worker, supplier and vendor are treated with fairness, without any discrimination from the race, nationality, skin colour, ethnicity, religion, social status, gender, age, physical features or disability, political belief and marital status. Proven by Winning the 1st of 2024 the Asia-Pacific and Thailand WEP Award: Transparency & Reporting to Promote Gender Equality and Honorable Mention for The Community Engagement and Partnerships.



Target: Women in Top management level above 50% by 2026

2024 Result:

- 57%** Women in total workforce
- 60%** Women in management position (first level, middle and top)
- 51%** Women in Top management
- 56%** Women in Middle management
- 62%** Women in first management
- 57%** Women in revenue generating function
- 67%** Women in STEM* related position

Note: * STEM : Science, Technology, Engineering and Mathematics



Gender Pay Indicators

The Company also conducts equal payment analysis to ensure that both men and women are paid equally fair, including the annual reviewing for compensation and benefits at competitive rates with benchmarking in the same industry and leading company. The data are also verified by Third party.

Level	Payment Ratio by gender (Female : Male)
All Employee (Based Salary Only)	0.99 : 1.00
All Employee (Based Salary + Other Cash Incentives)	0.97 : 1.00
Executive Level (Based Salary Only)	0.77 : 1.00
Executive Level (Based Salary + Other Cash Incentives)	0.69 : 1.00
Management Level (Based Salary Only)	0.90 : 1.00
Management Level (Based Salary + Other Cash Incentives)	0.89 : 1.00
Non Management Level (Based Salary Only)	1.02 : 1.00

Indicators (100% employee coverage)	% Difference between Male and Female employees
Mean gender pay gap = [Male's mean payment - Female's mean payment] / Male's mean payment	1.3%
Median gender pay gap = [Male's median payment - Female's mean payment] / Male's mean payment	-2.9%
Mean bonus gap = [Male's mean bonus - Female's mean bonus] / Male's mean bonus	-1.3%
Median bonus gap = [Male's mean bonus - Female's mean bonus] / Male's median bonus	-3.3%

Facility and Supporting for Diversity and Inclusion



Parking and toilet for wheelchair users

100% of store and head office have the parking lot, sloping and toilet for wheelchair and older person



Lactation Rooms

100% of store and head office have the Lactation rooms



Prayer rooms for Religions

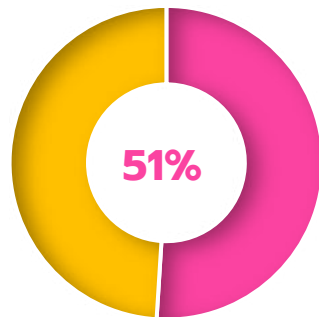
100% head office provides space and time for religious ceremonies

Support Women Own Business in Supply Chain and Develop Women in the Community

According to the successful integrating the principles of human rights, equality, and non-discrimination to daily operation and year 2022, the company achieved the first prize for 2022 UN Women's Award (Gender-Inclusive Workplace category).

In 2023, expanding the partnership scope with UN Women, SEC and partners. To integrate the human rights principles to procurement and supplier selection process with fairness and non-discrimination. The data of supplier owner shows female is 51% according to the Women's Empowerment Principles (WEPs), for promote gender equality in business. The Company support fair practices towards women and aim to enhance gender equality throughout the supply chain.

Female Business Owner in Our Supply Chain



Support and Develop Women in Community

The Company holds projects which supports and develop women in community such as Koo-Kid Kon Mee Fun (Dreamers' Partner)



[ชีวิตที่ต้องสู้ กับคำนิทาน | อัจฉิ E.JAN](#)

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[หญิงชีวิต "แม่อ้อย" | อัจฉิ E.JAN](#)

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HR Asia Best Companies to Work for in Asia 2024 Award

The company is committed to conducting business with alignment to human rights and fair labour practices. We promote equal and fair treatment of fundamental rights, aiming to foster a workplace where every employee enjoys a meaningful and empowering experience. By continuously enhancing employee skills and capabilities, we create growth opportunities that align individual development with organizational success—driving sustainable progress toward our shared goals.



The UN Women 2024 Asia-Pacific and Thailand WEPs Awards

In 2024, the company was honoured with the Winner Award in the Transparency and Reporting category of the WEPs Awards 2024 by UN Women. This prestigious recognition is awarded to organizations that demonstrate the commitment to tracking performance and progress towards greater gender inclusivity in our business practices with clear targets, regular assessment and reporting of how far we have gone. It also recognizes our corporate initiatives on gender inclusivity known to the public.

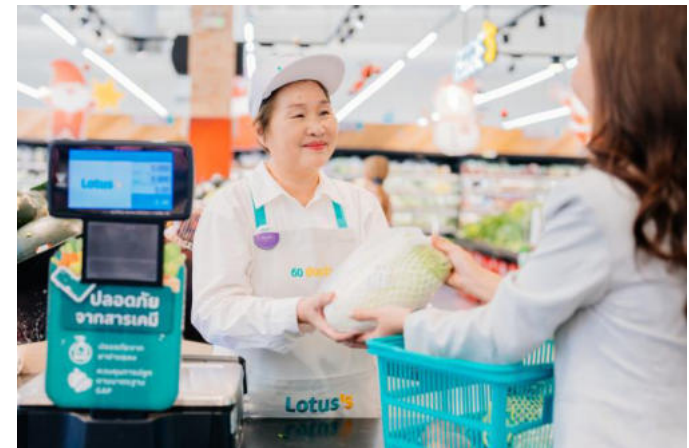


Model Organization for Promoting Employment and Income Generation for Elderly Award 2024

CP Aextra supports employment and livelihood opportunities for senior citizens through the “Super 60” project, encompassing three key programs:

1. Senior Employment Program: Hiring elderly citizens to take on roles at Makro and Lotus’s stores.
2. Senior Entrepreneur “Tao Kae Wai Gao”: Vocational training and income-generation support for seniors seeking freelance work or operating their own businesses.
3. Happy Elderly Market “Talad Suk Jai Wai Gao”: Providing free booth space at Makro and Lotus’s for elderly vendors to sell their products without incurring any fees.

This project reflects the our unwavering commitment to creating inclusive economic value and delivering positive social impact. In recognition of these efforts, the Company was named a Model Organization for Promoting Employment and Income Generation for the Elderly Award in 2024, awarded by the Director-General of the Department of Older Persons, Ministry of Social Development and Human Security.



Labor Practices Programs

Initiatives	Actions	Result
Ensure adequate wages at or above cost of living estimates or benchmarks	• Living Wage Commitment: The Company commits to assess living wages for all employees, contractors, and suppliers by 2025, ensuring income levels support basic cost of living requirements. • Anker Methodology: Uses a 3-step calculation process: (1) determine household living costs including food, housing, essentials, and emergencies, (2) divide by number of workers per family for net wage, and (3) add taxes and deductions for gross living wage.	• 100% Staff are assessed. • 100% Contracted worker are assessed. • 2% Critical suppliers are assessed. • 100% Staff income are corrected to meet the Gross living wage.
Monitor working hours including overtime management	• Preventing Excessive Working Hours: The Company ensures compliance with labor regulations through regular training for supervisory staff, protecting employee rights and maintaining fair working conditions. • Hybrid & Flexible Working Hours: The Company offers hybrid working arrangements that prioritize results-based performance and flexible time management without rigid location or hour restrictions.	• 212,854,996 Average working hours of employees
Ensure employees are paid for overtime work	• Provision for overtime work: The Company provides fair compensation for overtime hours in accordance with labor laws, ensuring employees are properly remunerated for extended work periods while maintaining clear guidelines to prevent exploitation and promote work-life balance.	• 100% coverage of employees who get paid overtime

Labor Practices Programs

Initiatives	Actions	2024 Result
Regularly engage with workers' representatives on working conditions	• Regularly engage with workers' representatives: The Company ensure that grievances are met and working conditions align with the standards by regularly engaging with employee welfare committee	• 1,013 (1.38%) of employee entering with welfare committee
Routinely monitor the gender pay gap to achieve equal remuneration for men and women	• Equal remunerations : The Company ensures equal pay for men and women performing roles of equivalent value and responsibility by routinely monitor the gender pay gap	• Overall Pay Ratio: Females earn 0.99:1.00 (salary) and 0.97:1.00 (with incentives) compared to males • Executive Level Gap: Largest disparity at 0.77:1.00 (salary) and 0.69:1.00 (with incentives) • Management Level: Ratios of 0.90:1.00 (salary) and 0.89:1.00 (with incentives) • Non-Management: Slight female advantage at 1.02:1.00 (salary only) • Pay Gap Metrics: 13% mean gap, -2.9% median gap, with bonus gaps of -13% (mean) and -33% (median)

Labor Practices Programs

Initiatives	Actions	2024 Results
Expand social protection coverage for workers beyond public programs	• Health & Wellness Programs: The Company provides comprehensive health services including: • annual check-ups with occupational health doctors • stress counseling • alternative medical consultation • breast cancer screening • sports facilities • lactation and prayer rooms. • Wellness programs	• Wellness initiatives (yoga classes, aerobic session, therapeutic massage) • Lactation Rooms and Prayer Rooms provided
Ensure employees are taking their paid annual leave entitlements	• Annual paid leave: The Company provides comprehensive annual leave entitlements that comply with statutory requirements, allowing employees adequate time for rest, personal matters, and vacation while maintaining operational continuity and supporting employee well-being.	• 100% coverage of employees who get annual paid leave
Provide training or reskilling to mitigate negative effects of industrial or climate transition changes	• Comprehensive Training Program: The Company provides training curriculum covering compliance, functional, leadership, digital transformation, and soft skills through internal and external instructors to develop employee competencies, boost self-esteem, and support business growth strategies.	• Store Talent Development Training Program • Skill for Online Business Model Training Program • 100% employee participate climate resilience strategy training
Prevention of force labour / child labour and any Illegal Form of Labour	• All worker including supplier and vendor are prohibited to use the force labor, child labor and any illegal form of labor • Onsite audit the supplier and vendor to verify all migrant worker are strictly follow the labor regulation.	• No. of forced overtime schedule are reduce 2 cases (45 to 43 cases) compare to last year • Zero case for Child & Youth labour 39 vendor & supplier are onsite audit and no beach case.

Safety And Occupational Health Policy

See more [****Safety, Occupational Health, and Workplace Policy and Guidelines****](#)

The Company commits that safety and occupational health is the first priority for business operation which the highest body for endorsing of implementation is Board of directors. The policy is applicable to the company's entire operations/employees and contractors, stakeholder or individuals under our supervision.

Ensuring the company 's compliance with relevant safety and occupational health international standards and regulations, voluntary programs and/or collective agreements. Altogether with the consultation and participation of workers, and/or their representatives. also, our commitment to continually improve the performance of the safety and occupational health management system. The risk or hazards is setting up prioritization and action plans to control also, establishment of quantitative targets for improving performance metrics.

For effectively implement the policy, the Occupational Safety and Health Committee (OSH Committee) and Safety Officers which is representative from both supervisory and management levels. To eliminate risk and prevent workplace fatality, accident, and occupational illness. The Company develop the safety standards and life saving rules, actively participates in safety campaigns with relevant government agencies, and continuously improves practice and performance to achieve the goal of Zero fatality and Lost Time Injury Rate below 0.5 by year 2030.

SHE Governance

Safety, Health and Environment Structure	Persons
SHE committee	1,119
Safety officer - Management level	2,295
Safety officer - Supervisory level	2,908
Safety officer - Professional level	135

The Company follows ISO 45001, with the 15 procedures for preventing work-related injury and occupational illness as well as proactively managing SHE's performance and continuous improvement. In 2023, The Life Saving Rules are announced and implemented the whole organisation with most strictly degree of protection. Including new two performance indicators which are vehicle accident frequency rate and near miss report.

See more [***The ISO 45001 certification on website***](#)

100% of working area are audited the compliance of Life Saving Rules

100% of employees and contractors are trained and linked to performance evaluation and remuneration.

See More [***Life Saving Rules***](#)

2024 Target and Safety Statistics

Target : Zero Fatality and Lost-Time Injury Rate below 0.50							
Employee				Contractor & Vendor			
Total Recordable Injury Frequency Rate (TRIFR)				Total Recordable Injury Frequency Rate (TRIFR)			
CP AXTRA	Makro-TH	Lotus's-TH	Lotus's-MY	CP AXTRA	Makro-TH	Lotus's-TH	Lotus's-MY
1.84 (395 cases)	4.01 (231 cases)	0.58 (82 cases)	5.21 (82 cases)	1.78 (188 cases)	1.96 (146 cases)	1.38 (40 cases)	0.86 (2 cases)
Lost Time Injury Frequency Rate (LTIFR)				Lost Time Injury Frequency Rate (LTIFR)			
CP AXTRA	Makro-TH	Lotus's-TH	Lotus's-MY	CP AXTRA	Makro-TH	Lotus's-TH	Lotus's-MY
1.47 (315 cases)	3.2 (184 cases)	0.35 (49 cases)	5.21 (82 cases)	1.19 (126 cases)	1.54 (115 cases)	0.31 (9 cases)	0.86 (2 cases)
Fatality Rate				Fatality Rate			
CP AXTRA	Makro-TH	Lotus's-TH	Lotus's-MY	CP AXTRA	Makro-TH	Lotus's-TH	Lotus's-MY
0.005 (1 case)	0.00	0.01 (1 case)	0.00	0.01 (1 case)	0.01 (1 case)	0.00	0.00

Remark:

- Accident rate per 1,000,000 working hours
- Cover all relevant business operation and contractor

Occupational Health and Safety Management Program

The company, implement the ISO 45001 (Occupational Health and Safety Management System). The procedures are established and implemented to ensure the significant risks are effectively managed and continuously improved as the detail of activities as;

Process	Procedure	2024 Results
Identify and assess the risks & hazards	SHE risk and hazard are identified and assessment as annually basis. Significant risk are corrected and also reviewed gap of compliance with laws and regulations for the annual SHE action plan. The risk of safety and occupational health in the workplace are assessed and integrated into the corporate risk assessment system	• 100% of sites and key activities are reviewed cover all area, change, new business unit, normal operation, abnormal operation, and crisis are identified workplace risk and hazard. • 78 risks are identified, assessed, and prioritized. All risks from moderate level and above are corrected and followed up within the quarterly risk committee meeting. • In 2024, The road accident and injury is the most significant and is risen to the risk committee and integrated to ERM's risk map.
Prioritize and integrate of action	Risk are prioritized with both severity x opportunity. Then categorize to critical, Important, moderate and Low level. (The significant risk starts from moderate and up). The target is 100% of all risk must be prioritized and integrated of action plan with target correction date and followed up within quarterly risk committee meeting.	• The integrated to ERM and reported the progress in the quarterly risk committee meeting. • 100% of significant risk are closed within 12 months and reported into the ERM system and update to the audit committee (BOD level)
Annual action plan	As the road accident are the most significant risk then company provide annual action plan i.e defensive driving training, safety training, PPE app and AI technology to detect and warning the unsafe act at site. To leverage the preventive prevention plan. The safety performance are the criteria for remuneration and annual performance evaluation of employee and supplier.	• Annual SHE Action Plan and progress each dimension 100% initiate PPE App are implemented 100% safety training 100% Defensive Driving training. 23 sites use AI technology with camera and 100% CCTV monitoring to detect the unsafe behavior in store floor
Prepared for Emergency response	The risk and hazard are prepared and trained worker to respond to emergency situation i.e fire fighting drill, floods, first aid for vehicle accident and injury.	• 100% action for ER drill. • 100% for business continuity plan / crisis plan. • 100% worker attend the first aid, CPR and AED usage

Process	Procedure	2024 Results
Evaluation of progress in risk mitigation plan	The worker health and occupational health risk i.e ergonomic, fatigue, pandemic flu, etc. are annual reviewed and integrated with annual SHE improvement plan, the progress are evaluated within the SHE committee and Risk steering committee as a quarterly basis.	• 100% Health and occupational health annual improvement plan are fully implemented • Implement exercise activity all sites (weekly)
Inspection, Internal and External audit	• Store manager and internal auditor are accountable for SHE Inspection at stores and distribution centers to ensure the safety procedure is implied during the working task of employees and contractors including customer safety are inspected. • ISO 45001 Certified and surveillance audit by third party auditor	• 100% Monthly SHE compliance audit. • 100% Daily safety inspections. • 100% Unsafe activity prevention by CCTV. • 100% Area Life Saving Rules and onsite SHE audit • 60% Distribution centers (6 out of 10 DCs) are certified ISO 45001:2018
Incident Reporting & Investigation procedure	The work-related injuries, ill health, diseases and incidents must be reported to supervisor, store manager till the top management. After the initial response and recovery back to a safe condition, the incident's root cause and corrective preventive action. must be investigated and reported within 24 hours. The procedure covers work-related injuries, ill health, diseases and incidents.	• 100% case or incident are investigated on time • 100% corrective preventive action. Fully closed
SHE Training and Motivation Program	To raise the awareness and reduce operational health & safety incident. The worker and/or other relevant parties i.e supplier are mandatory attend the safety training including job specific safety skill such as Forklift Training. The store manager will conduct daily Safety Talk are conducted at stores and distribution centers to motivate the employee and contractor safety awareness and reduce operational health & safety incident.	• Safety training topic: 100% Employees are trained as legally required topics. 100% Contractor & vendor attended annual safety training 100% Site conduct daily safety talk • Zero accident sign board and recognition award
Criteria for procurement and contractual requirements	All supplier & vendor (both tier 1 and non tier 1) must be evaluated and passed the safety and health criteria including review historical safety statistics. The SHE criteria's included into the contractual requirement that the company terminate the contract if the supplier or vendor violates the SHE regulations or safety performance do not meet the Company's requirement.	• 100% Contractor & vendor are assessed and passed the occupational health & safety criteria. • 100% High risk contractor & vendor are onsite safety audited. • 100% supplier / vendor signed the contract of punishment if non-compliance to safety standard occur.

Example of Training and Promoting Awareness on Safety

Forklift Safety Training

To ensure work safety and safety in customer service in the company's sales area. Require forklift drivers to complete a training course on how to drive a forklift safely and correctly. Both theory and practice, including requiring a spotter to block off work areas in the sales area during forklift use. In order to work properly and safely for employees and customers.



2024 Result

100% of forklift related workers are trained

Defensive Driving Training and Onsite Safety Audit

Defensive Driving with 6 steps of preventive driving principles, consisting of pre- and post-departure inspections. Follow the life protection rules Driving techniques to prevent accidents, understand area of blind spots around the vehicle, keep safety distance, avoid distractions and safe parking. Emphasize employees and contractors to driving with knowledge and awareness leads to reduce risk of road accidents that may impact to driver, other vehicle and pedestrian and the public.



2024 Result

100% drivers are trained and passed the testing

PPE Management Application

The Company has developed the PPE Management application that helps classify proper personal protective equipment by job risks and provide used life of each PPE. Employees can log in or scan a QR Code to request the PPE. Convenience and paperless for the PPE withdrawal, monitor stock and reduce risk at workplace.



2024 Result

100% implement to every workplace

Ergonomic Awareness via Safety Bulletines

Safety News : การนั่งให้ถูกต้องตามหลัก Ergonomics

Safety_Committee
To

Translate message to: English | Never translate from: Thai

CPA XTRA | Lotus's

สิงหาคม 2568

Safety News

นั่งให้ถูกต้องตามหลัก Ergonomics

มี 3 ท่า หรือ 3 ท่าหลักที่ต้องทำตามหลัก Ergonomics

ศีรษะ: คีบอง หรือ คีบองน้อย

สายตา: ในเวลาควรองศาขึ้นด้วยกับจอของจอภาพ

มือและแขน: กางแขนอยู่ในแนวเส้นตรงควมประมาณ 90 องศา

เท้า: กาง 90 องศาขึ้นลงตามท่าในรูปที่แสดง

นี่คือภาพหลัก Ergonomics เป็น 3 ท่าหลักที่ต้องทำตามหลัก Ergonomics

Office syndrome

สถานที่ที่ถูกต้องตามหลัก Ergonomics

✓ ถูกต้อง

✗ ผิด

ใช้เก้าอี้ที่มีพนักพิงที่ปรับได้

ทำอิริยาบถที่ถูกต้อง - ลงได้

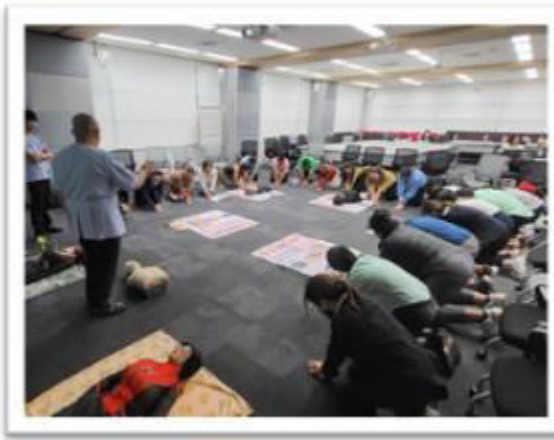
จดจำและทำตามท่าที่ถูกต้อง

2024 Result

100% communicate to every workplace

The first aid, CPR and AED usage

Company conducted annually training on Basic Life Support (BLS) and Automated External Defibrillator (AED) usage to equip participants with essential life-saving skills. This initiative enhances the community's capacity to respond effectively in emergency situations, helping increase the survival chances of patients and injured persons.



2024 Result

100% of the targeted employees have successfully completed the training.

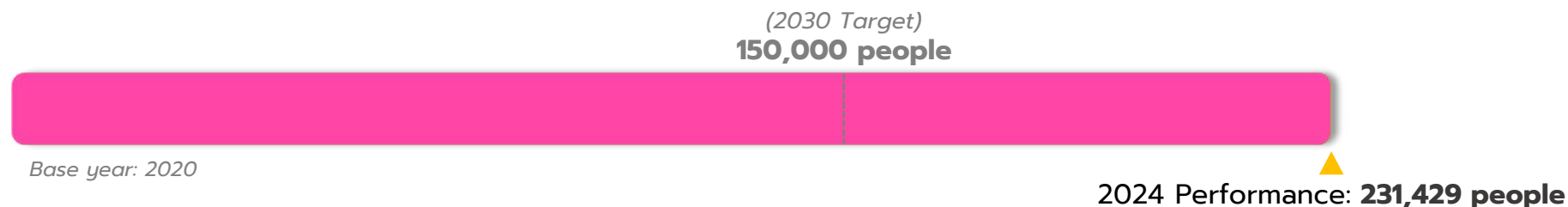


EDUCATION & INEQUALITY REDUCTION

Target and Performance

Long term target by 2030:

150,000 people gain access to quality education, lifelong learning opportunities, and essential skill development.



2024 Performance: Achieved the 2030 target, with **231,429 people** gain access to lifelong learning and essential skill development.



231,429 people participated in FR Transformation and Chef's Club by makro.

526 students had received a donation for education totalling amount of **98,282,800 Baht**.

Opportunities and Challenges

Thailand is ranked among the top countries in the world for income inequality. The disparity contributes directly to social imbalances from barriers to quality education and professional development capacities that, in turn, handicap income. The Company is thus determined to close the education-admission gap by upgrading access feasibility to quality academia and developing studentship for the underprivileged-the foundation of autonomous learning and overall social wellbeing.

Policy and Management Approach

1. Promote opportunities for lifelong learning and improve education
2. Promote social support activities to reduce inequality
3. Reduce unemployment

Promoting Lifelong Learning and Educational Development

Recognizing the significance of learning never-ending, the Company promotes opportunities for lifelong learning and improves education, promotes social support activities to reduce inequality, reduce unemployment build the skills needed to do business for supporting our customers, SMEs, and underprivileged groups with knowledge-sharing programs that grant access to Company expertise to strengthen their competitiveness and competencies to create their income-generating careers.

FR Transformation

The Company implements FR Transformation program (previously known as Makro Retailer Alliance or MRA) as an integral part of the business to foster the growth of small retailers, one of the Company's core customer segments. Beyond serving as a comprehensive product distribution hub for small retailers and Shohuay stores, the Company is committed to enhance the capabilities of these entrepreneurs, from initial store setup to business improvement, through the "8 Steps to a Success" training program, enhancing knowledge and technology to improve competitiveness that impacts their business. The participants can access the knowledge center and other beneficial information via the Company's official website and Facebook page. In addition, the Company raised the store development level by identifying and analysing problems and developing business models for pater stores under the "FR Transformation".

2024 Results:

- **4,736** retailers are member of FR Transformation, increased from 2023's **854** stores
- Retailers which are member of FR Transformation has average sale increased by **29%**
- The Company's sales incurred from FR transformation : **6,734** million Baht

Number of participating retailers

2022: 199

2023: 854

2024: 3,882



"Chef's Club by Makro "

The Makro HoReCa Academy (MHA) had been renamed to **Chef's Club by Makro**, yet remains committed to driving growth in the food service sector by offering expert insights, business support, and educational resources to the general public—especially those interested in starting their own food ventures, HoReCa, restaurants, and street food retailers, which are one of the Company's core customer segments. Chef's Club by Makro has created a collection of management knowledge and cooking skills that are offered for free via offline and online channels, covering all steps and aspects, be it the preparation of raw materials, recipes, or financial management, all the way to continuous marketing techniques and advertisements through online platforms, allowing anyone to learn from anywhere at any time. Courses include creating a famous restaurant and popular digital marketing techniques, e.g., TikTok style, as well as the ancient boat noodle course, among others.

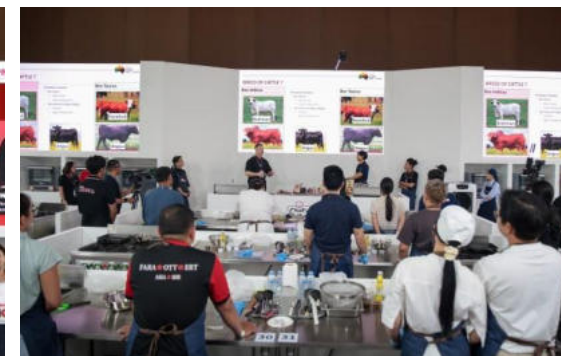
Activities with leading brands and partners are organized to provide Chef's Club member business operators with special members-only product prices, including food-business apparatuses based on points accumulated from purchase orders, which increases the opportunity to generate income.

Chef's Club by Makro is a key component of our business operation, designed to address the needs of society and local communities, particularly those in the HORECA sector, including hotels, restaurants, and street food vendors, who represent a key customer group for the Company. The program reinforces the Company's commitment to inclusive and sustainable community development.

2024 Results:

- Over **177,428** HORECA entrepreneurs that participated in the program
- Participated HORECA entrepreneurs saw an average sales growth of **8.17%** in 2024, year-on-year.
- The Company's sales incurred from Chef's Club by Makro: **79,330.80** million Baht

ดูรายละเอียดเพิ่มเติม ได้ที่ <http://chefsclub.makro.co.th>



“The 14th Sho Huay Flea Market”

In 2024, the 14th Sho Huay Flea Market was organised, gathering knowledge that will help the grocery stores become successful easily, conveniently, and quickly through the 3 strategies: being smart, creating profits, and successfully aiming to develop knowledge for grocery stores and retail stores so that they can generate stable income and profits emphasizing business leaders who stand by Thai grocery stores in every situation.

2024 Result:

- **6,000** participants at The 14th Sho Huay Flea Market



Organizing Workshops for Entrepreneurs

The Company organizes workshops for entrepreneurs who are HORECA academy members. such as the Dream Partner Project to build careers for those who lack opportunities (with Ejan page), the Job Creation Project with food business course for people with disabilities who want to have an income-earning and career. The SMART Restaurant course provides knowledge about restaurant management services, Science and Art course with modern beverages By experts in the food business and online marketing joining hands with the Department of Business Development, Ministry of Commerce, EATucation course provides training and knowledge in ingredients management, Food Handler Sanitation Course collaborated with Panyapiwat Institute of Management (PIM) by lecturers certified by the Department of Health. To raise the entrepreneurialism management level to maximum efficiency and profitability.

2024 Result:

- Over **25** participants joined the training course.
- The Job Creation Project support value of **500,000** Baht.

Watch [Dream Partner Project](#)

***For English subtitle, you can switch on Closed captioning (CC) auto-translate to English on YouTube*



[ลุงโยริน อดีตนักแสดง ป่วยจนโรงงาน เจอทางสร้างอาชีพ "หมูสะเต๊ะ" | อีจัน EJAN](#)



[ชีวิตที่เกือบมืดมน ของแม่ค้าเครป ประสบภัย น้ำท่วมเชียงราย | อีจัน EJAN](#)

Scholarship for student

The company aims to develop youth to have the opportunity to continue study at the higher education level and step up to the be quality workforce in developing the country and organization. In 2024, the Company as issued **526** scholarships, valued at **98,282,800** Baht, to students to study at college and bachelor's degree level.

In addition, the Company provides an opportunity to Makro and Lotus's employees who have a Vocational Certificate and are interested in studying for a bachelor's degree, has no opportunity, in terms of time and funds. The knowledge can be applied to the work that they are doing as well as after graduation. Employees also have more opportunities to grow at Makro and Lotus's through increased educational.

2024 Result:

- **526** students had received a donation for education totalling amount of **98,282,800** Baht.

ConnextED

The Company contributes to advancing education for Thai youth by participating in the Leadership for Sustainable Education Development (CONNEXT-ED) program, initiated by the CONNEXT ED Foundation. CONNEXT-ED program is committed to transforming Thailand's education system toward long-term sustainability, anchored in five core strategies: transparent disclosure of school information to the public, market mechanisms and a culture of stakeholder engagement, capacity building for school administrators and teachers, child-centric learning approach that fosters ethics and self-confidence, and improved access to digital infrastructure within schools. Operational measures include the implementation of a School Management System across all schools under the Office of the Basic Education Commission (OBEC), enhancing transparency and management efficiency. The Company also supports fundraising campaigns such as the "Notebooks for Education" initiative.

Furthermore, the Company has established "Learning Center", piloting 1 high-quality school per 1 area as a model for curriculum development focused on student-centered learning. These centers aim to install core values and build self-confidence in Thai youth. The Company collaborates closely with school personnel to co-develop innovative learning programs, thereby strengthening educational institutions and empowering teachers. Ultimately, this initiative provides equal opportunities for all youth to realize their potential, equipping them with the knowledge and skills to build livelihoods and contribute meaningfully to the advancement of society and the nation.

2024 Result

- **124** schools has been supported by CP AXTRA
- **34,108** students participated in Connext ED program
- CP Axtra supported **2,451,000** Baht to participated schools



LEADERSHIP & HUMAN CAPITAL DEVELOPMENT

Target and Performance

Long term target by 2030:

All employees receive training and development for essential job skills.



2024 Performance: Achieved the 2030 target, with **100%** of employees receiving necessary training and skill development.



100% employee are trained and developed

- **299** training course organized.
- **100%** of employees participated the development program.
- **2,109** employees participated in the leadership development program.
- **46,019** employees or **71.19%** of employees participated in ESG training program.
- **76.13** hours per person per year as the average of employee training hours.
- **892.84** Baht per person per year as the average training cost.

Opportunities and Challenges

The most valuable asset to any organization is the human resources that drive the business forward. To the Company, they are the delta between reaching set goals and falling short. Taking care of the employees that bridge the gap between available talent and organizational goals in the competitive landscape is key to operational optimization and social value creation.

Policy and Management Approach

The company prioritizes the human capital development of perspectives and mindsets that foster a professional corporate culture through 3 dimensions of the human resource management approach which are human capital development, leadership development, and talent attraction and retention to ensure effective competencies development and a happy workplace across the organization.

Human Capital Development

The Company has committed a strategic working style shift to an agile and speedy business operational model. The new technology in a digital transformation to leverage business operations meets the needs of the fast-changing world today, the human capital development to upskill and create new career paths to the future. Therefore the 5 Human capital development strategies have been defined for the dynamic, agile and accurate working environments for employees across the organization. Both classroom and online training (M-Learning) are designed to support.

2024 Total Training course = **299** course, accounted for **100%** of employees and temporary workers are trained.

5 Human Capital Development Strategies	
Customer Centricity	5,301 persons
Agility	300 persons
Talent	168 persons
Data Driven-	694 persons
Enabling People Function	5,301 persons

Type of program offered for employee development includes:

Leadership development program	506 persons
Cultural education	960 persons
Transition program for retiring and terminated employees	119 persons
Digital transition program	1,792 persons

Learning methods (externally/internally) offered for employee development includes:

Coaching or Mentorship	7%
Teams and Networks (SPLD and PLP program)	8%
Online training	53%
Internal onsite training	28%
External training	4%

Total quantitative business impact	95,132 million Baht
Employee % covers contractual or part time employees in company's own workforce	100%

The company arranges the training curriculum has been designed to support the necessary competencies as the Compliance Skill, the functional skill, the Leadership skill, the Digital transformation skill, the soft skill for emotional intelligence and systematic thinking from internal and external instructors to develop employee's competencies, increase self-esteem and upskill the support business growth strategies.

Store Talent Development Training Program

The Company arranges training programs to suit the employee's job level to give our employee knowledge and skills and also promote understanding of attributes and qualities that make a good leader who is able to drive business growth so as to make an advancement in their career path. The program comprises of 4 main courses: 1) STAR for assistant manager level and managers in related lines of work, preparing to be middle management, such as Store General Manager 2) Food Service Academy for assistant manager of Food Service and managers in related lines of work promotion to middle management, such as Food Service Store Manager 3) Supervisor Academy program for those promoting to be a manager and 4) Staff-2 development program for promoting staff to supervisory level. The objective of these programs is to develop the employee's potential in their line of work and for the employee to understand the qualities and behaviour of a good leader as well as able to help driving the Company growth.

2024 Result:

- **227** employees trained, accounted for **100%** of employee required to develop the skills
- Contributed to the Company's sale of **2,964.51** million Baht
- Participated employees in the training program had received an accumulated remuneration increased of **3.2** million Baht.

Leadership Development Program – CP Potential Leaders Development Program (PLP) & CP Leaders Development Program (LDP)

A leadership development program that use learning method of networking and knowledge-sharing by synergizing businesses within the CP Group through knowledge exchange between business units. The program focuses on developing knowledge and understanding of global trends and emerging technology transformations to enhance operational efficiency and drive stronger business growth. It cultivates leaders through collaborative work among program participants, streamlining work processes, reducing operational steps through flattened decision-making hierarchies, and helping participants recognize their roles in self-development and collaborative teamwork with others. This prepares the participants to effectively navigate through changes and competitiveness of the business landscape.

2024 Results:

- **279** persons participated in Leadership Development Program (PLP and LDP)
- Lead to **60 new initiatives** which uplift sales, profit, and reduce cost
- **17** of participated employees has been promoted

Skill for Online Business Model Training Program

To support the expansive growth of the online business model, employees and executives retain necessary skills through online e-training classroom platforms, featuring various invaluable courses. The objective of this program is to understand the management processes and be able to work in the same value chain both in the Online and Offline business systems. The courses to support employee performance include: Design Thinking course for innovation skill improving, Data Visualization course for complexity data prevention skill, Creative Thinking course for improving the systematic problem solving with the flexible solution, and Effective Time Management course for improving time management skill to driven the most effective performance etc.

2024 Result:

- **1,792** employee trained, accounted for **100%** of employee required to develop the skills on online business
- Contributed to the Company's Online (O2O) sale of **92,167.56** million Baht

Language and Cultural Education Course

The Company promotes diversity and inclusion across our organization, with colleagues from various nationalities and ethnicities working together at our offices and distribution centers. To support our international colleagues' successful integration, we provide comprehensive basic Thai language courses that incorporate cultural education components, helping foreign staff members understand Thai context, workplace customs, social etiquette, and local business practices for better adaptation to their work environment and life in Thailand.

2024 Results:

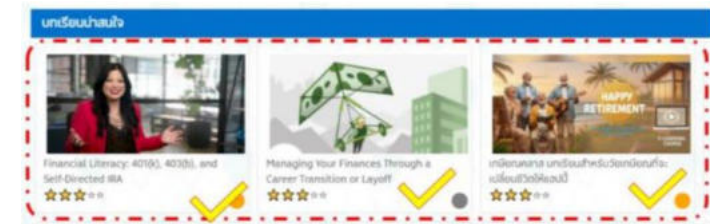
- Over **960** foreign personnel participated

Transition Program for Retiring Employees

Recognizing that career transitions and retirement represent significant life changes requiring careful planning and preparation, the Company is committed to supporting employees during these pivotal moments. Several development programs have been organized to help employees navigate their next chapter, equipping them with financial knowledge and practical transition skills including financial planning, saving strategies during transition periods, health insurance retention, and asset optimization. For retiring employees specifically, the Company offers an online course designed to prepare them for a happy and quality retirement life, covering physical and mental health, finance, law, technology, and hobbies. In addition to online course, expert talk by financial and investment advisors has been organised for retiring colleagues to provide knowledge on personal financial planning, investment portfolio management, and lifestyle transition preparation. These comprehensive transition programs ensure employees receive thorough preparation for their new life phase.

2024 Results:

- **119** retirees participated, accounted for 100% of employees retired.



Talent Attraction & Retention

The company focuses on creating a corporate innovation culture that fosters creative initiatives, continuous self-improvement, and reliable operational efficiency which led to a suitable and attractive working environment to retain talent.

People Analytics and Strategic Workforce Planning

Topics	Details	2024 Result
Measuring employee performance	• People working - absent performance dashboard. • PMP (Performance Management Process) at least 2 times per year	• 100% of employees receive targeted performance evaluations.
Workforce Planning	• Analyze the organizational and manpower structure and prepare a human resource dashboard to closely and continuously monitor manpower requirements to support business growth. • Ensure annual succession management continuity. • Ensure tangible career progression with annual one-on-one supervisor-operator discussions.	• 100% of employees who have participated in the succession development plan. • 36% of the promotion rate comes from within the organization.
Identify current workforce skill gaps	• Determine the required work skills per required work scopes, prepare a recruitment plan under the Employee Development Program, and review required work scopes and skills annually.	• 100% of all job positions are developed the skill as employee development program. • 100% key positions has been completed the successor review. • 75% of the job position already has successor

Topics	Details	2024 Result
Recruiting & hiring	- Determine recruitment and professional development strategies with skills that meet business needs according to appropriate career stages and establish Individual Development Plans (IDP) to build the strengths required to circumnavigate obstacles that limit growth along the career path. - Analyze comparable industry compensation, as well as different industries, to determine the overall demand for human resources with relevant professional backgrounds.	100% of all job positions have a career growth path. 100% of all job positions are paid higher than peer and other industries.
Identify flight risks to improve retention	- Evaluate human resource requirements and risks due to retirements and turnover and determine the appropriate measures to retain sufficient qualified personnel to meet business growth plans. - Establish a program to support employees to reduce work-related obstacles and limitations - Exit interview analysis from every resigning employees to set up the manpower retention plan	100% of the risks of all job positions have been assessed. 100% action from Exit interview are reviewed and corrected.

Performance Evaluation

The performance management appraisal are conducted both individual and team-based performance. Starting from goal setting, monitoring, and reviewing annual performance in close collaboration with supervisors, promoting awareness of the existing strengths and weaknesses, thus the opportunities for professional growth to prepare effective, progressive professional developmental plans. In 2024, the agile conversation are apply in the agile working teams.

Performance appraisal

Performance appraisal	By employee	Performance Appraisal Frequency
Management by objective	4%	twice per year
Team-based performance	94%	twice per year
360 Degree Feedback	1%	twice per year
Agile Conversation	1%	Every 6 months

Living wage

The Company commits to assess the living wage of all employees, contractors and supplier within 2025. In 2023, the living wage are reviewed to ensure that employees, contractors, and suppliers are paid the overall income level to support the cost of living. the living wage with Anker methodology as.

Step 1 : Calculate cost of a basic, decent standard of living for a household

Cost of Food for Model diet + Cost of decent Housing + Cost of other Essential Needs + Cost of Unexpected events = Living Income Benchmark

Step 2 : From a decent standard of living for a household to net living wage

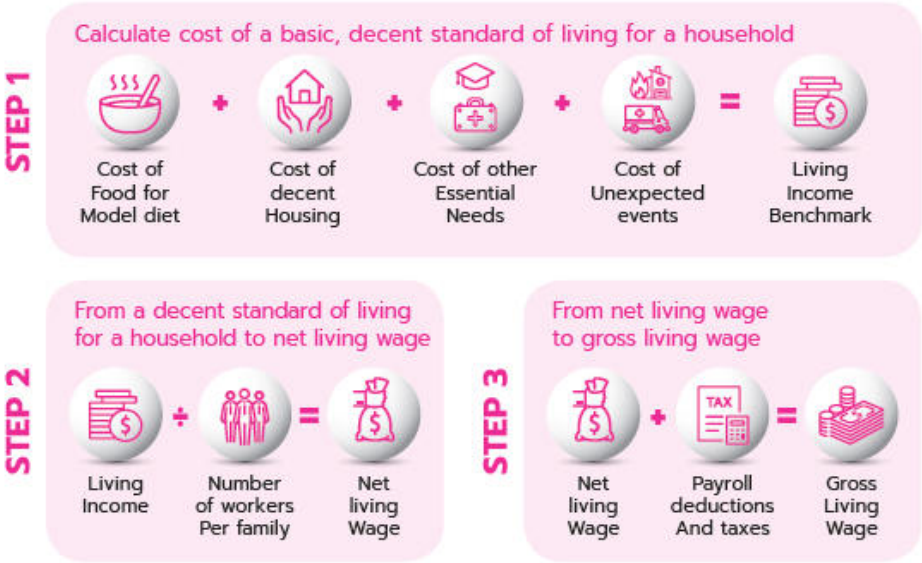
Living Income + Number of workers Per family = Net living Wage

Step 3 : From net living wage to gross living wage

Net living Wage + Payroll deductions And taxes = Gross Living Wage

2024 Result:

- 100% Staff are assessed.
- 100% Contracted worker are assessed.
- 2% Critical suppliers are assessed.
- 100% Staff income are corrected to meet the Gross living wage.



Employee Supporting Program

The company provides facilities and programs such as annual health check-ups, by specializing occupational health-safety doctors and Stress counselling by psychologist, annual physical check up, alternative (Chinese) medical consultation, medical benefits to all employees and sport facility and health promotion programs.

- Workplace stress management
 - Stress counselling by psychologist
 - Stress and tension relief with massage by visually impaired persons (also supports visually impaired persons in generating income)
- Sport facility and health support programs
- Alternative (Chinese) medical consultation
- Breast cancer self-screening
- Religion prayer room
- Lactation Room



Sport & Exercise Facility



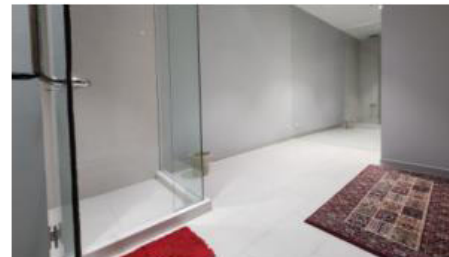
Infirmary



Lactation Room



Buddhist Prayer Room



Muslim Prayer Room



Exercise Class eg. Yoga and Aerobic Dance



Stress Relief with Massage

Employee Health and Wellbeing Support Program

CP Aextra promotes employees' health and wellbeing by providing various facilities and exercise activities, including yoga classes, aerobic dance sessions, an on-site basketball court and a football pitch, and organized football tournament competitions. This initiative reflects our commitment to our employees' overall wellbeing and recognizes the importance of maintaining employees' health and cultivating a workplace culture that values the physical and mental wellbeing of every team member.



Example of Family Benefits

- Contractual childcare facility for employee to drop their children during the working hours
- Breast-feeding / lactation facilities
- Paid parental leave for the primary caregiver 7 weeks
- Paid parental leave for the non-primary caregiver 1 week
- Paid family or care leave beyond parental leave (care for a child, spouse, partner, dependent, parent, sibling, or other designated relation with a physical or mental health condition) 1 week

The Company places strong emphasis on promoting the physical and mental well-being of its employees through a comprehensive approach. A range of ongoing wellness initiatives are organized to support a healthy work-life balance, including aerobics sessions, yoga classes, and therapeutic massage services by visually impaired professionals available at corporate offices and stores. These efforts aim to enhance overall quality of life, foster resilience, and empower employees to perform sustainably. The Company firmly believes that investing in employee well-being lays a vital foundation for long-term organizational success.



Lactation Room



Childcare Facilities for Employee

Educational Loans for Employee's Children

The Company provides education loan support for employees' children to help remove financial barriers to quality education. This initiative demonstrates our dedication to supporting our employees as both professionals and parents, recognizing that our employees' personal financial wellbeing directly impacts their performance and happiness. By supporting the education of our employees' children, not only do we support our employees' financial wellbeing, but we also create a supportive workplace culture and contribute to building quality sustainable human capital for the future.

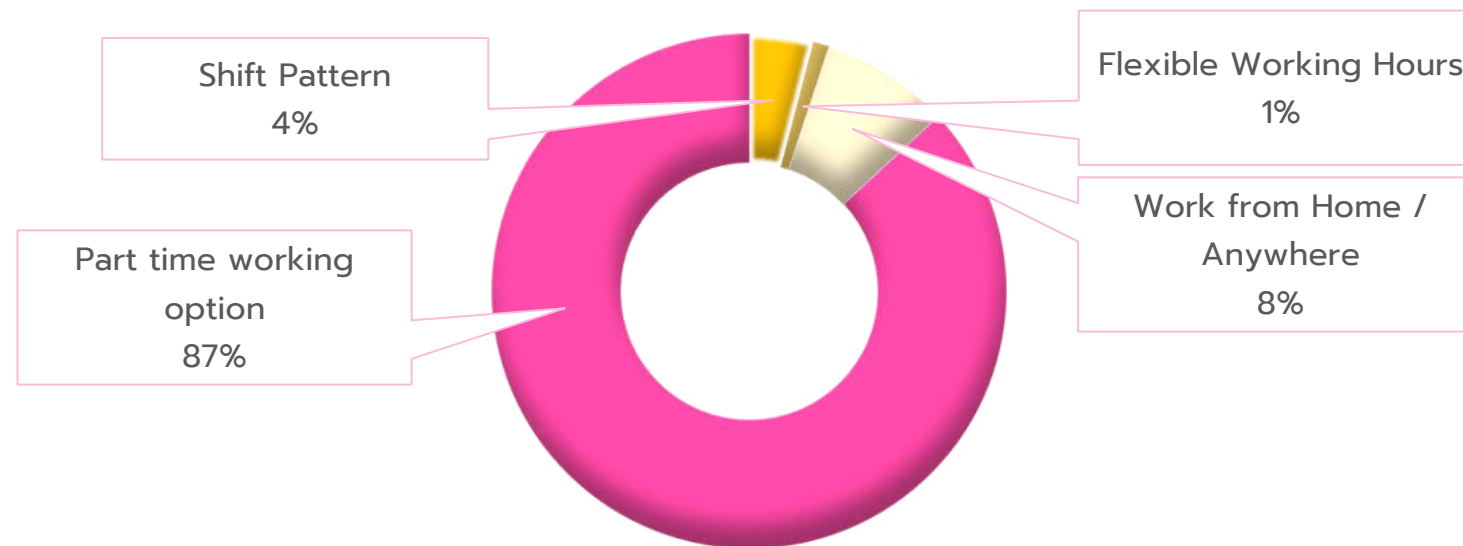


Preventing Excessive Working Hours

The Company is committed to fair and lawful treatment of employees, with strict adherence to labour regulations, including provisions on working hours and overtime. To ensure compliance and uphold fairness in the workplace, supervisory staff—particularly those at stores and distribution centres—receive regular training on labour laws. These efforts are designed to safeguard employee rights and promote a fair and responsible working environment across the organization.

Hybrid & Flexible Working Hours

The company is committed to creating a flexible working environment that is conducive to work efficiency and adaptability to fluctuating requirements and thus commenced hybrid working to facilitate a variety of working environments that encourage outcome-based achievements and appropriate time-management among employees without the unnecessary office location or working-hour restrictions, a strategic adjustment under the digital transformation.



2024 Employee Engagement Survey

Target: Employee engagement survey score at least **80%**

2024 Result: The employee satisfaction score is as high as **87%** from **100%** employee response the survey, detail score in dimension as;

89.40% Job satisfaction	(external motivation, e.g. I am satisfied with my job)
89.00% Purpose	(internal motivation, e.g., my work has a clear sense of purpose)
88.00% Happiness	(e.g., I feel happy at work most of the time)
86.80% Stress	(e.g., I feel stressed at work most of the time)

Long Term Incentives for Employees

CP Aextra has developed a robust Long-Term Incentive (LTI) program aimed at attracting and retaining high performing employees and talented executives. The program is designed to foster long-term commitment, enhance employee engagement, and align individual efforts with the Company's strategic goals. It encourages a sense of ownership and motivates employees to contribute meaningfully to the Company's success.

Performance Shares

- Eligible for employees who have served at least 3 years and are below senior management level. (percentage of company's workforce below senior management level = 97.42% of total employee)
- Participants can either exercise their shares for profit after a 3-year holding period, or retain the shares for long-term investment returns.

Performance-Based Cash Bonuses

- Special cash rewards are granted based on:
 - Individual performance
 - Company-wide achievement of long-term strategic goals accordance with Corporate KPI

Example of Corporate KPI linked to the Long-Term Incentive for Employee

- Return on Asset (ROA)
- Return on Equity (ROE)
- Reduction of greenhouse gas emissions
- Stakeholder Satisfaction (Product Quality, Cybersecurity, Health & Safety)

Human Capital Return on Investment

	FY 2021	FY 2022	FY 2023	FY 2024
a) Total Revenue (THB)	266,367,279,275	469,131,439,242	489,949,167,345	512,041,888,147
b) Total Operating Expense (THB)	255,940,524,611	452,430,286,966	473,242,322,988	493,408,633,615
c) Total Employee-related Expenses (THB)	6,577,000,000	24,533,000,000	25,693,000,000	26,210,000,000
Resulting HC ROI (a - (b-c)) / c	2.58534	1.68076	1.65025	1.71092
Total Employees	68,096	71,591	64,645	73,268

Remark:
Refer to 2024_Annual Report (AR2024 e-report)

- Total Revenue (Total income) on page 281 of 375 (pdf search tool)
- Total operating Expenses (Total expense) on page 281 (pdf search tool)
- Total Employee related expenses (Employee benefit expense) on page 354, topic 23. Expenses by nature (pdf search tool)
- 3rd party audit letter by KPMG for financial statement on page 271-276

CYBER SECURITY & DATA PROTECTION

Target and Performance

Long term target by 2030:

The company achieves international standards for cybersecurity and data privacy certifications.



2024 Performance: Achieved the 2030 target, with the company receiving NIST assessment scores for the 3rd consecutive year. The Company's average score is **4.22** (while National average score is 1.91)



100% Complied with Charoen Pokphand Group and external party action list for cybersecurity and data privacy.

- Total number of information security breach case = **0** case
- Total number of clients, customers and employees affected by the cybersecurity and data privacy breaches = **0** person
- Total number of clients, customers and employees affected by the data privacy breaches = **0** case
- **100%** of employees have been trained in cybersecurity awareness and phishing E-mail.
- **100%** of data routes have been conducted the cybersecurity risk assessment.
- **100%** of web and mobile application have been conducted the security testing service.

Opportunities and Challenges

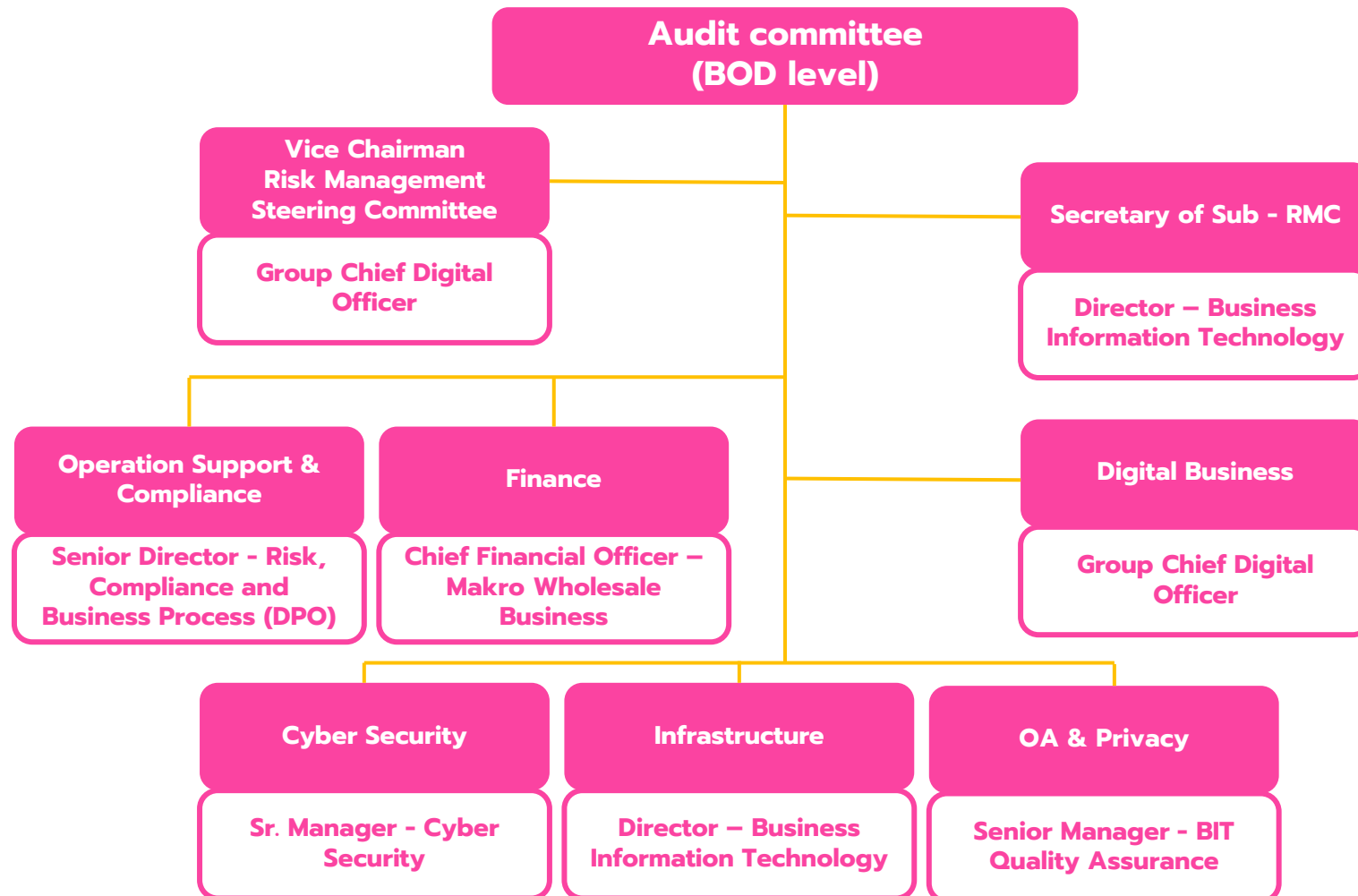
Presently, business operations need to apply information technology to maximize operational efficiency, effectiveness, and more creativity. On the other hand, increasing the risk of emerging risks of cyber-attacks or threats. The Company is enhancing and developing the cybersecurity and data privacy policy to protect data and trustworthiness for customers and stakeholders throughout the value chain.

Policy & Management Approach

The Company prioritizes cybersecurity and data privacy, started assessing risks to prepare a plan to deal with various cyber threats, and announcing policies for all Company personnel to be thoroughly informed, serving as a guideline for raising cyber awareness and attaining ISO27001, international information security standards and Charoen Pokphand Group.

Cybersecurity Management

The cybersecurity is part of the Risk committee which the director BOD member is the chairman of Risk committee on the engaged on the cybersecurity strategy process and the Executive Management team with relevant background in IT (Chief Information Technology Officer CIO), oversees the company's cybersecurity strategy.



Cybersecurity Policy Structure

The Company has updated its cyber security policy, and cover more cybersecurity procedures.



Cyber Security
Management



Cyber Security
Risk Assessment



Cyber Security
Risk Mitigation



Cyber Security
Continuous Management



Cyber Security
Awareness

Cybersecurity Management Program

Scope and Implementation	2024 Result
Information security-related business continuity plans	- Following the framework of the ISO22301 to prepare for various crises that may occur and impact key business operations and the Company's risk management protocols. In 2024, the BCP drills are conducted twice - See more details in page 85 (Cybersecurity Business Continuity Plan).
Information security vulnerability analysis	- Information security vulnerability analysis was done in July'2024 - See more details in page 86 (Verification and Vulnerability Analysis by External Party)
Independent external audit of the information security management systems	- Annual NIST Function Rating. In 2024, the Company's score is 4.22 of 5 which is highest rating of 202 participated companies. - External audit by KPMG for IT Controls Review (period from 1 January 2024 to 30 September 2024)
Escalation process for employees to report incidents, vulnerabilities or suspicious activities	100% employee are trained and communicated the Policies, information, and practices through training, internal communication email, and bulletin.
Information security awareness training	100% of employee has trained and communicated the cybersecurity policies
Total number of breaches occurred in 2024	Zero Breach Case

Cybersecurity Risk Management

Presently, cyber threats and attacks are more complex and impact cybersecurity risk. The company thus conducts 5-dimensional risk assessments cover a wide range of data routes that could be used to access company data, from head office, mobile phone applications, websites, as well as store and business partners.

Risk Assessment Guidelines	Risk Assessment Scope
Connecting to public networks	Company’s servers
Phishing and ransomware	Employees
Identity theft	System administrators and employees
Supply chain attack	Information technology third parties
Information leakage	Employees

Cybersecurity Awareness Training and Discipline

Awareness being the key to ensuring information system security against cyber threats and data leak prevention, approach is reinforced to raise corporate awareness; communication to introduce and create awareness, alerts to activate response awareness, and testing to assess cyber security awareness.

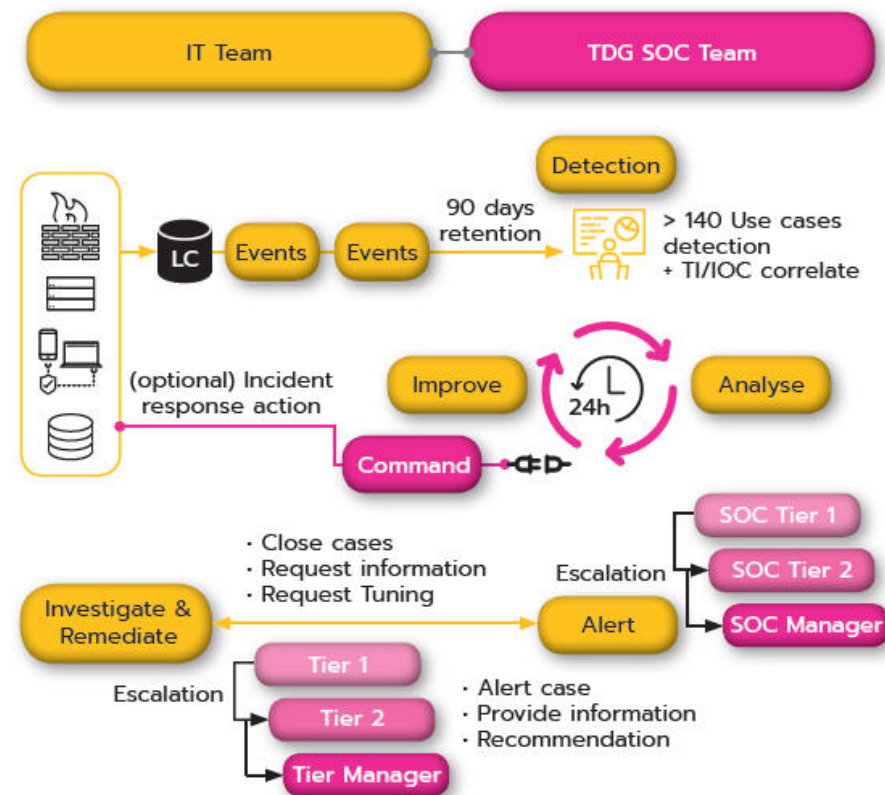
The cybersecurity is everyone's responsibility with being the one criteria of Annual Performance Evaluation and the year end bonus for employee both staff and manager levels must be reviewed the performance of discipline that related to cyber security and data protection policy.

Policy accessibility	• 100% employees, can access relevant policy through the organization's internal communications website.
Communication	• 100% employee are trained and communicated the Policies, information, and practices through training, internal communication email, and bulletin.
Response Instruction	• 100% alerts that alarm relevant parties to internet leakage, security breaches, or susceptible emails.
Testing	• Identity theft phishing simulation (Phishing Test) to test employee awareness
Disciplinary	• 100% employee must be reviewed the performance of discipline that related to cyber security and data protection policy and acknowledged prior computer login as below picture.



The Security Operation Center (SOC)

The Company acknowledges the risks and has set up a 24-hour cyber security team to manage the Security Operation Center (SOC) with the objective of monitoring and responding to various threats in a timely manner under specified SLA and Charoen Pokphand Group information security standards.

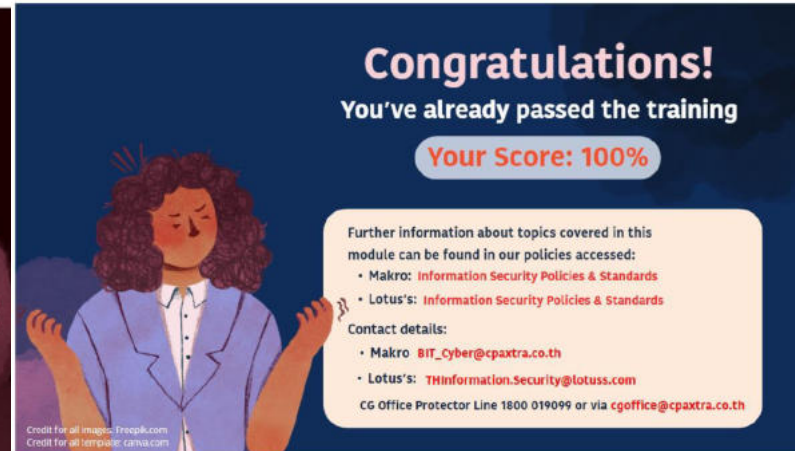


Cybersecurity Awareness Training

The Company has organized training of the cybersecurity policy, awareness of suspicious and proper responding instruction to all employees as annually basis. The training course provides techniques to notice the 4 key scam patterns which are:

- 1) Emotive content
- 2) Invalid links
- 3) Invalid sender email addresses
- 4) Invalid email attachments

Including the instruction to response whenever they notice suspicious email or incident.

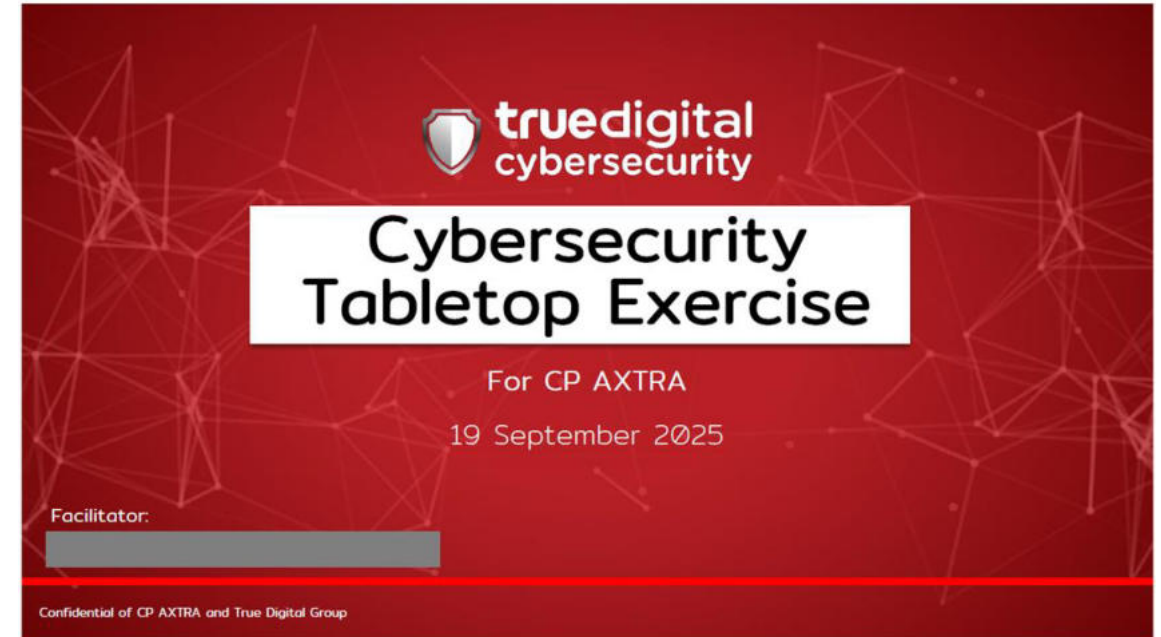
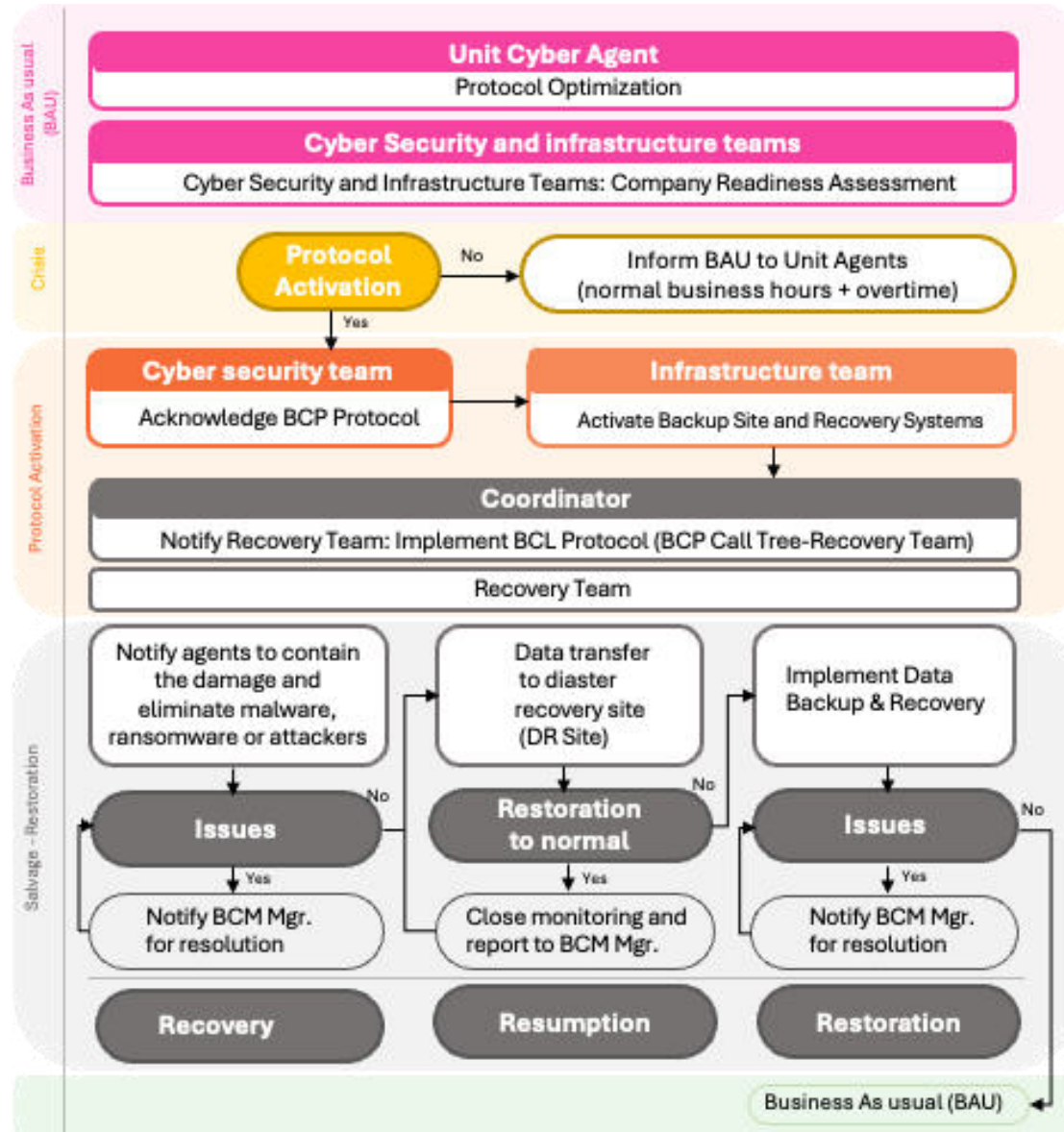


2024 Result:

- **2,953** trained employees (**100%**)
- **2,110** employees participated in email scam tests.
- **73%** has properly responded and **4%** reporting suspicious email.

Cybersecurity Business Continuity Plan

Following the framework of the ISO22301 to prepare for various crises that may occur and impact key business operations and the Company's risk management protocols. In 2024, the BCP drills are conducted twice.



"The simulation scenario on cybersecurity or data privacy incidents that may occur within the organization. It is designed to test the incident response plan and the coordination among teams, ensuring preparedness to effectively respond when an actual event occurs"

Verification and Vulnerability Analysis by External Party

The company has conducted the external audit & Vulnerability Analysis by external party as NIST and external auditor to verify effectiveness of cybersecurity management system, infrastructure, and process.



Internal Audit



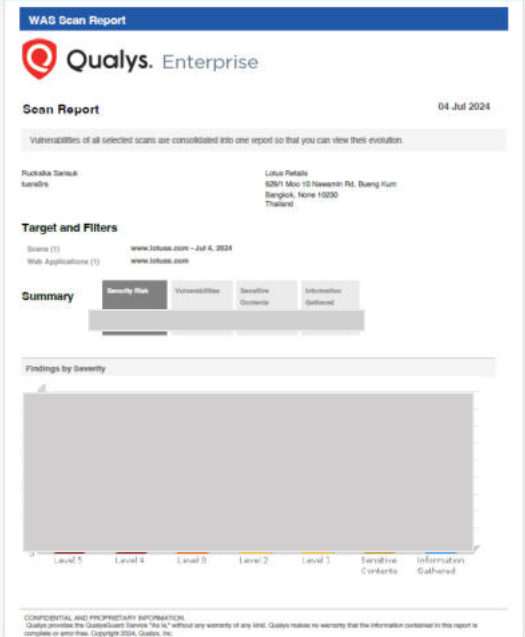
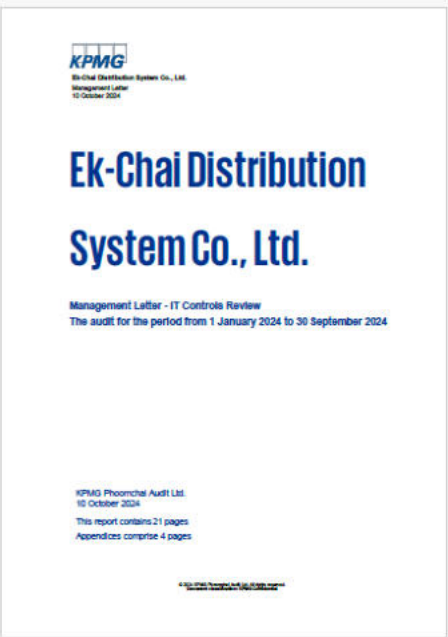
Infra-structure & management systems have been audited



Vulnerability analysis by third party



Simulated hacker attacks by third party



“ See more details in [page 10](#)”

Annual NIST Function Rating in 2024

The Company also participated the 2024 Cyber Security Assessment Program for Listed Companies under the Office of the Securities and Exchange Commission (SEC) and the NIST Cyber Security Framework that ranks organizational cyber security by readiness level. The program regularly verified the NIST Function's in 6 dimensions of Controlling system which are Govern, Identify, Protect, Detect, Respond, and Recovery for whole organization. The 2024 result shows the Company's score of **4.22** out of 5 levels which is highest rated comprising 202 of the companies that participated.

Score
4.22
Above
NIST
Function
Average
Rating



"Infrastructure Security Testing" (Hecker Attacks)

The Company hires the external party to simulate external hacker attacks (Red Teaming) to test the effectiveness of protection and evaluate the vulnerabilities in the system for improvement such as ASPX Debug Mode, Azure Domain Tenant, and Git-config Publicly Accessible.

2024 Result:

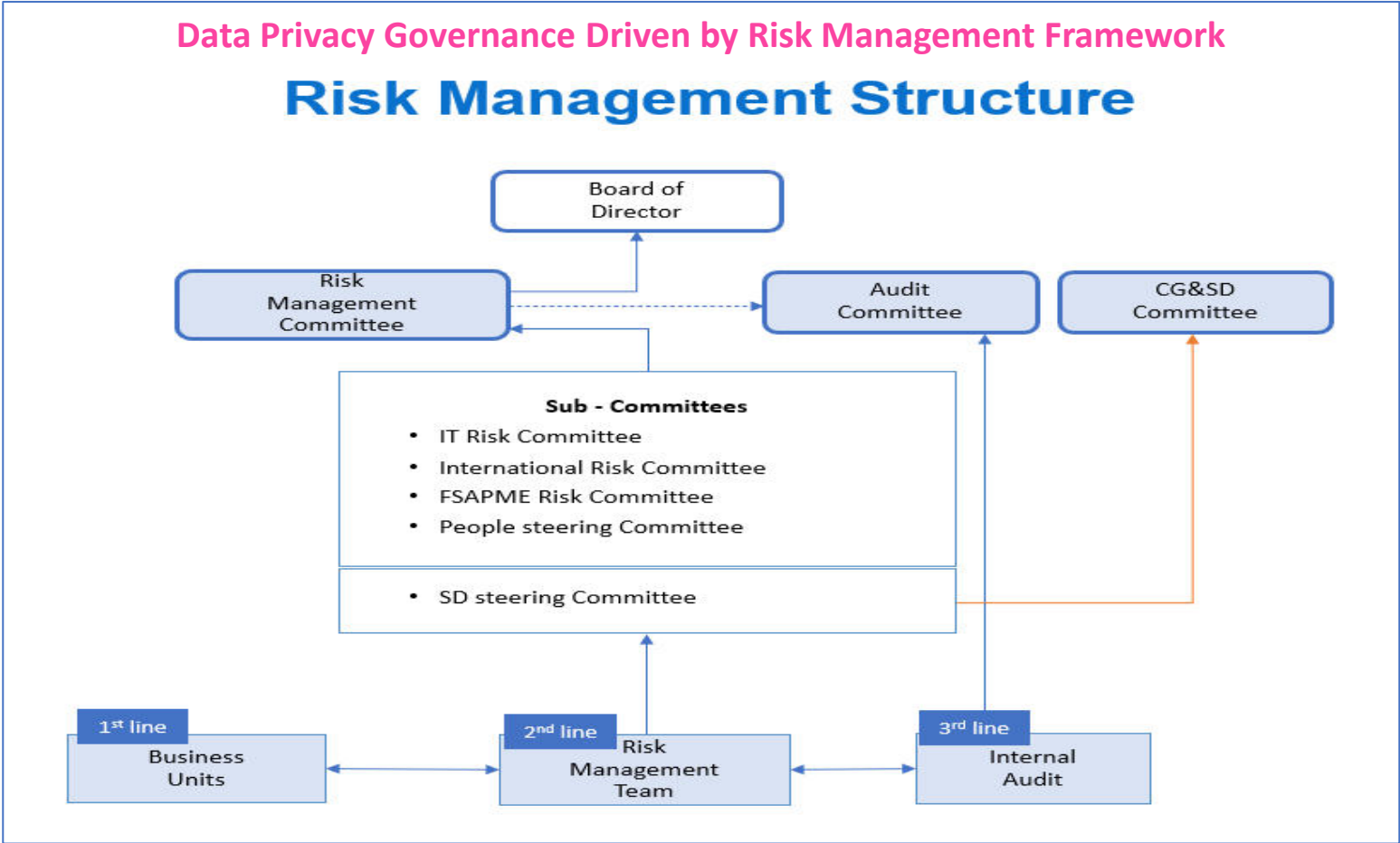
- **100%** passed the security system test on all topics.
- No incidents of damage from cyber-attacks.



DATA Privacy Protection

Governance

The Company has appointed a Data Protection Officer (DPO) with responsibilities to monitor and evaluate compliance with data protection laws, raise awareness and provide training on personal data practices, advise the Board, executives, and employees, act as the primary contact point for data subjects and the Personal Data Protection Commission, and maintain the confidentiality of personal data in the performance of duties. The DPO plays a pivotal role in governing privacy matters in close collaboration with relevant functions and senior management, who place strong emphasis on ensuring that privacy and data protection are taken seriously and embedded into the Company’s governance and operations.



Data Privacy Protection Policy

Privacy policy is applied to the entire Company and its subsidiaries, supplier, vendor, contractor, including any foundations or funds established or to be established by the Company in the future. They are also applied to suppliers, where applicable, through contractual obligations and in compliance with the Personal Data Protection Act (PDPA). See more detail at <https://www.cpaxtra.com/en/personal-data-protection-policy>



Personal Data Protection Policy



Privacy Notice for Customer



Privacy Notice for Suppliers



Privacy Notice for Investors



Consent Preference



Cookies Policy



CCTV Policy

1. Process personal data in a fair and lawful manner.
2. Process personal data in accordance with the purposes for which it was collected, used, or disclosed.
3. Ensure that personal data processed is adequate, relevant, and not excessive.
4. Ensure personal data is accurate and up-to-date.
5. Do not retain personal data longer than necessary.
6. Process data in accordance with individuals' rights to access and correct their data.
7. Ensure personal data is kept secure.
8. Personal data must not be transferred to countries with inadequate data protection standards, unless consent is obtained or as required by law.
9. Personal data must be used correctly and in a way that does not cause harm to the data subject.

Data Privacy Protection Management System

To ensure effective management of privacy risks, the Company has established a Privacy Compliance Program as a key initiative to mitigate privacy risk, which is recognized as a significant corporate risk. This program reinforces the Company’s commitment to ensuring that privacy risks are properly identified, managed, and monitored across all relevant functions.

The Company implements measures to prevent unauthorized access and mitigate potential breaches of personal information. In line with the Personal Data Protection Act (PDPA), the Company prioritizes the protection of Personally Identifiable Information (PII) and has announced comprehensive Personal Data Protection Policy along with supplementary documents. Data management tools such as data classification and labelling for confidentiality, along with data loss prevention (DLP) systems, have been implemented to automatically detect and prevent potential data leakage.

The effectiveness of these measures is regularly monitored and reported, with statistical tracking such as the number of employees assessed, the number of employees found in breach of data protection requirements, and other relevant performance indicators. These monitoring results are consolidated and reported under the Company’s risk management framework to ensure accountability and continuous improvement in line with international practices.

The Company also promotes a strong speak-up culture by providing multiple secure whistleblowing channels for employees and suppliers. Reports, including data privacy concerns, can be made confidentially and anonymously, with the option to use an independent third-party channel. All reports are treated with strict confidentiality, with a strong commitment to non-retaliation and the protection of whistleblowers’ rights.

Action	2024 Result
Embedded in group-wide risk management	- The company has embedded the privacy policy in group wide risk management. The Risk Management Steering Committee (RMSC) as a working committee under the oversight of the Audit Committee. The RMSC supports the effective implementation of the corporate risk management framework, including oversight of privacy risk as part of the Company’s significant corporate risks. By aligning with international practices, the RMSC enhances the Company’s ability to manage risks proactively, promote accountability across functions, and provide assurance to the Audit Committee and the Board that key corporate risks are being effectively governed and monitored. 100% of data privacy risks were reviewed, and mitigation plans were identified.
Disciplinary actions in case of breach	100% of employees were evaluated on compliance with company policies, including privacy policy, adherence through the disciplinary process as part of the annual performance review and year end bonus evaluation. 100% of employees, suppliers, and contractors were communicated with regarding incidents and responsibilities for personal data leakage in compliance with Personal Data Protection Act. - If any company personnel directly or indirectly violate or fail to comply with policies, practices, or measures, they will be subject to disciplinary action in accordance with the Company’s work regulations.
Third-party audits of the privacy policy compliance	In progress
Internal audits of the privacy policy compliance	100% implementation of the privacy compliance program was audited as part of the annual internal audit plan.

Customer Privacy Notice

The Company places the highest importance on protecting our customers' personal data. In line with the Personal Data Protection Act (PDPA), we ensure transparency in how customer information is collected, used, disclosed, and safeguarded. Beyond compliance, our commitment reflects genuine care for our customers and stakeholders, ensuring their rights are respected and their trust is maintained. In our Privacy Notice for Customers, the topics below are covered:

- Scope of the Privacy Notice
- Personal Information We Collect When We Interact With Customers
- Purposes of Collection, Use and Disclosure
- Disclosure of Customer Personal Information
- Sending or Transfer of Customer Personal Information to Overseas
- Retention Period of Customer Personal Information
- Customer Rights
- Updating Customer Personal Information
- Security Measures for Customer Personal Information
- Marketing Research and Communications
- Cookies and Similar Technologies
- Redirecting to Other Parties' Websites
- Changes to the Privacy Notice
- Notification of Customer Data Breach and Leakage
- Contact Us
- Data Protection Officer

2024 Result:

- **3%** of users whose customer data is used for secondary purpose.

Fostering Organization-Wide Commitment to Personal Data Privacy

The Company requires all employees to complete mandatory annual training with a 100% pass rate. In addition, a variety of e-learning modules are available throughout the year, enabling employees to refresh their knowledge and strengthen their understanding of data privacy and compliance at their own pace. The Company also extends privacy awareness to suppliers through contractual obligations aligned with the PDPA, including the Supplier Code of Conduct, as well as ongoing communication channels.

By fostering continuous learning among employees and reinforcing privacy awareness with suppliers, the Company ensures that the personal information of customers and stakeholders is protected with vigilance, accountability, and care.



Standard Business & Compliance

PDPA Awareness - หลักการและสาระสำคัญของพระราชบัญญัติคุ้มครองข้อมูล...



Standard Business & Compliance

PDPA - แนวทางปฏิบัติในการกำกับดูแลคู่ค้า (Guideline for Third Party Assessment...)



Standard Business & Compliance

PDPA - การบริหารจัดการและการตอบสนองต่อคำร้องขอสิทธิของเจ้าของข้อมูล (Data...)



Standard Business & Compliance

[TH ver.] Data Loss Prevention [DLP]



Standard Business & Compliance

PDPA - แนวปฏิบัติและการตอบสนองเมื่อเกิดเหตุการณ์ผิดปกติ เหตุการณ์หรือภัยคุกคาม...



Standard Business & Compliance

PDPA - การบริหารจัดการความยินยอม (Consent Management) [Update as M...]



LET'S PREVENT DATA LEAKAGE

What is personal data leakage?

Data leakage can occur in various ways. It broadly refers to any unauthorized use, access, disclosure, alteration, destruction, loss, or unintentionally transfer of personal data. This encompasses both intentional unlawful acts and accidental occurrences, such as:

- Employees accessing customer's personal data stored by the Company for customer service purposes and selling it for personal gain.
- Hackers infiltrating the Company's systems and unlawfully taking out personal data.
- Accidentally sending a large amount of personal data to external parties without intention.
- Storing personal data without restricting access, allowing internal individuals to access the personal data.

How to prevent personal data leakage:

- Study and adhere to relevant policies: Learn and strictly follow policies related to personal data protection and information security.
- Handle, use, and transfer personal data responsibly: Adhere to Company policies when collecting, using, and sharing personal data, ensuring it aligns with the intended purposes.
- Be vigilant and report suspicious behavior: Collaborate by keeping an eye out for any suspicious behavior or actions that could potentially lead to personal data leakage. If such behavior is observed, report it to the relevant authorities immediately.
- Participate in protecting personal data training: Attend training sessions organized by the Company to enhance knowledge and skills in preventing personal data breaches.

When a personal data leakage occurs:

Notify the relevant authorities or the Company's Data Protection Officer (DPO) as soon as possible to prevent the leakage and investigate immediately. If there is a data leakage, suspicious incidents, or misuse of personal data, you can contact through the following channels:

- Data Protection Officer (DPO) (+66) 2 797 9000 Ext. 5824
- Legal, Compliance and Quality Department via email: Business.Integrity@iotuss.com
- Your Data Protection Champion
- Or you may contact Protectorline via

TollFree
1800-019099

2024 Result:

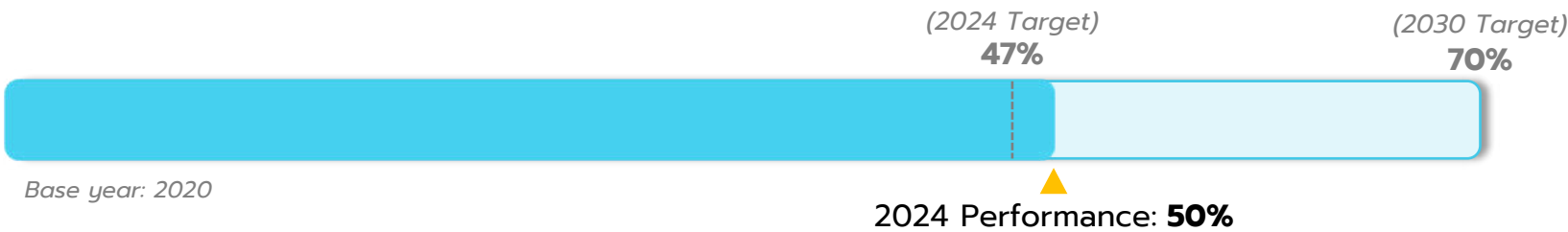
- 100%** employees completed mandatory annual training.
- Zero** employees, suppliers, and contractors were impacted by any material data leakage or privacy breach cases.

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

50% of sales come from products that promote health and well-being.

1% of sales from food products have reduced fat, trans fat, sodium, and sugar.

7% of sales from food products that increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals, or functional food additives.

38% of sales from food products are safe for consumers of all ages, from children to elders.

12% of sales from products and services that promote health and well-being.

5% of sales from healthier food products by reformulation/renovation.

Opportunities and Challenges

Quality and safety products are the fundamental schemes of developing products that focus on health and wellness for consumers of all ages. As a leader in the retail and wholesale industry, the Company recognizes the importance of developing internal processes and enhancing the business partners for safer also promote better health and well-being products. This requires traceability systems to demonstrate transparency of the source of raw materials and meet the needs of increasingly health-conscious consumers and better health conditions among the population.

Policy & Management Approach

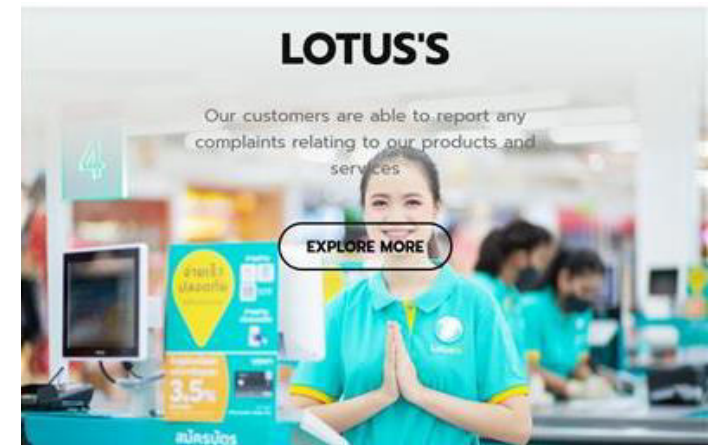
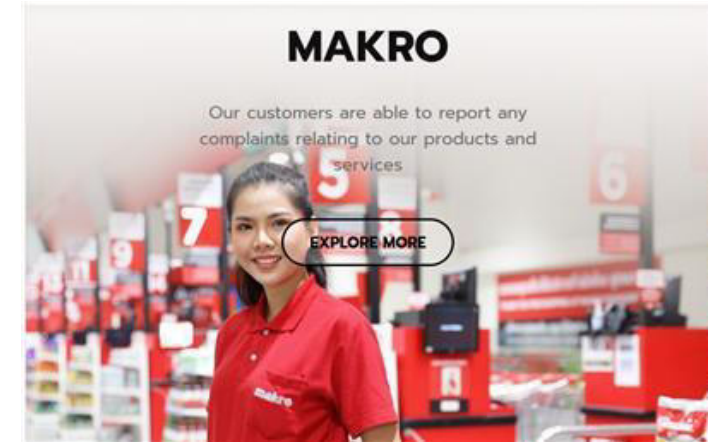
The Company commits to increasing the percentage of sales from B2B and B2C products and services to help promote health and well-being. to be 70% within 2030 with the collaboration of the whole supply chain. Altogether the fundamental procedure of quality assurance and food safety from upstream to downstream. The Company also educates the consumer knowledge through the QR Code i-Trace application to trace back to production sources, nutrition facts, and healthy recipe.

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;

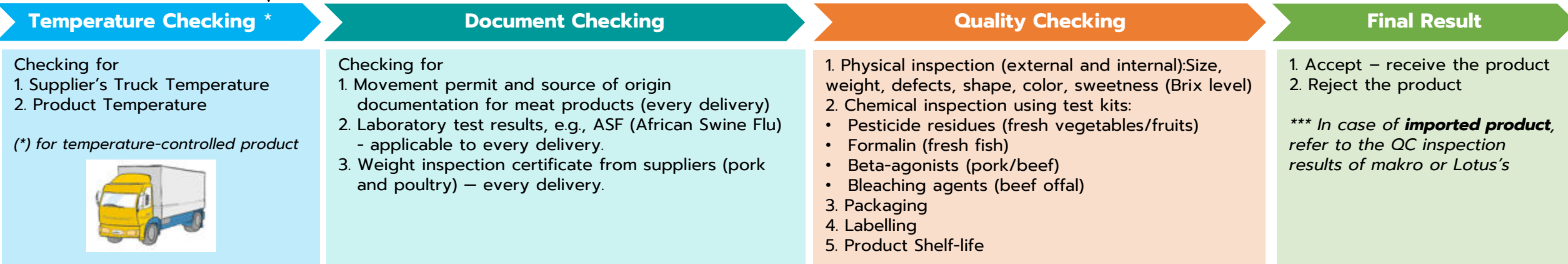
- Processes to prevent or address defective products before delivering product to customers to avoid product recalls
- Internal audits of the quality management system
- 162 sites has has been certified the ISO22000:2018 by the external party (BSI Group (Thailand) Co.,ltd.)
- Conduct the training for 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



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
	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 176 farmers and suppliers have qualified for the standards "MQP" and "Selected".	GMP ⁽¹⁾	162	84	2	n/a	- 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

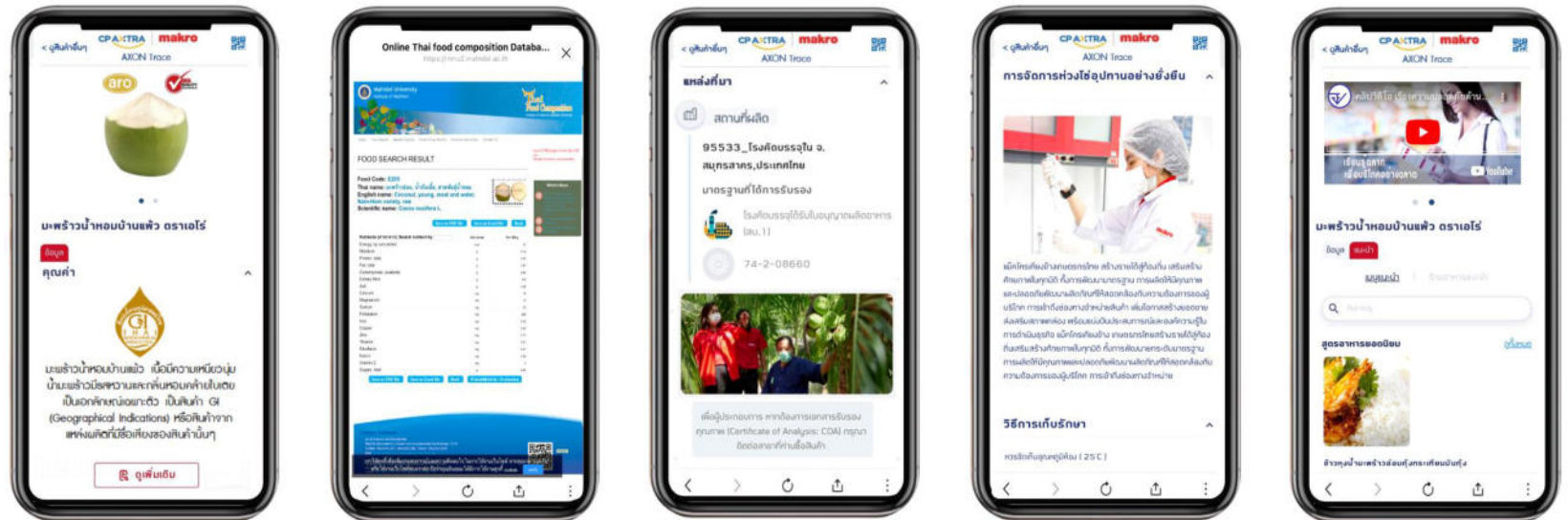
During 2021-2024, the product recall occurred from the suppliers' branded which sold in store but never occurred in own brand products. Otherwise, the company's monitoring and developing the highest product standard both own brand and suppliers to protect customer rights and prevent the damage a reputation 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



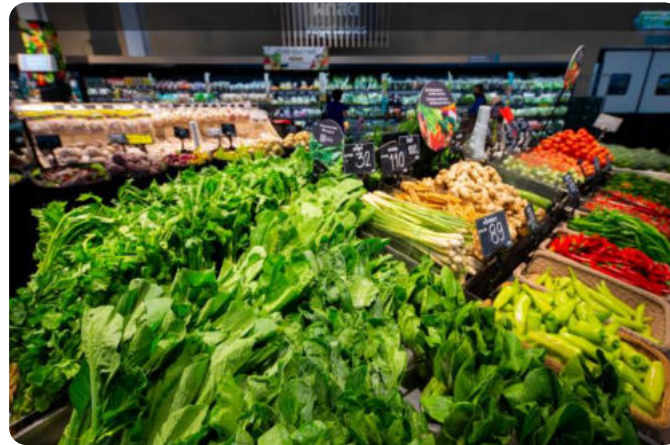
2024 Results

- **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 suppliers** agricultural products under the MQP (Makro Quality Pro), aro Gold, and Selected labels.
- **939** 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	• 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.	• 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	• "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.	• 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	• 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	• Total Sales of products with Healthier Choice Logo in 2024 is accounted to 2,085,531,781 Baht • 37% of total sales from - 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
Quantified targets for fortified foods with increased nutritious ingredients	• 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.:	• 9% of total sale from - 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
Reporting on progress of Health & Nutrition targets	• “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.	• 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	• Products specifically aimed at priority populations : The Company develops and offers specialized products targeting priority populations, including individuals with • diabetes, • low-income groups, • children, • pregnant and lactating women, • and the elderly. 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?	• 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 110-111</i>
Portion-Control packaging design	• 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.	• 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	• 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.	• 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	• 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.	• 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



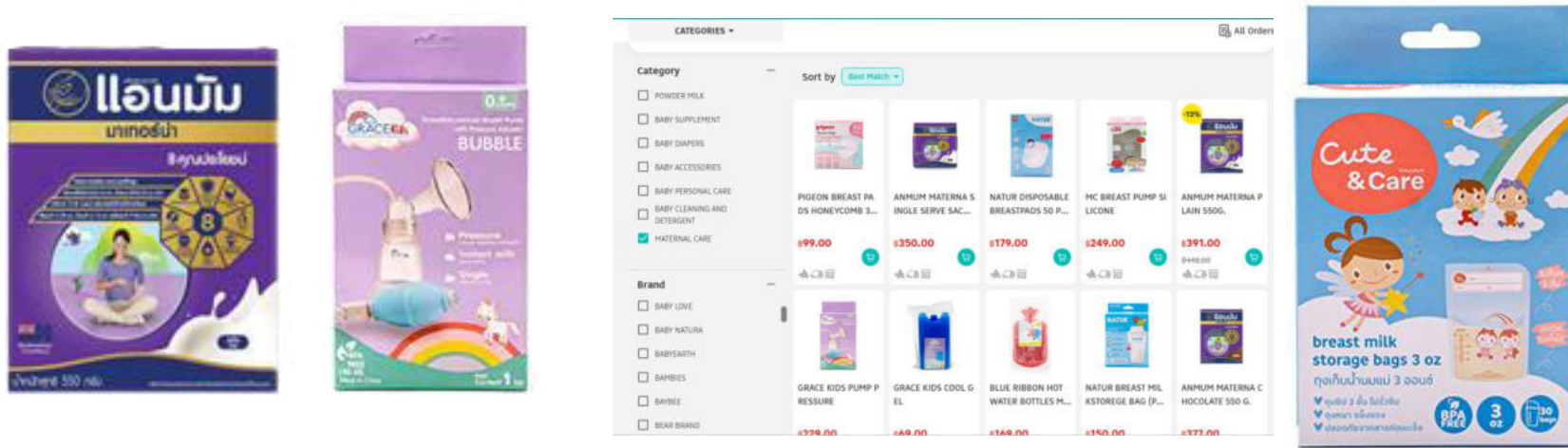
Diabetes

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



Children

Example of Products specifically aimed at priority populations



Pregnant and Lactating woman

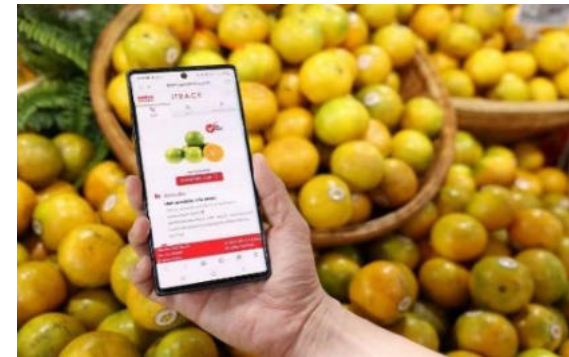


The elderly

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

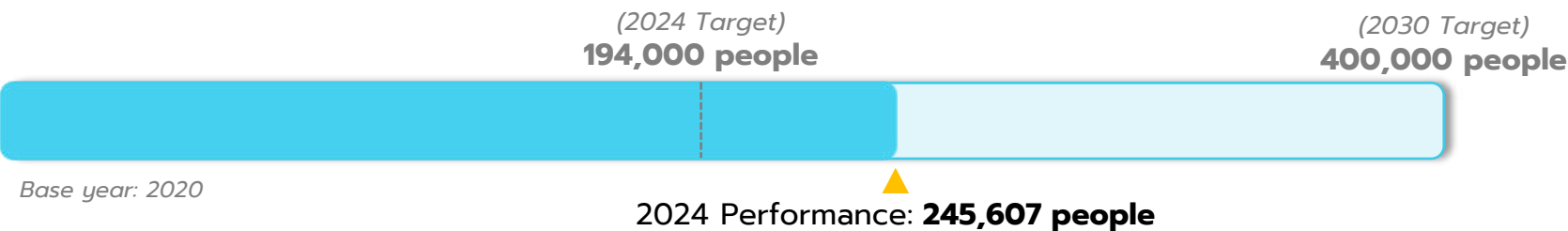
- Donated **200,000 baht** from selling women's clothing and lingerie in October to the National Cancer Institute for Institute to purchase tools and medical equipment to help underprivileged patients.
- **946** people has benefited from these campaigns.

SOCIAL IMPACT & ECONOMIC CONTRIBUTION

Target and Performance

Long-term target by 2030

400,000 jobs supported to generate incomes for the community



2024 Target

194,000 people have jobs supported to generate income.

2024 Results



Of Target

245,607 people have jobs and generate income

Direct jobs or income support

- **94,104** employed or purchased their product.
- **18,420** SME and famers are supported.

Indirect jobs support in value chain

- **53,962** SME's workers on farmer's member group
- **79,121** vender's workers.

Opportunities and Challenges

Social and communities are fundamental to sustainable development. The Company is committed to strengthening and promoting peaceful and inclusive societies for sustainability development through 3 strategies: employment through every part of the business, creating careers for vulnerable groups such as people with disabilities and prisoners, and creating additional income for farmers and SMEs, including small entrepreneurs by contributing to our powerful supply chain and value to support the economics-social with the interconnection from producer to the consumer also of reliable support to farmers, small business entrepreneurs, and vulnerable groups. Including driven to supply chain to recover and strengthen the economy from the crisis.

Policy & Management Approach

The Company's committed to operating business and contributing positive and sustainable value to society As the epidemic has continued to affect the world since 2021, the Company proceeds to generate the economic value that benefits society by supporting the communities such as farmers, food business entrepreneurs and medical personnel, to mitigate adverse effects and speeding up the overall economic recovery in the process.

A strategic approach to community development that addresses social challenges sustainably through integrated business operations.

Social responsibility is integrated into our business operations. We have established mechanisms to foster long-term collaboration with all sectors, aiming for mutual growth of both the business and the community.

Job creation and income generation

Support for Farmers and SMEs

- Establish a collaborative supply chain by sourcing directly from producers.
- Co-develop products with farmers.
- Provide sales channels and retail space for farmers and SMEs.
- Enhance knowledge through training and capacity-building programs.
- Support communications and promotional campaigns to raise awareness of agricultural products.

Makro Retailer Alliance and Small Shops

- Network of partner stores under the "Makro Retailer Alliance " (MRA) initiative
- Knowledge sharing on modern retail management
- Provision of consumer behavior insights tailored to each location
- Product development tailored to the needs of traditional retailers in specific areas
- Microfinance support through partner banks and financial institutions

Local Employment and Community Engagement

- 80% of employees at all branches are hired from the local community
- A part-time employment system supports internships for local students
- The "60 Young at Heart" program promotes employment opportunities for senior citizens
- Community activity spaces at Lotus's branches host local markets to increase opportunities for local

Management Plan

Employment and Skill Development

One of the company's core missions is to be cherished by and create benefits for communities in every area where it operates. This is achieved through various activities such as local employment, supporting farmers, small entrepreneurs, and vulnerable groups, as well as promoting local economies by providing retail business management knowledge to "sho-huay" (traditional Thai convenience store) operators and small and medium-sized food businesses to connect networks and support the foundational economy of communities, as well as assisting communities in various crises.

Support SME and famers

The Company supports agricultural products and products from local farmers and SMEs within the respective vicinity which has been implemented continuously to develop supplier potential in terms of production standards, income sustainability, product quality and food safety.

Social Support in Other Crisis

Thailand also faced severe crises resulting in damage to households and properties in disaster zones. As several stores were located in the affected zones, it collaborated with the local agencies to expedite emergency bags to the disaster victims in a timely manner.

Sustainable community support – "Makro Alongside Thai farmers" Project



Note: Total purchases from farmers total **9,290** million baht. The company has sales of fresh food products of **31,494.33** million baht.

Example of Commercial Activity Donation

"Longan of Choice Give Back Joy to Locality" 4th year

The company realized the traditional Longan plantation then seeks to strengthen the income of longan growers as well as improve farm product safety and quality to meet the standard and return benefit from sales to the community with local farmer cooperative in Pasang, Lamphun province to implement GAP guideline for better food safety and quality products also traceability and meet the customer's preference. Furthermore, the research for installation of the machine for packing workshop to extend shelf life and retention time of products. This project is part of Makro's Job creation project whose purpose is to improve the life quality, a sustainable economy in society to strengthen the community through local jobs including the donation of money from product selling to buy medical equipment and hand over to public health unit in the community as return the happiness to the community



2024 Results

- **650** farmers generate income.
- **1,222** tons whole year purchasing or **58,046,197** Baht increased 21%.

Job Creation to the Society

"Support Productivity and Local Products from Farmers"

Makro and Lotus's support agricultural products and produce from local farmer groups and small entrepreneurs, including produce from highland farmers and the Royal Project Foundation, such as Mae Hia, Mae Hae, and Ler Tor. These products are sold at Makro and Lotus's branches nationwide through both offline and online channels. Concurrently, they also develop the potential of their partners, elevating food production to meet quality and safety standards, as well as promoting stable and sustainable income.



2024 Results

- Purchased amount **87,831.49 tons.**
- Totaling support of **9,289 million Baht.**

"60 Yang Jaew" Project

CP Aextra, in collaboration with the Ministry of Labour, is offering opportunities to seniors aged 60 and above through the "60 Yang Jaew" project. The initiative recruits seniors to work and participate in skills training, while also providing sales space within Makro and Lotus's stores. This includes employing 227 seniors to work in branches and enrolling 150 seniors in vocational training under the "Aged Entrepreneur" program. The aim is to create income for seniors who desire independent work or wish to run their own businesses. Additionally, the "Joyful Aged Market" provides free sales space for 100 seniors to sell their products. This project is a testament to the organization's commitment to creating economic value and benefits for society. In total, 477 seniors have participated in the project's activities.



Job Creation to the Society

“Create the Jobs for the Disabilities” Project

The cooperation project with the Department of Empowering of Persons with Disabilities to upskill and purchase handicraft products from disability upskilling centers in many provinces for the 3rd consecutive year. This year, the Company increased the purchase of more than 13,700 handicraft products สำหรับลูกค้าที่ต้องการจัดเป็นกระเช้าผลไม้ โดยมีจำหน่ายภายในสาขาในแพนกวัดผลไม้ ทำให้สร้างอาชีพ และรายได้ที่ยั่งยืนให้แก่ผู้พิการ และครอบครัว The company supports disabled individuals and their families by offering fruit basket assembly services in stores, creating sustainable income. They also provide low-investment food business training to four disability centers, enabling 491 individuals to create street food menus and earn income. Consequently, the company was honored by the Department of Older Persons as a role model for promoting senior employment and income in 2024.



2024 Results

- **2,198,620 Baht** purchasing amount.
- The sale amount increase **1,320,155 Bath.**
- Job creation for **491** disable people.

Job Creation to the Society

Create the Jobs for the Retired Soldiers

The company has collaborated with the Royal Thai Army and Navy to provide training to conscripted soldiers, enabling them to gain knowledge and understanding of various job roles. The company has created over 2,000 job positions across several stores province, from which the soldiers can choose to work. Additionally, the company provides independent career training to help the soldiers create future income and increase their work options. This initiative is in line with the “Job Creation” policy, which aims to develop and promote various skills continuously, offering stable income and employment opportunities to conscripted soldiers.



2024 Results

- Over **2,000** job positions.
- **61** people have been hired.

Example of Social Investment

"PLATFORM OF OPPORTUNITY" Project

SME business matching events are under the "PLATFORM OF OPPORTUNITY" project, is the activity to open the opportunity for farmers and SMEs to become the company's suppliers. The local farmer and SME can register their product to the platform, then the platform will proceed with the initial screening and matching the buyer to the product and set up the business discussion. The variable product can be registered such as agricultural products, processing food, other consuming product, etc. Altogether knowledge sharing and provide advisory to farmer and SMEs to improve product quality and productivity for both local market and exportation.



2024 Results

- **205** farmer and SMEs entrepreneur registered.
- **36** product has been selected.

Social Support in Other Crisis

Support the Forest Firefighter Team

A forest fire rages in Khao Laem, Nakhon Nayok province, northeast of Bangkok, on March 2024. Fire is often associated with negative impacts on the environment such as plant animals living in that area. The company helps provides drinking water for staff in fire fighting mission. In addition, Drinking water also distribute to Chulachomklao Royal Military Academy, Obkhan Forest Fire Control Station at Obkhan National Park area Chiang Mai Province



2024 Results

- **60,000** packs of food and water are donated to support people during natural disasters.
- Support value **393,760.77 Baht**.

Lotus's Donate Used Coldstore Jacket to Chiang Mai Residents

Lotus donated the 70 Coldstore jacket that used in cold rooms from the Lotus Distribution Center, Lam Luk Ka, to communities in remote areas. in Chiang Mai province Including delivering it to the Hilltribe group, Ban Phi Pan Nuea village. with the Charoen Pokphand Foundation being the delivery daily stuff to help people in remote areas who are affected by cold weather. For better health and quality of life.



2024 Results

- **70** sets of coldstore jacket are delivered.

The Royal Project continuously purchases produce.

CP Axtra is expanding its continuous collaboration with the Royal Project Foundation, a partnership spanning over 29 years. This initiative aims to promote careers and create sustainable income for highland farmers, while also helping customers and the public access high-quality fresh produce at affordable prices. CP Axtra purchases produce from the "Royal Project Development Center Ler Tor" in Tak Province and distributes it to Lotus's branches nationwide and through online channels.



2024 Results

- Over 80 Royal Project items sold in 75 Lotus's hypermarkets, generating over **115** million baht.
- Donated 60 water tanks and a production water system, valued at **350,000** baht, to support their water infrastructure.

“ Continue Direct Product Sourcing from Farmers (Non Khwao Model)” Project

Lotus's supports farmers through direct purchasing, ensuring fair and stable income. The company collaborates with government agencies such as the Ministry of Agriculture and Cooperatives and local authorities, aiming to empower farmer groups to manage their cultivation more efficiently. Lotus's encourages nearby farmers to form cooperatives in line with the government's large-scale farming policy and helps raise standards for quality and safety in agricultural products. Through a pre-cultivation planning and contract farming model—aligned with the “production driven by market demand” approach—Lotus's also facilitates access to distribution opportunities within its network.

Currently, Lotus's operates four major Farm Model production sites across Thailand's 4 regions. These sites provide stable and fair livelihoods for over 546 farming households. By working closely with farmers under the Farm Model, the company ensures stronger quality and safety control over its produce. One key project involves direct sourcing of 27 vegetable varieties from 89 farming households in Ban Non Khwao, covering more than 270 rai of farmland. This initiative yields over 13,000 tons of vegetables annually, generating an average additional income of 12,000 THB per household per month.



2024 Result

- **1,092** farmers from all regions participated in the program
- **13,000** tons of annual volume procurement

“SME Market Roadshow and SME Fair” Project

CP Aextra expanded its opportunity platform for Thai SMEs and farmers by partnering with the Ministry of Commerce, the Thai Chamber of Commerce, the Board of Trade of Thailand, and the Thai Retailers Association to organize over 15 SME Roadshows and SME Fairs throughout the year. More than 205 small business operators participated, generating total sales of 693,000 baht. These activities aim to drive the local economy, increase income, and sustainably expand opportunities for small entrepreneurs through product booths and business matching sessions with wholesale and retail chains.



“Lotus's SMART SME - Intensive Training for Aspiring Franchise Owners” Project

Lotus's, in collaboration with PMG Corporation Co., Ltd., has developed a special program called 'Lotus's SMART SME' to develop SMEs toward becoming franchise owners. The program aims to enhance knowledge in franchise business expansion and provides rental space support for small entrepreneurs at Lotus's locations nationwide, as well as through online channels. It also facilitates SME entry into the modern trade market, offers opportunities for business matching activities, and fosters collaboration with both public and private sector partners.



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- 137 entrepreneurs (123 business type) have been trained.

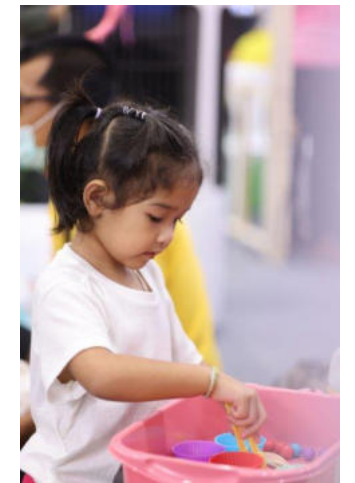
“Creative School Break Program: Fun Every Day at Lotus’s” Project

Lotus's, in collaboration with the Thai Health Promotion Foundation (ThaiHealth) and the Department of Women's Affairs and Family Development under the Ministry of Social Development and Human Security, launched a pilot initiative titled “Creative School Break – Fun Every Day at Lotus’s. ”

The program opened dedicated family-friendly play areas, called “Lotus's Kids Corners,” across four Lotus’s branches, providing a creative and engaging space for families with young children to spend time together.

A key component of the program is the empowerment of single mothers. Nearly 30 single mothers were employed as Play Workers – facilitators who lead children’s activities in the play area. This initiative not only offers a supplementary income but also enables them to care for their own children while working.

The project included collaboration with the Thai Health Promotion Foundation and the Department of Women's Affairs and Family Development to provide training for interested single mothers, equipping them with the skills to work in this role. Lotus’s supports the initiative by offering employment opportunities and providing space in its stores for the children’s play corners.



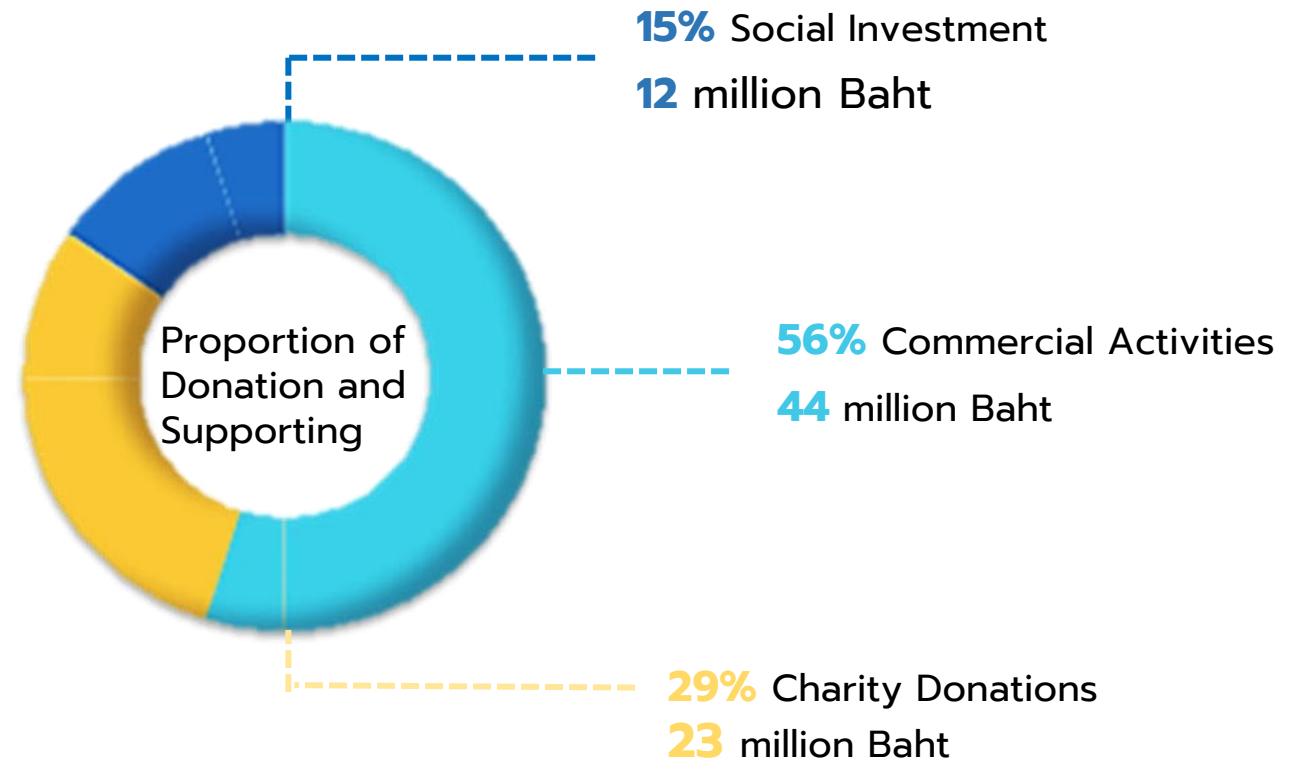
Donation and Supporting



Employee
Volunteer Hours
74,081 ชั่วโมง



Donating Stuff **2,763,055 บาท**

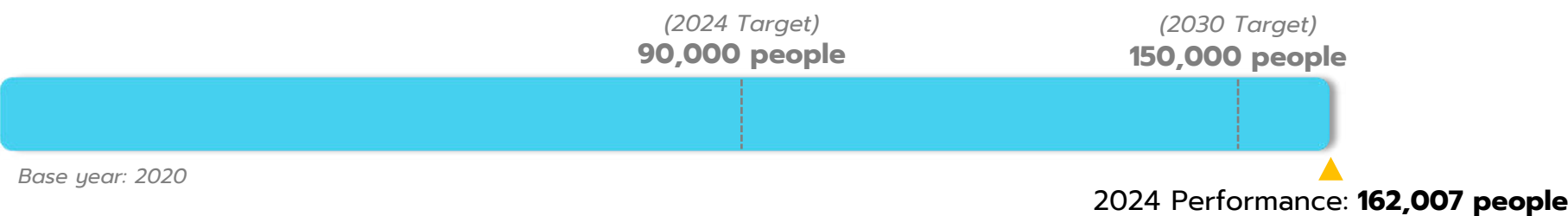


FOOD SECURITY & ACCESS TO NUTRITION

Target and Performance

Long term target by 2030:

150,000 youth and individuals gain access to safe and nutritious food.



2024 Target:

At least 90,000 people gain access to safe and nutritious food.

2024 Performance:



of target

162,007 people get access to safe and nutritious food.

108,006 people get donated food.

54,001 members of Community Kitchen

Opportunities and Challenges

Food security has become a growing concern for organizations worldwide. According to the Food and Agriculture Organization of the United Nations (FAO), over 25.96% of the global population is currently facing food insecurity. This issue has been further exacerbated by the COVID-19 pandemic, the intensifying impacts of climate change—which continue to disrupt agricultural output—and growing challenges in food logistics, driven by rising fuel costs and ongoing geopolitical conflicts. Food security is one of our core strategies, the Company recognizes the importance of this issue and is committed to taking on social responsibility as the leading food supply chain.

Policy & Management Approach

In addition to managing the supply chain to nourish adequate food to meet customers' needs, the Company also expands food-accessible opportunities for people affected by crisis, local communities, and vulnerable groups, by delivering food, increasing access to safe food, and sharing food production knowledge through many projects.

"Donate Food and Water during Natural Disaster & Crisis"

The Company is committed to standing alongside communities especially in times of crisis. In 2025, in response to a natural disaster, an earthquake, the Company extended support to those affected—including local residents, officials, and rescue teams. Essential supplies such as clean drinking water, food, and other necessities were delivered to impacted individuals and first responders in both Thailand and Myanmar.



Providing Drinking Water to Travellers During Songkran Festival

In collaboration with the Department of Highways and local authorities, the Company established 50 roadside service points during the Songkran Festival to support travellers. These stations offered drinking water, cooling towels, ice cream, and waterproof pouches to help road users refresh, cool down, and reduce travel fatigue. The service points were located along key inbound and outbound routes from Bangkok—including provinces such as Ayutthaya, Saraburi, Chainat, Prachinburi, Kanchanaburi, and Nakhon Ratchasima—areas with high traffic volumes during the long holiday as people returned to their hometowns or travelled for leisure.



"Food Surplus Donation - Food Waste Reduction Program"

To promote better health and increase access to safe food and clean water for Thai communities, 350 stores participated in a food donation initiative. Surplus food, totalling over 36 tons, were distributed to sanitation workers under the Bangkok Metropolitan Administration across all 50 districts of Bangkok. Bangkok metropolitan's workers were able to collect the food from our stores within their designated work areas. This initiative not only helps reduce the cost of living for workers but also ensures surplus resources are used meaningfully—supporting food security and reducing waste.



"Fresh Food Community Kitchen"

To expand people's accessibility to fresh food from local grocery stores. The Company has continuously developed low-carbon refrigerators, frozen fresh food with proper sizing to prevent food waste also affordable, and variable protein sources including plant-based meat for the community.



2024 Result:

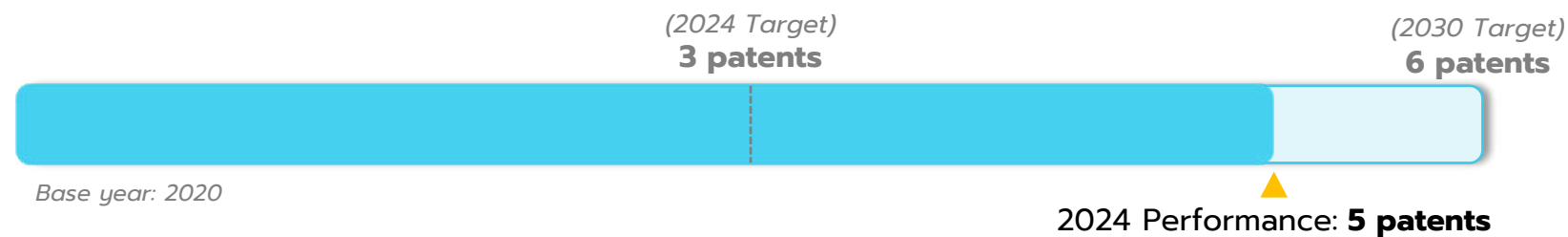
- **30,619** groceries participated in the program.
- Accumulated as **54,001** groceries.

INNOVATION

Target and Performance

Long term target by 2030:

Register **6 patents or petty patents**



2024 Performance: **5 patents**

2024 Target:

3 patents or petty patents will be registered in 2025.

2024 Performance:



Of Target

5 of patent or petty patent are pending patent numbers.

1,261 of employees are innovators.

8 innovation projects contributed cost-saving **2,577 million Baht**.

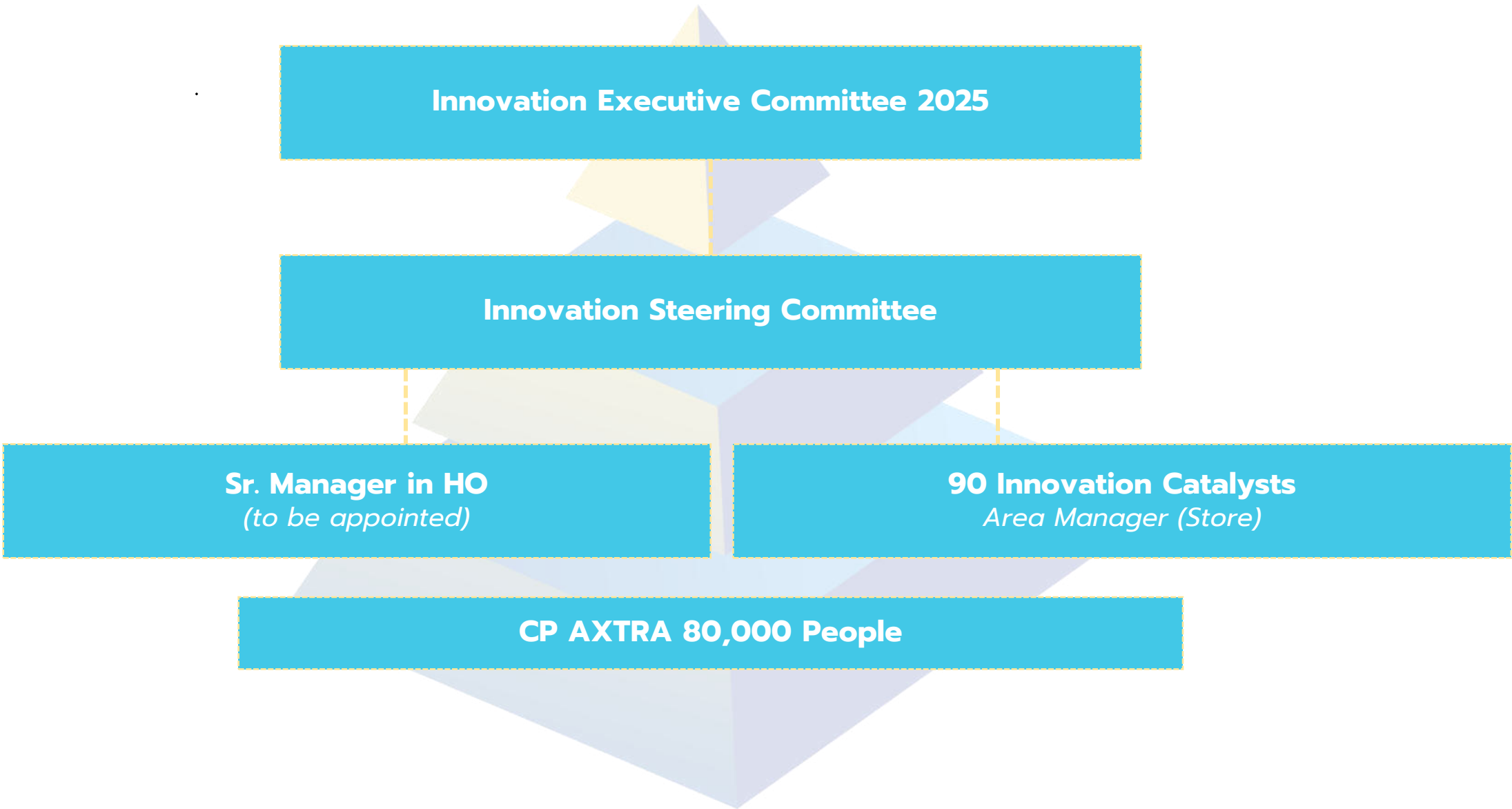
Opportunities and Challenges

To ensure the readiness for dramatic changes in circumstances and customer expectations, an innovation culture has been systematically fostered throughout the whole organization. This is accomplished through the cooperation of internal and external parties, in identifying creative and new operational approaches that respond to emerging risks of the wholesale-retail industry altogether improving customer satisfaction.

Policy & Management Approach

The Company's Innovation Committee and Innovation Leader team drive and foster an innovative mindset through conducive infrastructure, outreaching communication and interconnected networks, and also through programs like activities and contests that continuously promote understanding, knowledge and accessibility to innovative platforms.

Innovation Committee



Indicator

Indicator	2020	2021	2022		2023		2024	
			Makro	Lotus's	Makro	Lotus's	Makro	Lotus's
Innovators (person)	560	1,118	1,189	294	1,150	111	512	147
Innovations participate CP All and CPG Innovation Contest (No. of Project)	20	11	13	8	6	5	5	2
Award-winning innovations from CP All and CPG Contest (No. of Project)	10	6	11	6	6	2	5	1
Business impact (Million Baht)	315.04	3,975	3,882	1,507	1,369	1,208	20,483	29,250

Example of Patented Innovation



Ai-CC60 Chilled Thermotainer



Ai-CF40 Freezing Thermotainer

"Automated Ordering System to Improve On-Shelf Availability"

To address the issue of insufficient on-shelf inventory that leads to missed sales opportunities and unnecessary storage costs, the Company developed an Automated Ordering System. This system leverages Artificial Intelligence (AI) to accurately forecast sales and optimize inventory planning. By streamlining the ordering and inventory management process, the system reduces planning complexity, minimizes imbalances in stock levels, and enhances the Company's ability to respond promptly and consistently to customer demand. Through efficient resource utilization, the initiative has generated over 1 billion Baht in incremental sales annually compared to 2023.



2024 Result:

- **97%** better On-Shelf Availability Rate, incremental annual profit of **83,200,000 Baht** compared to 2023
- Over **1,280 million Baht** reduction in missed sales opportunities
- **138.9%** increased in Return on Investment (ROI)

"E2E Last-mile Intelligence Management System "

The Company has developed the E2E Operation Visibility Dashboard, an automated end-to-end delivery management analytics tool. Serving as a centralized data platform, the dashboard enables branches to manage last-mile delivery operations more efficiently by minimizing delays and reducing process errors. It provides real-time insights into delivery statuses and pending orders, enhancing the Company's capability to handle increased order volumes swiftly and accurately. This ensures timely responses to customer demands, strengthens the overall purchasing experience, and supports the sustainable growth of the online business channel.



2024 Result

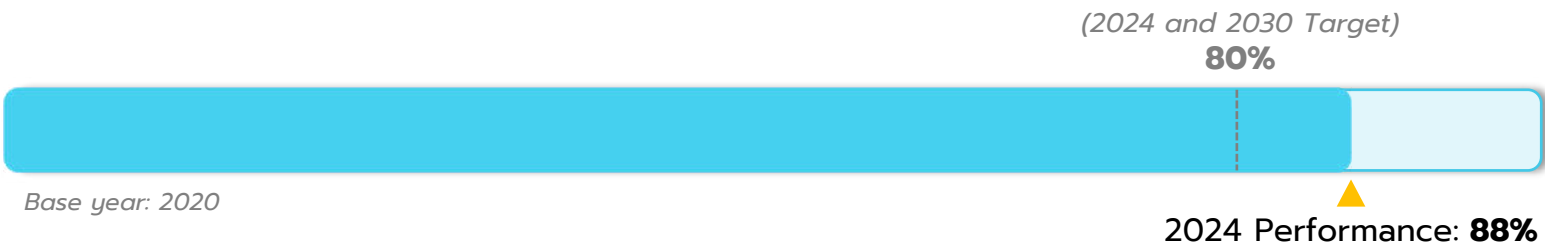
- **30,210 hour/year** in reduced working hours, equivalent to **1,678,333 Baht/year**
- Over **5.7 million Baht/year** in total cost reduction
- **18,532,000,000 Baht** increase in sales compared to 2022

Stakeholder Engagement

Target and Performance

Long term target by 2030 :

Stakeholder engagement score at least 80%



2024 Target :

Stakeholder engagement score at least 80%

2024 Performance :



Of Target

88% score from Stakeholder’s ESG engagement survey

- External stakeholder engagement score is 88%
- Employee engagement score is 87%
- Customer satisfaction score is 82.25%

Opportunities and Challenges

As the feedback from stakeholders is a crucial factor in driving a sustainable business according to stakeholders are exactly impacted both positive and negative from the business operation. The Company thus places importance on engaging long-term relationships with its stakeholders to appropriately respond to the expectations and global circumstances.

Policy & Management Approach

The company realizes that the distinct perspectives from different stakeholder groups are vital to mitigating business risks and the impacts of the operation, improving operational efficiency and creating shared values for all parties involved. The AA 10000 Stakeholder Engagement Standard is applied to form effective engagements with 10 stakeholder groups along with appropriate participation channels for each group. The channels are reviewed annually both quantitative and qualitative input including ensure that stakeholder voices are the input for the Company's materiality review and risk assessment.

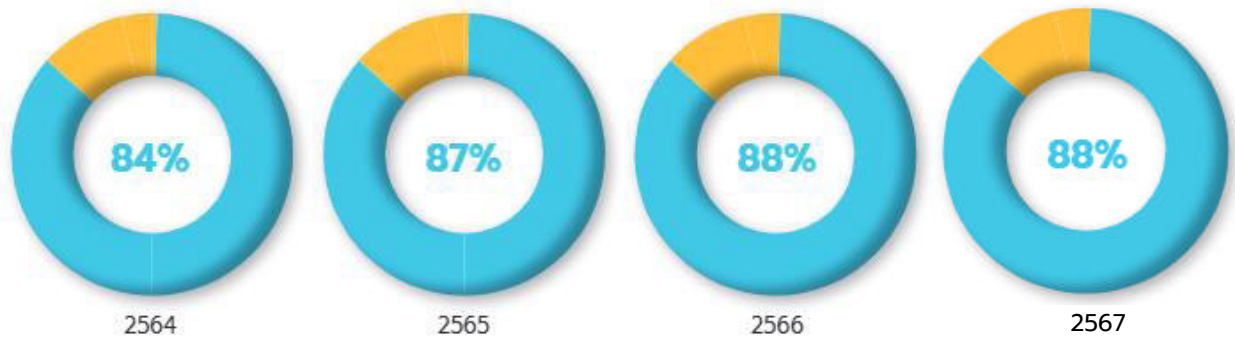
Annual Stakeholders ESG Engagement Survey

in May 2024, the annual stakeholder engagement survey from 276 people as



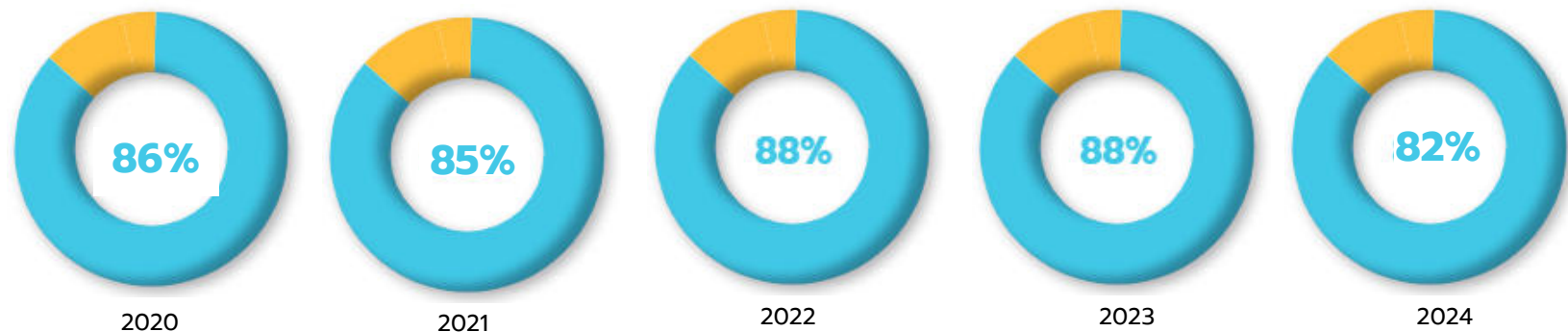
Stakeholder Engagement Score

2024
Target
= 80%



Customer satisfaction score (%)

**2024
Target
= 85%**

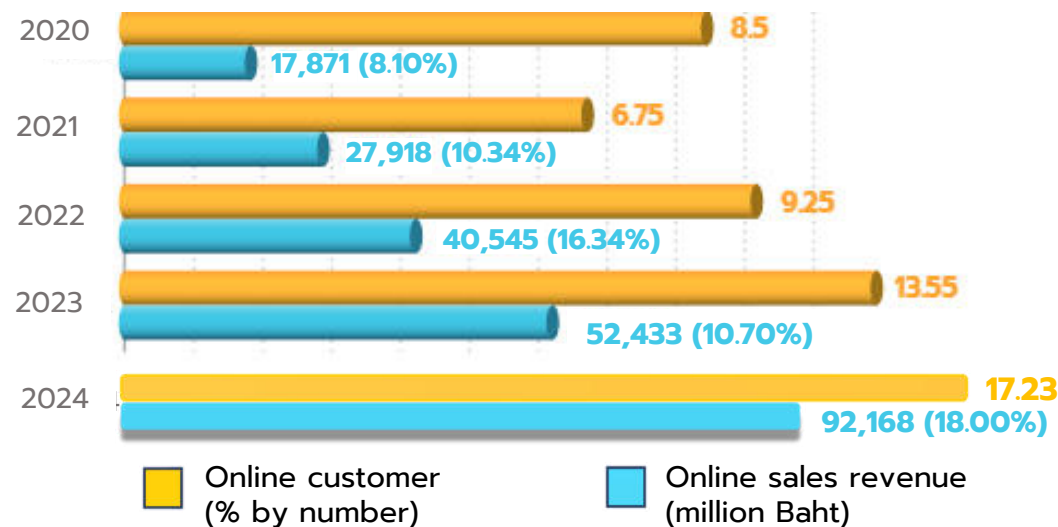


Online customer and revenue

The company recognizes the importance of the online and cashless society including covid-19 pandemic changed consumer behaviour and their expectation for more convenience and faster service. This challenge represents the opportunity for the company, to develop omnichannel sales and services under the online to the offline platform which are dramatical growth in both the number of customers and sales revenue.



2024 Target **online customer >15%**, **online sale revenue > 15%**



Identify the material issue from Stakeholder Engagement Channels

The feedback from the variable engagement channel will be collected and considered to the material issue. The negative feedback i.e., complaint, number of breach case, incident etc. The result will be counted as the negative issue. In the other hand, the positive feedback as suggestion and expectation from external stakeholder are considered either. Also-the performance gap or significant-change-that potentially impact-to-ESG-management system-such-as-the-migrant-worker-hiring-in-store which-are-review-for-human-rights non-discrimination, labor practice and living wage and safe work condition etc.

Stakeholder	Engagement Channels	Expectations / Impact / Performance gap	Materiality Issue
 Shareholders and Investors (External stakeholder)	- Annual General Meeting of Shareholders (AGM).. - Quarterly Analysts Meeting. - Investor meeting.	- Accurate, complete, and timely information disclosure. - Transparency Management. - Protect shareholder's rights. - Business growth & Competitiveness.. - Comply with Stock market's new CG and transparency disclosure.	- Corporate Governance. - Stakeholder engagement.. - Innovation product & service.. - Cybersecurity & data privacy.
 Employees (Internal stakeholder)	- Annual ESG engagement survey.. - Whistleblowing, Suggestion box, website, and hotline. - Annual employee engagement survey.. - Quarterly meetings of Welfare Committee.	- Benefit, Welfare, Compensation, and Career - Growth: Safe working condition and equipment.. - Work Life Balance and Flexible working hours. - Upskill and reskill for modern competency. - Equality, non-discrimination diversity and inclusionfor migrant worker at store.	- Human rights-Non Discrimination.. - Health & Safety. - Human capital development.. - Human rights - migrant workers at store (NEW). - Human rights - Discrimination (NEW).
 Customers (External stakeholder)	- Annual ESG engagement survey.. - Complaint channels as website, customer service call center and customer interviews.	- Ontime delivery with safe, quality and promote health. - Affordable food prices. - Stock availability. - Reliable & traceable product label & information.. - Personal data protection. - Product and service that support the competitiveness	- Supply chain management.. - Health & Well Being product.. - Innovative product & service.. - Cyber security and data privacy. - Education & inequality reduction.

Stakeholder	Engagement Channels	Expectations / Impact / Performance gap	Materiality Issue
 Suppliers (External stakeholder)	- Annual ESG engagement survey.. - Supplier audit and capacity-building program. - Onsite visits and audits.	- Support agricultural products local SME and farmer. - Fairness and transparency supplier selection process. - Better understand the certified sustainable agriculture product requirement.	- Job creation and local SME and farmer. - Stakeholder engagement. - Supply chain management.
 Contractors (External stakeholder)	- Annual ESG engagement survey - Complaint and suggestions channels.. - Monthly meeting. - Onsite visits.	- Selection and encourage business partners with transparency. - Better understand the human rights and labor practice in Supplier's Code of Conduct manual.. - Knowledge sharing for road accident prevention.	- Job creation for small local service company and worker. - Supply chain management. - Human rights & Labor practice. - Health & Safety - Road safety.
 Community and Society (External stakeholder)	- Annual ESG engagement survey.. - Communication channels via Makro's website, social media, call center. - Complaint channels for suggestions and complaints. - Dialogue / Monthly visits.	- Collaborative with local firms to develop and support communities.. - Job and carrier opportunities for local community members. - Protection of accident and environmental impact the community. - CSR activities / donations / continuous support for disaster.. - Support for student's education in community.	- Social impact Job creation and economy contribution. - Waste water & waste management. - Health & Safety. - Food security and access to nutrition. - Education & inequality reduction.
 Financial Institutions (External stakeholder)	- Key contact email and phone number. - Regular meetings. - Performance reports such as annual reports and financial statements.	- Strict compliance with accuracy, transparency, and punctuality principles. - Compliance with contractual terms and conditions. - Climate change target and action. - Encourage environmental and social support to local farmer.	- Corporate Governance. - Job creation and economy impact to local. - Climate resilience and GHG reduction.

Stakeholder	Engagement Channels	Expectations / Impact / Performance gap	Materiality Issue
 Government (External stakeholder)	- Organize meetings with the government agencies. - Open for government agencies visits. - Collaborative agreements with government agencies.	- Compliance with target and regulation. - Support activities beneficial to the community, society, and the environment. - Encourage BCG Model and protect natural resource. - Encourage and protection of human right in among value chain. - Collaboration to prevent food shortage from demand and supply including control or reduce price for end user during economic concern.	- Corporate Governance: - Supply chain management. - Human Rights & Labor Practice. - Circular Economy. - Climate Resilience. - Water stewardship. - Food security & Access to Nutrition.
 Media (External stakeholder)	- Annual ESG engagement survey. - Communication channels such as website, social media, email, and TV programs. - Interview press releases.	- Communicate relevant, factual, and timely performance. - Strategy for business impact on the economy and society.	- Corporate governance transparent. - Social impact and economic contribution.
 ESG Rating Agency & NGO (External stakeholder)	- Meetings to discuss and exchange information. - Research and discussion: Participate disclosure and rating program.	- Human rights along supply chain. - Supplier screening with ESG criteria. - Carbon reduction strategy in own operation and supply chain. - TNFD disclosure. - Prevent ocean plastic waste. - Promote the gender equity in supply chain.	- Supply chain management. - Climate resilience. - Sustainable packaging. - Biodiversity & ecosystem protection. - Human rights - Indigenous (New). - Human rights - Non discrimination in the supply chain (New).

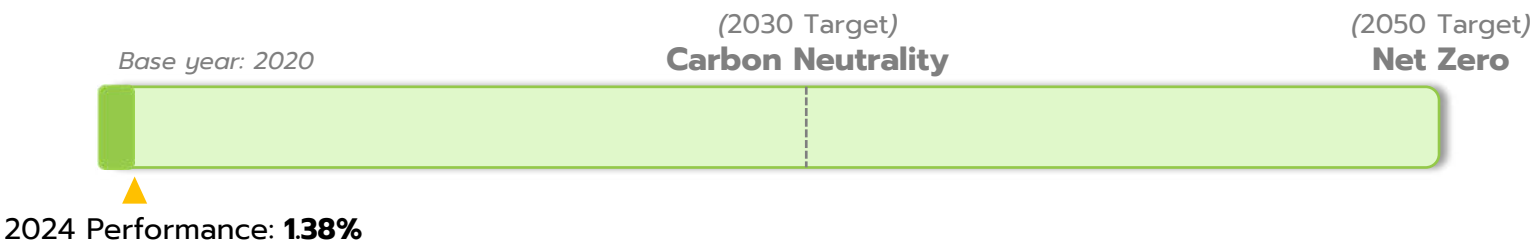
Climate Resilience

Target and Performance

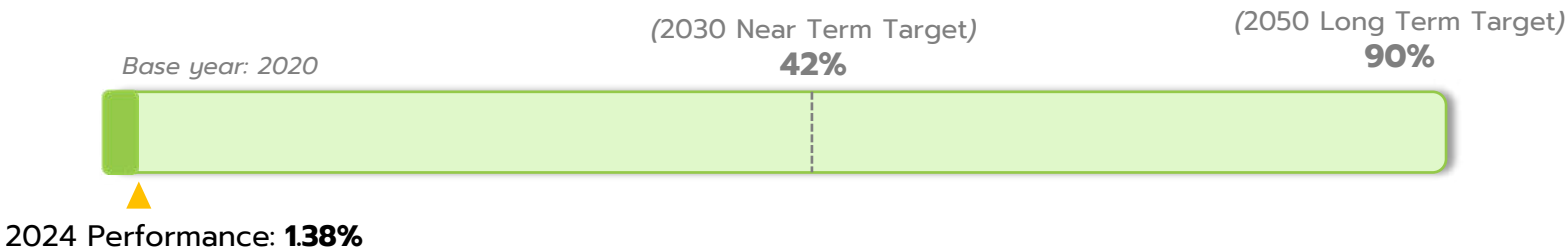
Long-term target by 2030

Achieve carbon neutrality by 2030 (compared to the 2021 baseline), reducing Scope 1+2 emissions by 42% and Scope 3 emissions by 25% with a goal of net-zero carbon emissions by 2050 (reducing Scope 1+2 by 90% and Scope 3 by 90%).

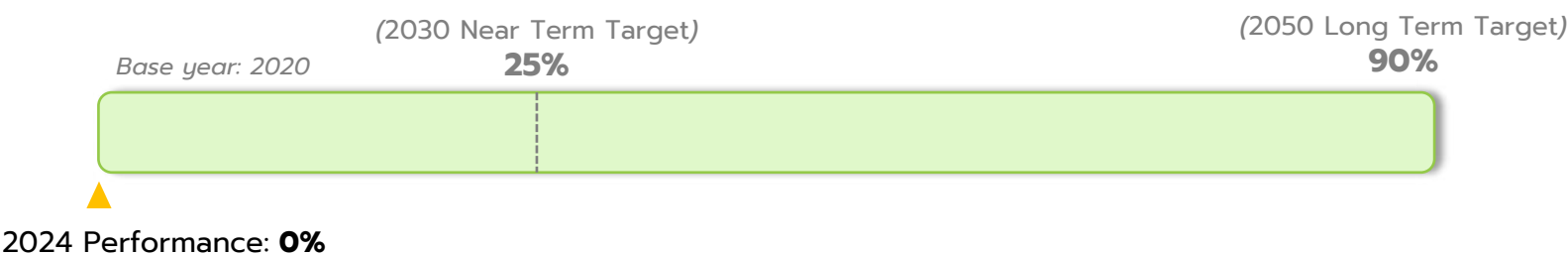
- Achieve carbon neutrality by 2030 (Scope 1+ 2) and Net Zero by 2050.



- SBT Target: reducing Scope 1+2 emissions 42% by 2030, and 90% by 2050.



- SBT Target: reducing scope 3 emissions 25% by 2030, and 90% by 2050.



Annual Target of 2024

- Reduce Scope 1&2 emissions at least 2,500 tons CO₂ equivalent.
- Increase renewable energy utilization ratio to 10%.



Of Target

2024 Result

- Scope 1&2 emissions reduced by **11,378.40** tons CO₂ equivalent (**1.38%** from base year)
- renewable energy utilization ratio increased to **276,588.12** tons or **16%** of total energy.

Opportunities and Challenges

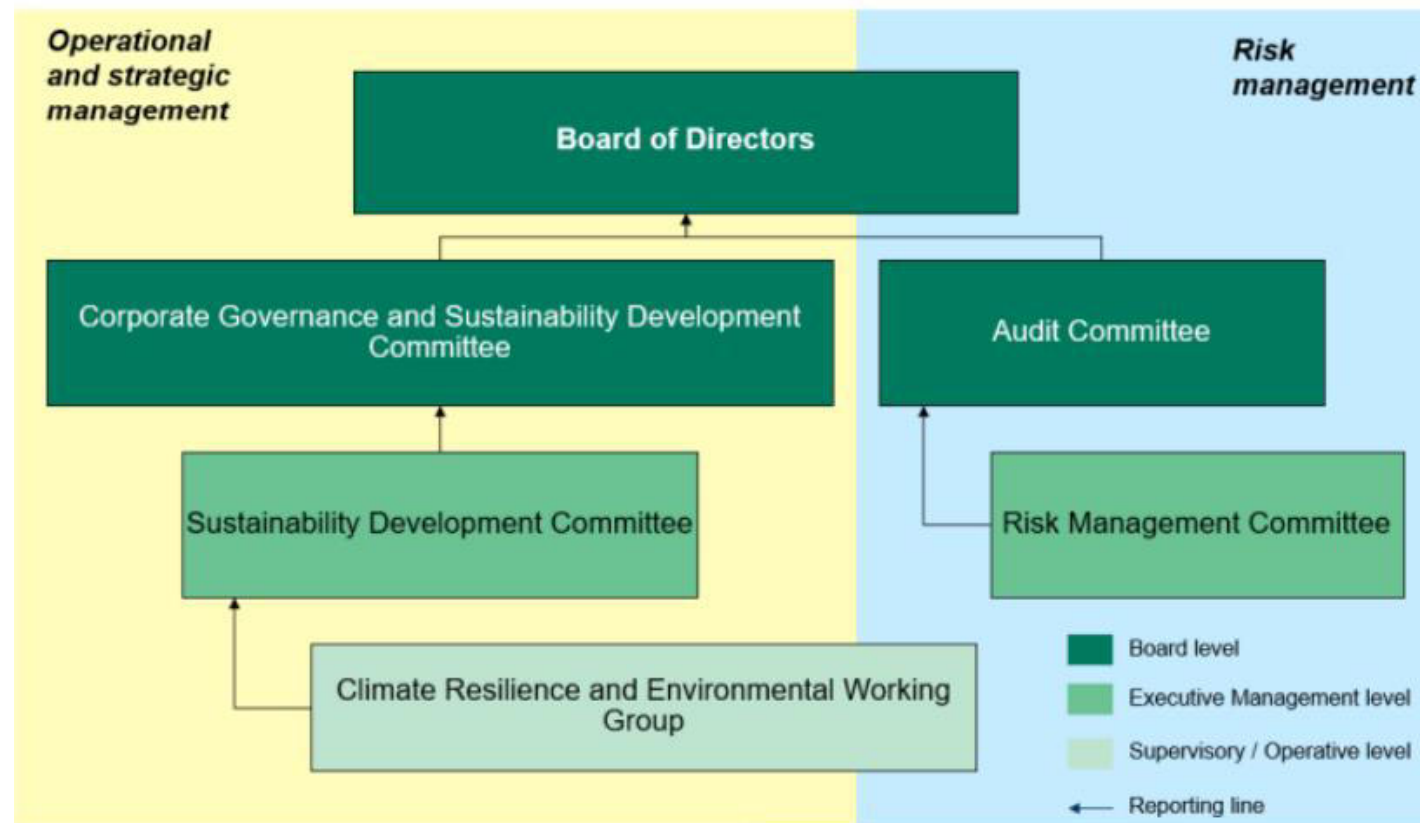
The environmental crisis is becoming more intense due to Climate Change. The solution is, seemingly, an insurmountable task for every sector's cooperating. The Company has been a team player in reducing the targets of Achieving Carbon Neutrality in 2030 and Net Zero in 2050. This includes ensuring readiness to face the Climate Change impacts and supporting the development of projects and innovations on the sustainability path to an energy-efficient and low-carbon society. Believing Sustainable business growth must go with the accountability for environmental protection and responsible natural resource utilization, where everyone has a role to play from a communal perspective.

Policy and Management Approach

The company commits the environmental protection policy, which is public disclose on the website <https://www.cpaxtra.com/storage/document/sustainability/environmental-policy-en.pdf> Further aims to be carbon neutral in 2030, coping with the impact of climate change as well as the reduction of direct and indirect greenhouse gas emissions. The resilient strategy is increasing renewable energy and maximizing energy efficiency also compliance with laws and regulations involved with energy conservation of buildings and the ISO 50001:2018 energy management system Retail business is certified ISO 14000 environmental management system.

Climate Resilience and Environmental Committee

At CP Aextra, a robust governance structure is in place to facilitate the oversight of climate-related issues. The Board of Directors (the Board) is the ultimate decision-making body and is responsible for the overall oversight of the Company, including overseeing and approving business strategic plans and managing approaches, driving response measures related to environmental, social, and governance (ESG) issues, which also covers the management of climate-related risks and opportunities. The Board considers and reviews its sustainability-related issues and performance as well as mission and strategic plans at least once a year, and assigns relevant functions to develop respective action plans to address these issues.



Under the Board’s oversight, several committees are established to assist the Board in the Company’s management of climate-related risks and opportunities, as well as oversee daily operations and report back to the Board in a timely manner.

These committees include the following:

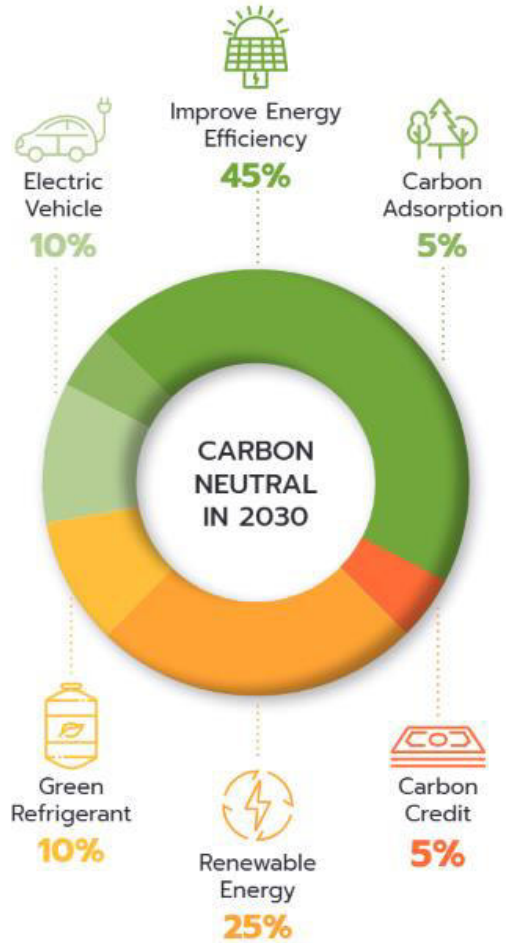
- Corporate Governance and Sustainability Development (CG&SD) Committee
- Sustainability Development Committee
- Risk Management Committee, under the Audit Committee

In addition, the Climate Resilience Working Team was established in June 2022 under the Sustainability Development Committee to enhance the implementation of climate strategy. The roles and responsibilities of each committee are summarized in the table below.

CP Aextra Function	Composition	Climate-related Roles and Responsibilities
Board level		
CG & SD Committee	Chaired by an independent director and consists of non-executive directors knowledgeable and experienced in sustainability issues	• Identify and monitor material climate-related risks and opportunities • Endorse policy, framework and strategies to promote sustainability development and climate resilience in the company for the Board's approval • Supervise, monitor and review the Company's operations against its climate strategy, action plan and goals through corporate-level oversight • Report directly to the Board
Executive management level		
Sustainability Development Committee	Chaired by one of the Board members, the committee consists of senior executives from all departments responsible for economic, social and environmental performance	• Oversee the efficiency and effectiveness of sustainability and climate performance throughout the Company • Establish targets, develop strategies, management approaches, and performance indicators for climate related issues • Assign working groups to drive organizational performance to comply with the Company's objectives • Monitor and review progress on climate actions on a quarterly basis, prepare annual action plans on materiality issues and ESG risks, for the CG & SD Committee's approval • Communicate the progress and commitment of the climate dimension within sustainability strategies to internal and external stakeholders
Risk Management Committee	The committee consists of company executives and 12 executives with expertise and experience in risk management. It is structurally independent of the business lines and reports directly to the top management of the Company.	• Formulate a risk assessment framework and risk management policies covering environmental risks (including climate change) • Oversee climate-related risk management • Defines the direction of risk management of the Company according to its risk appetite and risk policy • Review corporate strategies to ensure the adequacy and appropriateness of risk management for climate-related issues • Report to the Audit Committee and the Board on its performance annually
Supervisory / Operative level		
Climate Resilience Working Team	Chaired by a member of the Sustainability Development Committee and consists of 17 representatives across departments including Sales and Operations, Supply Chain Management, Construction and Facilities, Risk Management and Compliance, Sustainability, Finance Planning and Analysis, Corporate General Affairs, Account	• Establish operational targets related to climate resilience, such as increasing the share of renewable energy and low-carbon energy, in line with the company's sustainability strategy • Implement GHG emissions reduction and offset programs and provide quarterly updates to the Sustainability Development Committee • Examine technology options and identify solutions for emissions reduction and climate change mitigation that are suitable for the Company • Monitor and ensure compliance with internal environmental policy and guidelines, as well as laws and regulations on GHG emissions • Engage with stakeholders to raise awareness on climate issues, and collaborate with relevant stakeholders on climate change management and climate resilience • Communicate environmental performance to the Sustainability Development Committee and to other stakeholders via reports and other disclosure channels at least once a year

Greenhouse gas management plan and result

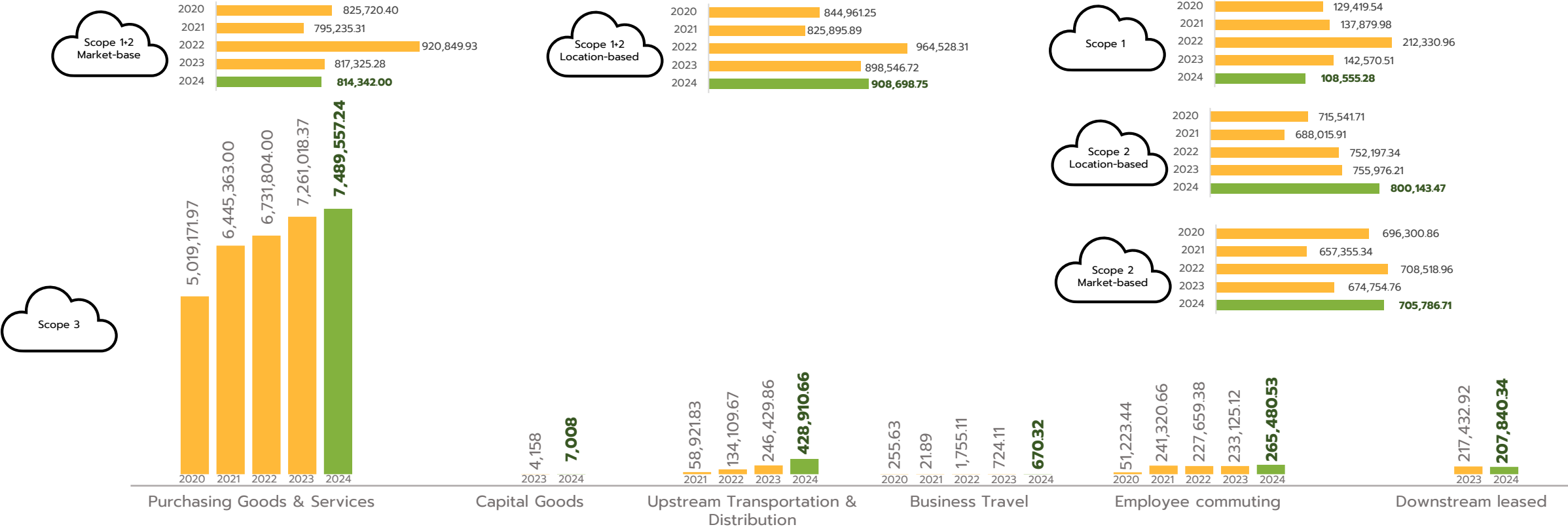
Carbon Neutralization Strategy



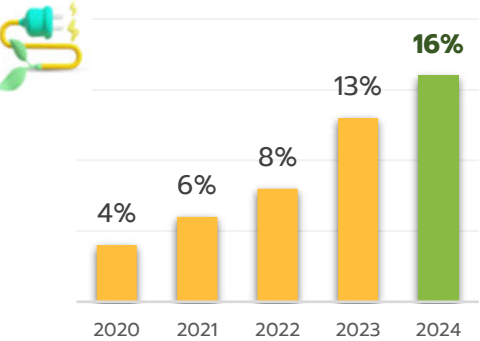
Achieving Carbon Neutrality by 2030
and reaching Net Zero emissions by 2050.

Climate Strategies	Projects & Action	2024 Results
 Improve Energy Efficiency	- High-efficiency chillers project - LED Replacement and installation project. - Change the Fixed-speed air conditioners to VRF (Variable Refrigerant Flow) - Energy-saving building at the head office.	Scope 1&2 emissions reduced by 2,983.28 tons of CO₂ eq.
 Renewable Energy	- Solar rooftop at stores and distribution centers. - Solar Thermal for water heater. - Solar tube for lighting at head office.	Renewable energy utilization ratio increased to 285,050,053.21 tons or 16% of total energy.
 Green Refrigerant	- Use low-carbon refrigerant - Low EF refrigerant i.e R290 and R-448A.	- Reduce energy consumption by 371,750 kilowatt-hours per year - Reduce emissions by 185 tons of CO₂ equivalent per year
 Electric Vehicle	- Converted to an electric forklift in own operation - BEV and HEV for online delivery service.	Reduce greenhouse gases emission 8,933.53 tons of CO₂ eq per year.
 Carbon Adsorption	Promote perennial planting on Company premises and unused areas.	7,204 cumulative tree planting at 119 wholesale distribution centers.

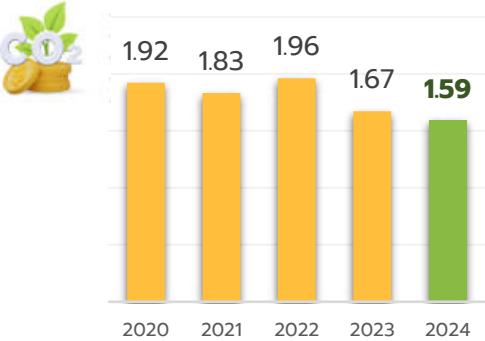
GHG Emission Scope 1, 2, 3 with the target and progress covers all company's business operation, for Third-party Verification (click here) (unit: Ton of CO₂ eq.)



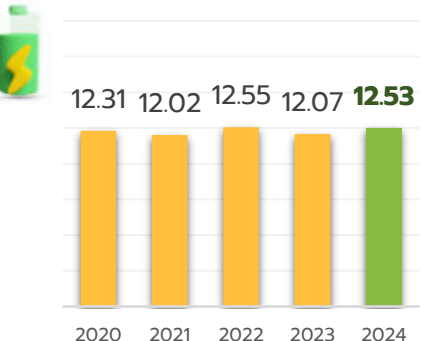
Renewable Energy
(Unit: % of energy consumption)



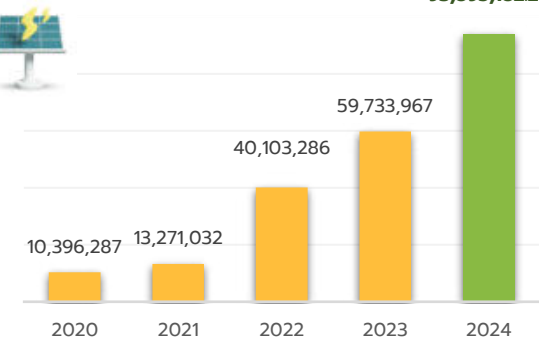
GHG intensity (Scope 1 & 2) per revenue
(Unit: Tons of CO₂ per million Baht)



Energy Intensity per revenue
(Unit: Gigajoules per million Baht)



Cost Saving from the Energy Efficiency Improvement
(Unit: Baht)

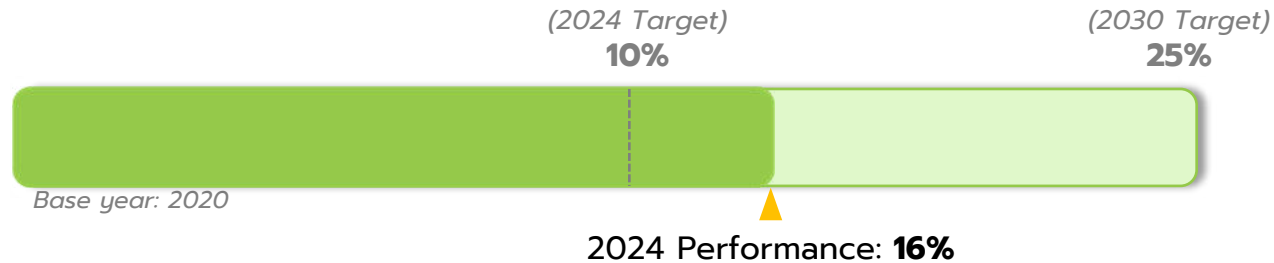


Energy Management Program and 2024 Result

Target and Performance

Long-term target by 2030

Increase renewable energy utilization ratio to 25% and reduce energy Intensity per revenue by 25% by 2050.

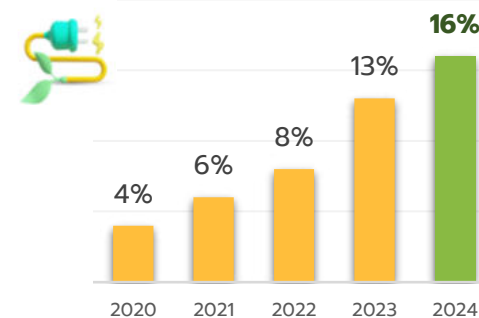


Energy Management Approach

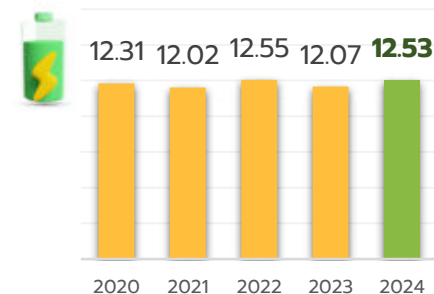
The Company places high importance on energy conservation, natural resource sustainability, and environmental preservation. All executives and employees are required to actively support and take responsibility for efficient energy use to ensure continuous sustainability and collaboration across all stakeholders with the practices as follows:

- 1) Establish targets and action plans for energy conservation, with regular reviews of the effectiveness every year.
- 2) Promote energy conservation activities, ensuring a balanced and appropriate use of natural resources and the environment, in alignment with the growth of the business and the organization.
- 3) Comply with all laws and regulations related to energy use, energy consumption, and energy efficiency.
- 4) Emphasizing the importance of involving relevant personnel and fostering awareness to all stakeholder
- 5) Design, procurement, and acquisition of machinery, tools, equipment, and other necessary to enhance energy performance.
- 6) Continuously improve energy performance with increasing energy efficiency and appropriately applying it to various activities.
- 7) Provide adequate resources and information for implementation.

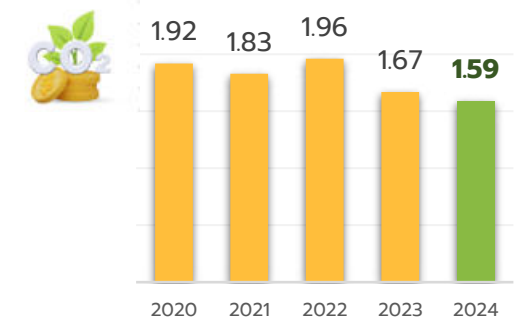
Renewable Energy
(Unit: %of energy consumption)



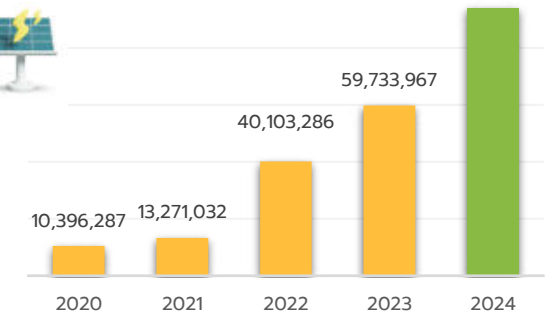
Energy Intensity per revenue
(Unit: Gigajoules per million Baht)



GHG intensity (Scope 1 & 2) per revenue
(Unit: Tons of CO₂ per million Baht)



Cost Saving from the Energy Efficiency Improvement
(Unit: Baht)



Renewable Clean Energy Management

The company aims to continuously increase the proportion of clean energy usage every year, striving towards RE100. This will be achieved through initiatives such as installing solar rooftops, solar thermal systems, transitioning fuel vehicles, forklifts, and transport trucks to electric and hydrogen energy. These efforts aim to drive a significant transformation in the logistics systems of wholesale-retail business towards clean energy throughout the supply chain. In 2024, the Company's % of clean energy per total energy utilization reached 16%, up from 13% in 2023.

Energy Committee

The energy committee is announced to be responsible for improving energy efficiency targets, monitoring, approval project and budget, and quarterly follow-up on the project’s progression as:

Topics	Implementation and Project	2024 Results
 Energy audit	Energy audits to identify opportunities for improving energy performance. Target : 100% of facilities has been energy audited and at least 1 opportunity per site	100% site has been energy audited and identified the opportunity. - Innovator development program for energy saving idea and initiative from employee.
 Action to reduce the amount of energy use And evaluate progress	Target: - Improving the energy efficiency 45% in own operation . - Energy saving, at least 70 million THB/year - Reduce energy consumption per revenue 25% by 2030 which contribute from projects as - High-efficiency chillers project - LED Replacement and installation - Change fixed-speed air conditioners to variable refrigerant flow (VRF)	- Total Energy efficiency increased 6.34% - Energy Saving amount is 93,895,182.29 THB per year or 1,710 Megawatt-hours per year is reduced. - Energy consumption per revenue increased 3.8% from previous year.
 Use of Clean or Renewable Energy	Target : Increase renewable energy utilization ratio to 25% within 2030 through projects as - Solar Thermal for Water Heater. - Solar tube for lighting at head office. - Converted to an electric forklift in own operation. - BEV and HEV for online delivery service (by vendor)	Increase renewable utilization to 16% (2023=13%) or 285,050,053.21 kilowatt-hours/year and progress of each project as; - Rooftop solar at stores and distribution centers at 974 sites. - Solar Thermal Water Heater - Solar tube for lighting at head office - Convert 847 EV forklift in own operation 47 units BEV and HEV for online delivery service (by vendor)
 Innovation investment in reducing energy consumption	Innovation projects are invested for energy saving that initiated by employee. - Install tube and screen to reuse cooled water. - Shorten water looping piping system to reduce pump’s power consumption.	- Invest 10,100,000 Baht. - Energy Saving 371.75 Megawatt-hours per year. - Return on investment as the energy cost 1,487,000 THB per year.
 Training and motivation	Training for employee and worker - General energy saving for all worker - Energy efficiency training for mechanic. - Energy-saving awareness signage Annual energy-saving contest	100% of responsible employees are trained and communicated the energy saving 100% of employee participate energy saving contest

Energy Consumption

Total energy consumption	Unit	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	target for FY 2024
Total non-renewable energy consumption	MWh	1,423,816.25	1,366,805.92	1,483,702.97	1,436,747.80	1,500,117.73	1,300,000
Total renewable energy consumption	MWh	43,868.95	78,637.16	118,195.37	205,710.96	282,541.18	
Data coverage	(as % of revenue)	100	100	100	100	100	100

Example of Climate and Energy Reduction Projects.

"Solar Rooftop" Project

The results of our commitment to conducting business in an environmentally friendly. Generate electricity from solar energy through rooftop installations at distribution centers and both wholesale and retail business, totaling 974 locations. Additionally, our retail business has been recognized with an energy-efficient building award from the Metropolitan Electricity Authority (MEA) for promoting energy efficiency improvements and enhancing indoor air quality.



2024 Results

- Reduce energy consumption **275,786,040.82** kilowatt-hours per year.
- Cost saving **93,283,211.37** Baht per year.
- Reduce emission **94,356.76** tons of CO₂ equivalent per year.

Replace Refrigerant with "Water-Loop Cooling System and Green Refrigerant" Project

The refrigerant is significant energy consumption and carbon emission at stores. Replacing the refrigerant with a water looping system can improve energy efficiency by the smaller size of the compressor and reduce GHG emissions from refrigerant filling during maintenance. Currently, 11 stores have transitioned to using natural refrigerants, covering a total of 375 refrigeration units. There are also plans to expand this initiative to additional branches in the future.



2024 Results

- Reduce energy consumption **371,750** kilowatt-hours per year.
- Cost saving **1,487,000** Baht per year.
- Reduce emission **185** tons of CO₂ equivalent per year.

Example of Climate and Energy Reduction Projects.

"Utilize EV Truck and Bike for Transportation and Delivery service" Project

EV tractor and EV pickup trucks are operated between distribution center and stores. Furthermore, all of store utilizes EV forklift and delivery fleet are EV truck and bike which decrease greenhouse gases emission, energy consumption and costs.



2024 Results

- 47 EV pickup trucks for delivery and 847 EV forklifts.
- Reduce energy consumption **101,915,395.54** Baht per year.
- Reduce greenhouse gases emission by **8,933.53** tons of CO₂ equivalent per year.



Example of development low-carbon products

Promote Low Carbon Network in Supply Chain

As target to reducing indirect carbon emission 15% along the supply chain from the own operation including customer, contractor, business partners along the supply chain and motive supplier to reduce carbon emission through production, transportation, storage, distribution, and delivery of products through the activities of "Supply Chain Sustainability Excellence Award" in the category of "Climate Action Network" in the 17th Makro HORECA 2024. The company recognizes the products which are certified by Thailand Greenhouse Gases Management Organization (TGO) and conduct continuously promotes the kinds of lower carbon products. Moreover, the sales amounts of lower carbon products are monitored and added score for supplier's ESG assessment.



2024 Results

- **5,015,731,493** Baht sale amount of Low Carbon product (increased **112%** compared to last year).
- Reduce emission **108,383.22** tons of CO₂ equivalent.
- **68** items certified (increased 39 items).
- **13** suppliers are recognized (increased 2 suppliers)

Example of Employee Engagement

Best Energy Performance Award

Supporting the Company's journey towards emissions reduction are the motivate employee's awareness and drive their participation for climate action across the company's operations. In 2024, 10 million THB has been invested in developing internal technical awareness and capacity related to climate change. The Company also motivate the employee participate through the annual energy saving performance competition to achieve the "Excellence in Energy Saving Awards" with the prize of 30,000 THB to support its carbon neutral target which the award ceremony hold on 12 Mar 2025 and the award winner representative from Sathorn, Sa-Kaew and Kalaprapreak stores are invited for recognition trophy and prize award during the annual global management meeting.



2024 Result:

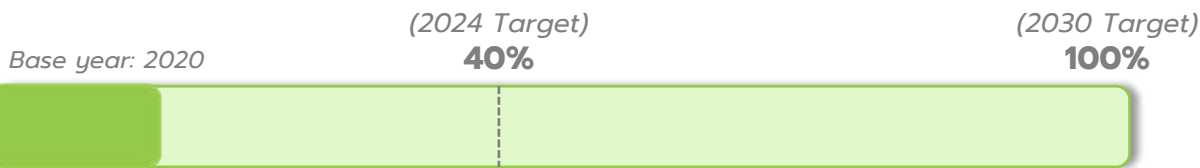
- **25,282** employee among **165** stores participate the competition
- Total energy saving is **21,113.00** MWhr or **84,451,986.48** THB

Circular Economy

Target and Performance

Long-term target by 2030

Zero waste and food waste sent to landfill.



2024 Performance: **14.34%**

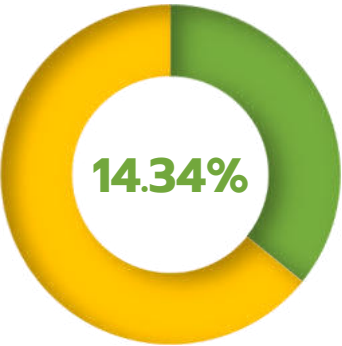
100% sustainable packaging.



2024 Performance: **99%**

2024 Target

- Reduce food waste sent to landfills by at least 40% of total food waste



Of Target

2024 Result

- Reduce food waste to landfill **14.34%**
 - > Food surplus 526.75 tons
 - > Animal feed 2,709.88 tons
 - > Composting 2,796.27 tons
- Waste intensity per revenue **0.10** tons per million Baht
- Reuse and recycle **169,765.42** tons (71.02%)
- sustainable packaging **99%**

Opportunities and Challenges

As a leading distributor of consumer products, applying the circular economy is paramount in attaining the Company's 2030 Sustainability Targets. Efficient resource utilization, including waste, is the essential strategy to manage resources for optimal utilization value and sustainable product and packaging to mitigate the business impact on society as much as possible. The opportunity of converting waste into products that add economic-social values.

Policy and Management Approach

The Company applies the circular economy and waste management as one of material and enterprise risk assessment also being one key of 2030 sustainability strategy. The waste database is collected and stored by type and disposal method to determine impacts throughout the supply chain. This is combined with the three fundamental principles of the circular economy for proper operations. First, minimize adverse effects, second, design products and services that focus on preserving natural resource costs, and third, optimize resource utilization for maximum efficiency. The company commits the environmental protection policy which is public disclosed on the website.

Waste Management Programs and 2024 Result

The company commits Zero Waste to Landfill within 2030. To achieve the target, we have monthly waste audits to identify opportunities for improving waste performance and the result has reported to Waste management team and being all employee and manager are trained the waste reduction and added to the employee's performance evaluation (KPI). All related functions have action plans to reduce waste generation and must report the progress to top management as quarterly basis.

- Waste audits to identify opportunities for improving waste performance.
- **100%** areas or function where waste is generated are identified, collect data, analysis, action plan and monthly monitor.
- Shrinkage minimization to prevention the waste generate, the cross function working team conduct weekly basis monitoring.
- **100%** employee has trained the waste reduction policy and instruction.
- Food waste & waste utilization.
- Invest innovation and R&D to minimize waste such as near-expired food products are discounted or cooked and sold as ready-to-eat products. digital shrinkage management system, Black soldier fly feeding (Research with universities).
- Integration of recycling programs within every facility to reduce the waste sent to landfill.
- Waste diversion from landfill is certified by an independent accredited body.
- 5Rs to reduce the total waste to landfill.



Zero Waste to Landfill Projects

5Rs Strategy		Actions	2024 Results
Waste prevention/reduction project	 Reduce	• Not provide free plastic shopping bags to customers. • Not selling deoxy plastic, products contain plastic microbeads and cap seals on beverage bottles.	• 100% implemented at every store. • 100% No product contains deoxy plastic, plastic microbead, and cap seal of beverage bottle.
	 Reuse	• Reuse material in operation i.e. plastic wrap, paper boxes, and palettes at stores and distribution centers.	• 101,527.63 tons general waste are reused. • 6,032.91 tons food waste are utilized.
	 Refuse	• Replace with recyclable PET plastic tray for sliced meat or fruit. • Biodegradable material (Banana stem) as the packaging "Local Organic Vegetable". • Utilized plastic bags that a thickness not less than 40-micron (recyclable).	• 1,794.60 tons. replacement of recyclable PET can reduce non-recyclable polystyrene packaging. • 6.74 tons of banana stems are used to substitute the plastic packaging and sale amount is 17,354,476 Baht. • 100% utilized the recyclable material (wholesale business).
Reduce waste sent to landfills	 Recycle	• Plastic and material from own operation are collected, segregated, and sent to recycling process (Wholesale 620.28 tons Retail 14,277.60 tons). • Drop point at the store for collecting the plastic packaging from employees, customers, and communities total 77.12 tons (Wholesale 65.01 tons Retail 12.10 tons).	• 14,974.98 tons of plastic and • 2,595.30 tons of paper waste from stores are sent to the recycling process.
	 Renewable	• 63.82 tons of PET plastic bottles from stores and offices are collected and shifted to recycling and upcycling process to be the new uniform shirt for every employee. Besides, are donated to Jak Daeng Temple to produce PET monk robes. • 1.19 tons are upcycling by collaboration with Indorama Venture Public Company Limited to produce the 100 sport T-shirt and donate to school which locate nearby the store.	• 65.01 tons are upcycling to new materials or goods. • The company investment in innovation for shrinkage management hardware and software, including the waste reduction training provided to 100% of employees. The Waste reduction strategy has implementing and communicate to all employee and stakeholder.

Example of Waste Management Projects

Activities	2024 Results
	• 63.82 tons of PET plastic bottles from stores and offices are collected and shifted to recycling and upcycling process to be the new uniform shirt for every employee. Besides, are donated to Jak Daeng Temple to produce PET monk robes upcycling by collaboration with Indorama Venture Public Company Limited to produce the 100 sport T-shirt and donate to school which locate nearby the store. • 14,974.98 tons of plastic and 2,595.30 tons of paper waste from stores are sent to the recycling process.
	• 101,527.63 tons of paper from distribution center and store are collected to SCGP recycling process. Additional, improve collecting that able to shifting the recycling to reuse for better retaining the value of material.
	• 100% of employee uniform are made from upcycling PET bottle (PCR).

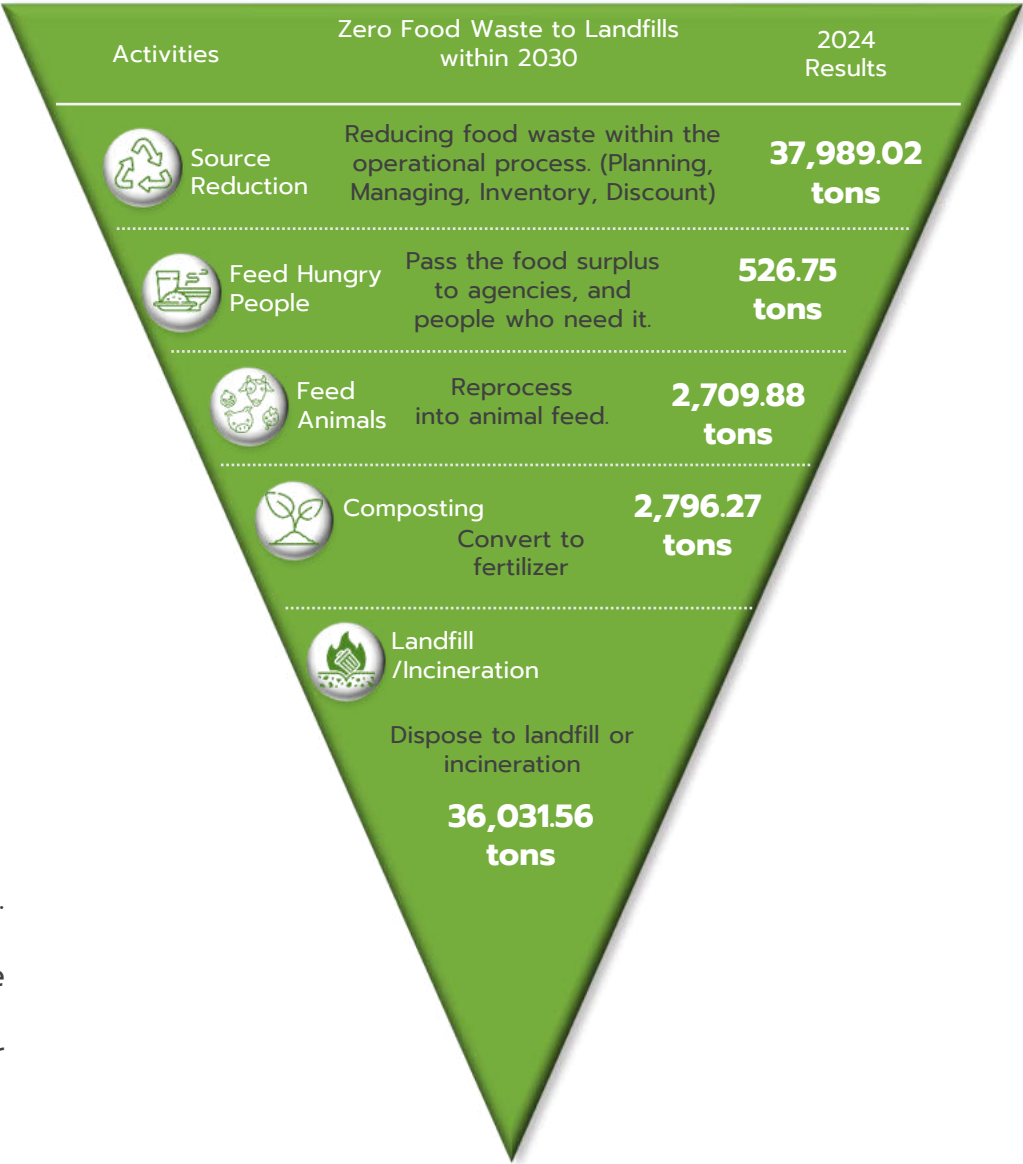
Activities	2024 Results
	• 1.19 tons of PET plastic (PCR) from makro's store are sent to Indorama Venture PCL PET recycling process.
	• Lotus's joins hands with True Corporation Plc. Forging ahead the "e-Waste TinkTookTee D TorJai" project, expanding e-Waste points available at 20 Lotus's branches throughout Bangkok and the vicinity area.

Food Waste Management

The Company's target to be Zero waste and food waste to landfill by 2030. The Company has an approach and action for food waste management and reduction as follow;

- 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.
 - 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.
 - 3) Train and communicate to raise awareness related to food loss & food waste reduction actions and targets to the employees, temporary workers, contractors, and suppliers in the supply chain.
 - 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 & food waste in the value chain.
 - 5) Publicly disclose the status of the food waste & food loss reduction program and performance compares targets as annual basis.
 - 6) Collaborate with other organizations such as government, education institutes, community, etc. to find opportunities for corporative solutions the food loss & waste such as The World Business Council for Sustainable Development.
- The action to reduce food waste, which company are prioritized step through;
- 1) Shrinkage prevention: reducing food waste within the operational process. (Planning, Managing, Inventory, Discount)
 - 2) Feed hungry people: Passing the food surplus to agencies, and people who need it.
 - 3) Feed animals: Shifting to animal feed
 - 4) Composting: Convert to fertilizer or EM solution.

Zero food waste to zero landfill Projects



Example of Waste and Food Waste Management Projects

"Mai Tay Ruam-waste and food waste segregation" Project

In 2024, All wholesale and retail store signed the collaborate MOU with Bangkok Metropolitan Administration to join the "Mai Tay Ruam" project which the segregated food waste and general waste. The food waste will be composted and utilized in all public parks in Bangkok and the general waste is sent to recycling or energy converting process. Furthermore, the Company's "Segregation is Reduction" project continue the campaign for color code garbage bags to promote the waste segregation behavior among customer and community.



2024 Results

- Reduce food waste to landfill **6,032.92** tons (wholesale 3,991.71 tons, retail 2,041.21 tons).

"3rd year of Food Waste Donation to the Wildlife Conservation Centers" and "Food Waste for Black Soldier Flies Feeding"Project

Wholesale and retail store continue the third year of food waste donation to feed the animal in zoo and national park. As the collaborative MOU with Ministry of Natural Resource and Environment, by Department of Environmental Quality Promotion, The Department of National Parks, Wildlife and Plant Conservation, the Zoological Park Organization of Thailand under the Royal Patronage, and Forestry Industry Organization. The Company's supports the 37 Wild Animal Reservation and Protection Centers upcountry. In 2024, Both The company received the award the from Department of National Parks, Wildlife and Plant Conservation. Furthermore, stores in the Northeast cooperated with Khon Kaen University to pass the food surplus to farmers within the Khon Kaen University network as feed for Black Soldier Flies (BSF), a protein insect, safe towards plants and communities. Furthermore, Makro store at Mahachai and Phetchaburi also collaborate Phetchaburi college for study the research studies the food waste from stores for black soldier flies feeding to find out the proper food waste formula, yield production and nutrition from BSF.



2024 Results

- **2,709.88** tons are donated for animal feeding (wholesale 1,797.62 tons, retail 912.26 tons).

Example of Waste and Food Waste Management Projects

"Food Surplus & Food Waste Donation" Project

This project aims to reduce food waste from retail store which cannot sale but still eatable to community nearby Lotus's store (main format) in Bangkok and vicinity and foundation such as Scholars of Sustenance Foundation, V-VShare Foundation initiated from the pilot project.



2024 Results

- 526.75 tons donate as food surplus to people.
- 2,796.27 tons food waste donation from convert to compost for community (wholesale 2,194.08 tons, retail 602.19 tons).

"EM Fermentation from Food Waste" Project

To reduce food waste to landfill by fertilizing the organic food waste, such as citrus fruits and pineapples, into bio-fermented water (EM) used to chemical free deodorize and degradable grease and oil in the sewer and floor at stores. Presently, 116 makro stores continue convert food waste to EM fermentation. In 2024, makro also donate EM to Bangkok metropolitan administration for their cleaning and river in Bangkok areas.



2024 Results

- 44.23 tons of food waste are convert to EM fermentation.

Waste Disposal (exclude food waste)

Waste Disposal (exclude food waste)	Unit	FY 2021	FY 2022	FY 2023	FY 2024	target for FY 2024
Total waste recycled/reused	Metric tonnes	83,156.59	103,513.33	129,881.22	118,265.96	
Total waste disposed	Metric tonnes	30,134.53	46,873.68	21,349.91	28,973.80	17,384.28
- Waste landfilled	Metric tonnes	30,123.56	45,412.79	21,348.83	28,971.83	
- Waste incinerated with energy recovery	Metric tonnes	0.01	1,454.10	0.00	0.95	
- Waste incinerated without energy recovery	Metric tonnes	10.96	6.79	1.08	1.02	
- Waste otherwise disposed	Metric tonnes	0	0	0	0	
- Waste with unknown disposal method	Metric tonnes	0	0	0	0	
Data coverage (as % of denominator)	% of business operation	100	100	100	100	

Food loss & Food waste impact

Waste Disposal	Unit	FY 2021	FY 2022	FY 2023	FY 2024	target for FY 2024
Total weight of all food loss & food waste	Metric tonnes	35,326.88	32,751.39	41,626.96	42,064.47	40,000
Total weight of food loss & food waste volumes used for alternative purposed	Metric tonnes	884.72	2,229.65	3,940.04	6,032.92	16,825.79
Total food loss & food waste discarded	Metric tonnes	34,442.16	30,521.74	37,686.92	36,031.55	25,238.68
Data Coverage	% of business operation	100	100	100	100	

Sustainable Packaging

The company commits promoting sustainable packaging to the public and utilization along the supply chain. Then the sustainable packaging strategy starts from stop selling single-use foam packaging. Altogether develop new sustainable packing with the supplier to provide a better solution for the food delivery business, reasonable and environment friendly The Company has an approach and action for sustainable packaging following program as;

- Programs to increase the use of reusable packaging.
- Programs to increase the use of recyclable packaging.
- Programs to phase out single-use plastic packaging.
- Programs to increase the use of recycled material as packaging solutions.
- Programs to ensure that recyclable packaging is actually recycled.
- Allocation of R&D resources to sustainable packaging and alternative solutions

Target: 100% Recyclable packaging by 2030

Base year: 2020

2024 Performance: **99%**

2024 Reuse packaging i.e. plastic wrap, paper boxes at stores and distribution centers. **101,527.63** tons general waste are reused.

Strategy to Ensure that Recyclable Packaging is Actually Recycled

 Design	• Physical specifications ensure that recyclable packaging i.e. color requirements, utilized plastic bags that a thickness not less than 40-micron (recyclable). • Chemical specifications as 100% No product contains deoxy plastic, plastic microbead, hazardous substances, heavy metal, and etc.
 Post-consumer waste	• Drop point at the store for collecting the plastic packaging from employees, customers, and communities total 77.12 tons.
 Partnership with recycle factory	• Plastic and material from own operation are collected, segregated, and sent to recycling process total 14,897.88 tons.
 New products	• Purchased back as recycled content plastic packaging and sell at stores 2,684 tons.

Example of Increase Reusable Packaging Project

“Shelf Ready Display” Project

To address this issue at the source and promote reuse and recyclability, CP Aextra launch out the new ecofriendly initiative in 2024 by encouraging all supplier and partners to adopt the Shelf-Ready Display (SRD) which made from 100% recycled paper material and redesigned the packaging for better shelf display. Beyond its reduced the environmental impact, SRD packaging also offers the business advantage-it's easier and faster for the staff to stocking and restocking, enhances product visibility and shelf appeal also convenience for customer to pick up the products.



*Watch more videos at
<https://youtu.be/DI-HQzrIZsM?si=h5SvTNN-fxxVLBm1>

Example of Phase Out Single-use Plastic Packaging

Innovation project “Sustainable packaging with banana stems”

Create quantitative benefits for society and the environment by replacing single-use plastic packaging with packaging trays made from banana stalks. It can reduce plastic waste by 6.74 tons in 2024 and help farmers in Chachoengsao Province increase their income by 15 million baht per year.



2024 Results

- **6.74** tons of banana stem tray replace plastic tray
And sale amount **17,354,476** Baht per year.

Example of Increase the Use of Recyclable Packaging Project

"C2 X aro for Sustainability"

The company establishes a sustainable packaging policy. There are operational guidelines covering various issues such as creating engagement with stakeholders to manage packaging in a complete manner. Design and selection of packaging for aro (Own Brand) products to be environmentally friendly. According to the concept of the circular economy (Circular Economy) This project has selected quality mineral water that is good for health, certified to GMP and ISO 22000 standards, and also designed the packaging to be environmentally friendly. By reducing the use of plastic in PET plastic packaging that is unnecessary. By researching and developing packaging to maintain its properties. But using a reduced amount of material. Modify label format and do not use ink to print the date of manufacture on the bottles so that the bottles are 100% recyclable. Change plastic packaging to PCR plastic to reduce the amount of waste created from new plastics. According to the concept of material recycling (Recycled Material/Recycled Content). This project are launching in wholesale distribution centers throughout the country in the first quarter of 2024



2024 Results

- Sale amount **1,196,441 Baht.**
- Reduce use of plastic **8.3780 tons.**

ผลิตภัณฑ์เพื่อความยั่งยืนของเรา

รีไซเคิลได้ 100%

ลดการใช้พลาสติก

ไม่พิมพ์หมึก ไม่ใส่สี เพื่อเพิ่มประสิทธิภาพการรีไซเคิลพลาสติก

ปี 2567 ลดการใช้พลาสติก **83,780 กก.**

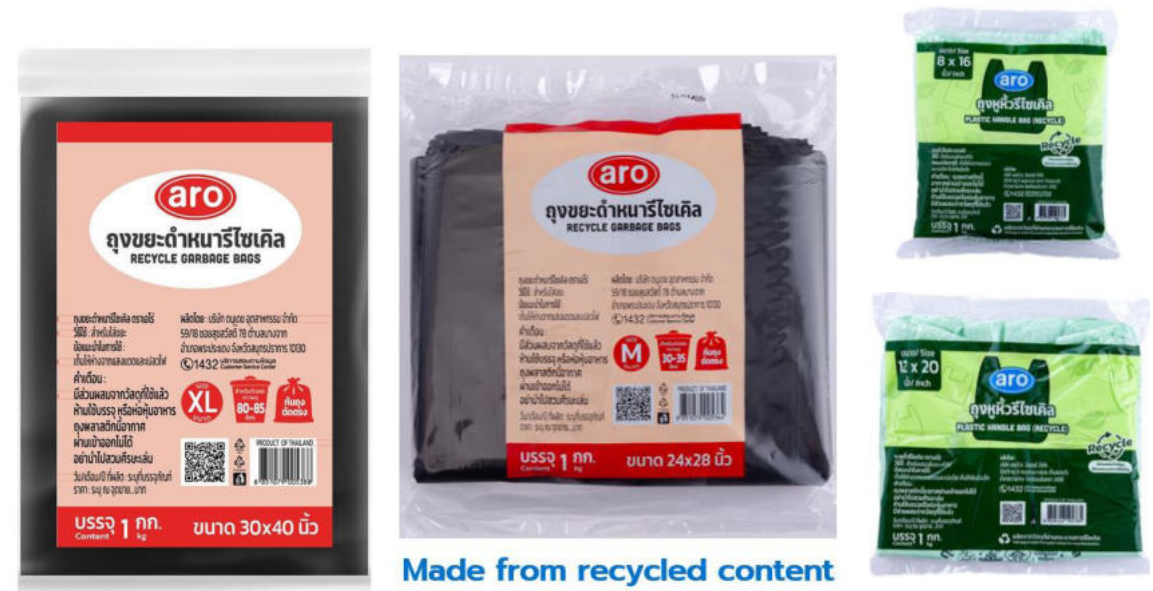
AXTRA GREEN TOGETHER



Example of Increase the Use of Recycled Material as Packaging Solutions Project.

"Recycled Content Products" Project

Ensure that recyclable packaging is actually recycled. Plastic from stores and offices are collected and shifted to recycling and upcycling process to be the new product as garbage bags contain recycled materials and sell in stores.



2024 Results

- **2,684 tons (18.87%)** of plastic waste from store is sent to be recycled content of new products (rPE garbage bag) and sold in the store and income of **228,503,709 baht**.

"Transition to Sustainable Packaging and Promotion of Circular Economy" Project

The company, signed a Memorandum of Understanding (MOU) with four key partners: Nestle (Thailand) Co., Ltd., Thai Namthip Corporation Limited, Haadthip Public Company Limited, and Patum Vegetable Oil Co., Ltd. This collaboration marks a significant step toward sustainable business operations, with a shared vision of reducing environmental impact through the adoption of a circular economy and sustainable packaging solutions. The MOU highlights a commitment to transitioning towards the use of 'sustainable packaging', including recyclable, biodegradable, and reusable materials, as well as packaging that incorporates recycled content. Including the advertisement PP plastic board at store has changed to paper or biodegradable material. This joint initiative aims to drive positive change in Thailand's wholesale and retail sectors, setting a new standard for sustainability in the industry



2024 Results

- Sales of **560,948,842 baht**, increase of 49% from the previous year.

Example of R&D Resources to Sustainable Packaging and Alternative Solutions Project.

"Sustainable Packaging Product" Project

All stores announced to stop the single-use polystyrene (foam) food box in 2019. Together with continuously educating, promoting, and campaigning to the food business customers, and end consumers with the variable design and accessible prices biodegradable packaging. With a collaborative partnership, can provide more than 530 designed items. Become the centre of in Thailand and motivate sustainable consumer trends.



Biodegradable packaging



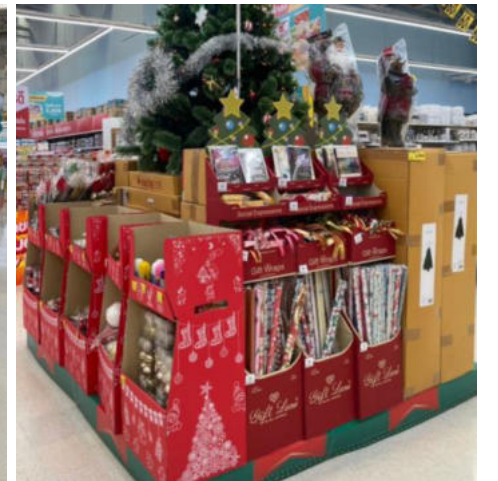
2024 Results

- Biodegradable packaging product is sold in **4,406.83 tons (25.69%)** and income of **581,558,576 baht**.

Example of Reduce Single Use Plastic

“Shift Single Use PP Board to Paper Material” Project

CP AXTRA Partners with Leading Companies to Sign MOU on Sustainable Packaging, Promoting Circular Economy. The MOU highlights a commitment to transitioning towards the use of ‘sustainable packaging’, including recyclable, biodegradable, and reusable materials, as well as packaging that incorporates recycled content. This joint initiative aims to drive positive change in Thailand’s wholesale and retail sectors, setting a new standard for sustainability in the industry.



Packaging Materials

Packaging Materials	Coverage (% of cost of good sold)	Total Weight (metric tonnes)	Recycled and/or Certified Material (% of total weight)	2024 Target (% of total weight)
Wood/Paper fiber packaging	93	93,362.90	99.98	100
Metal packaging (e.g. aluminum or steel)	Material not used in the company’s packaging			
Glass packaging	93	247.64	100	100

Plastic Packaging

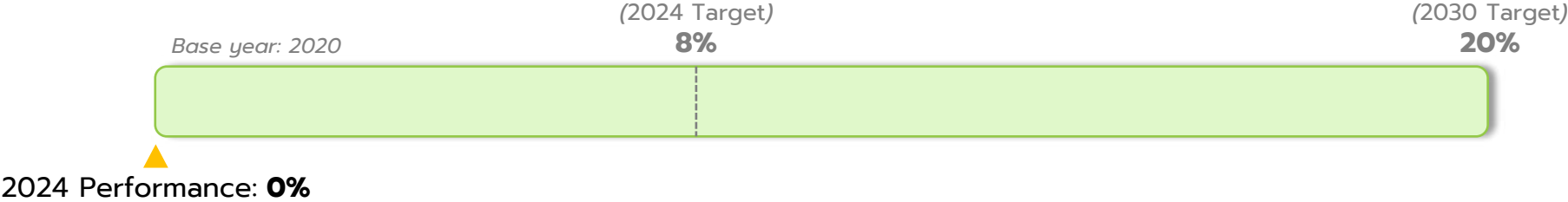
Plastic Packaging	Unit	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	target for FY 2024
Total weight of all plastic packaging	tonnes	12,202.81	16,713.11	18,532.25	18,098.40	18,460.65	18,000
Percentage of recyclable plastic packaging	%	0	0	0	97	99	100
Percentage of compostable plastic packaging	%	0	0	0	24.33	25.69	25.00
Percentage of recycled content within the company's plastic packaging	%	0	0	0	13.26	18.87	14.00
Coverage	(as a % of cost of good sold)	83	83	83	83	93	

WATER STEWARDSHIP

Target and Performance

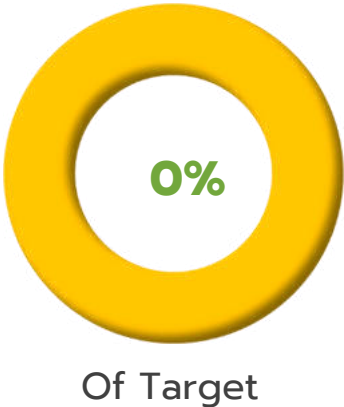
Long term target by 2030

20% Reduction in water consumption per revenue compared to the baseline year 2020.



2024 Target

- 8% Reduction in water consumption intensity per revenue compared to the year 2023



2024 Performance

- Water Consumption Intensity per revenue **11.34** cubic meters per million Baht.
- Water consumption **5,805,540.16** cubic meters.
- 72 stores and 1 Distribution Center treated wastewater and reused.
- **8,613,557.05** cubic meters withdrawal from water stress areas increased by **37.48%** compared last year.

Opportunities and Challenges

As climate change is seeing intensified flooding and drought year on year, the Company recognizes the water stewardship and resource management efficiency throughout the water life cycle to sustain an economic-ecological co-development that adds economic value to communities without encroaching on natural resources.

Policy and Management Approach

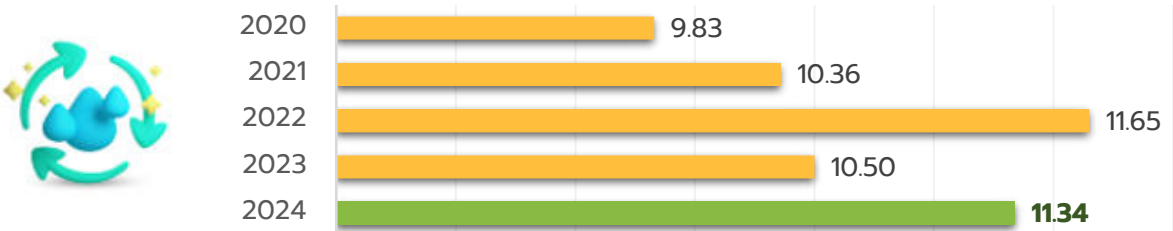
The Company prioritizes reducing water consumption in areas prone to water scarcity and optimizing wastewater for maximum economic-social value while raising water stewardship awareness in the process. The Company stewards water resources in 3 pronged approaches Water Risk Assessment, Creating Awareness, and Waste Water Management.

Water Efficiency Management Program & 2024 results

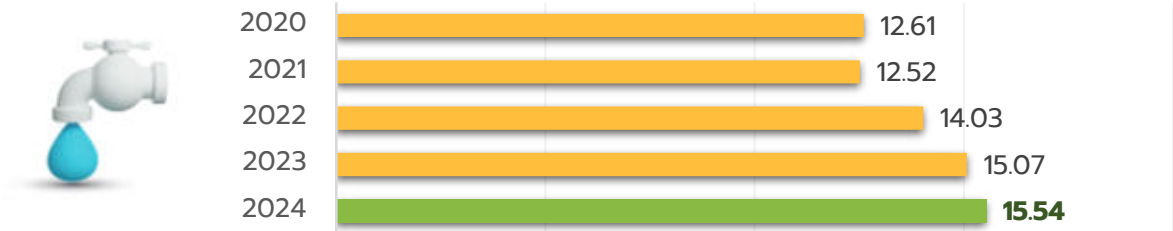
Long-term Target: Reducing water intensity 20% or 2% volume reduction compared with baseline 2020 year.
2024 Target: Reducing at least 2% water intensity or **4,932,705.40** cubic meter

Program	2024 Result
 Water risk Assessment & Water Use Assessment	100% of own operation and significant suppliers are annually monitored by applying the Aqueduct Water Risk Atlas global water risk mapping tool. The Company has thus planned effective water management to increase water usage efficiency and risk management along the supply chain. 100% site do the monthly water use assessment to identify opportunities for water efficiency improvements
 Action to Reduce Water Consumption	100% site installed the water saving equipment i.e water save faucet, toilet, water sink etc. - Water Saving and Conservation programs i.e "Save Water, for Future Water Conservation" Project and Rain Water Collecting Tank Project - The water saving and conservation programs to increase efficiency of the water utilization and reduce the water withdrawal from water stress area i.e "Groundwater Bank in Water Stress Areas" project
 Action to Improve Water Quality	100% site has aerobic wastewater treatment plant with routine maintenance and inspection. 100% site conduct the grab sampling for wastewater lab test to ensure the compliance with local effluent standard and result water effluent BOD below 20 mg/l
 Application of Water Recycling	The effluent from wastewater treatment plant is collected, and recycling to the water usage i.e floor cleaning, garden at 75 stores and Distribution centers.
 Awareness to employee & stakeholders	- Communicate through the company's media, including pictures and stickers, to raise water stewardship awareness to employees, customer, and public. - Water consumption is part of employee and manager's performance evaluation (KPI). - Communicate and conduct training to Suppliers in the water stress area and enhancing them to implement the water conservation program. i.e "For Better Life of High Land Farmer" Project and "Low Carbon Rice" Project 100% employee are trained the water saving on e-learning and water consumption reduction is part of employee and manager's performance evaluation (KPI).

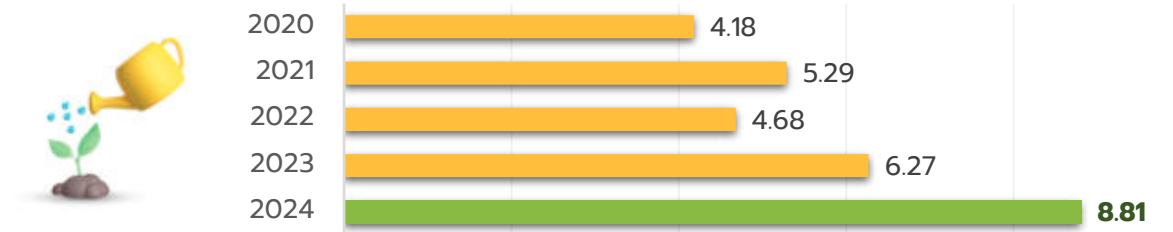
Water Consumption Intensity (Unit: Cubic meter per million THB)



Water Consumption (Unit: million cubic meters)



Water withdrawal from water stress area (Unit: million cubic meters)

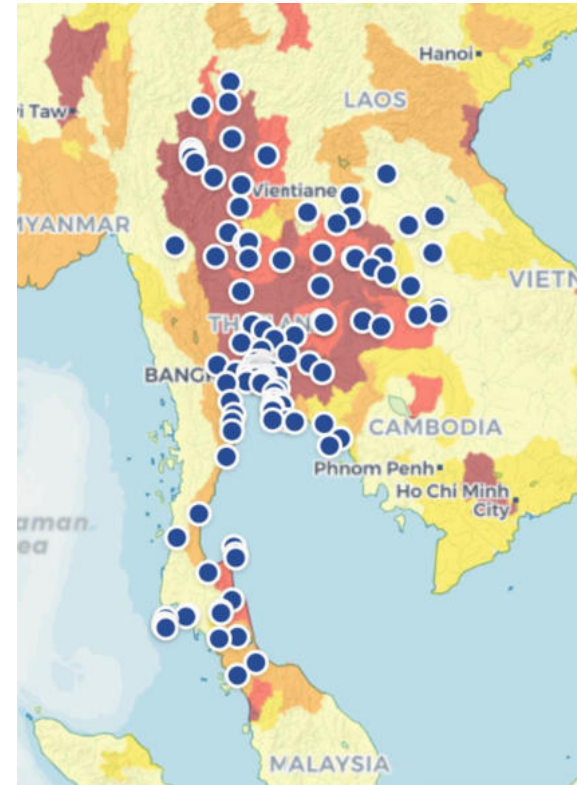
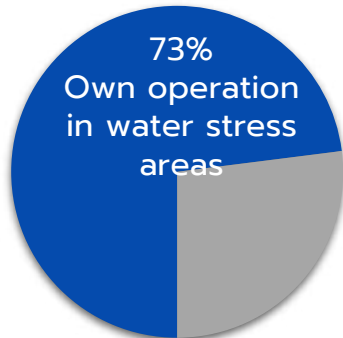


Water Stress Risk Assessment

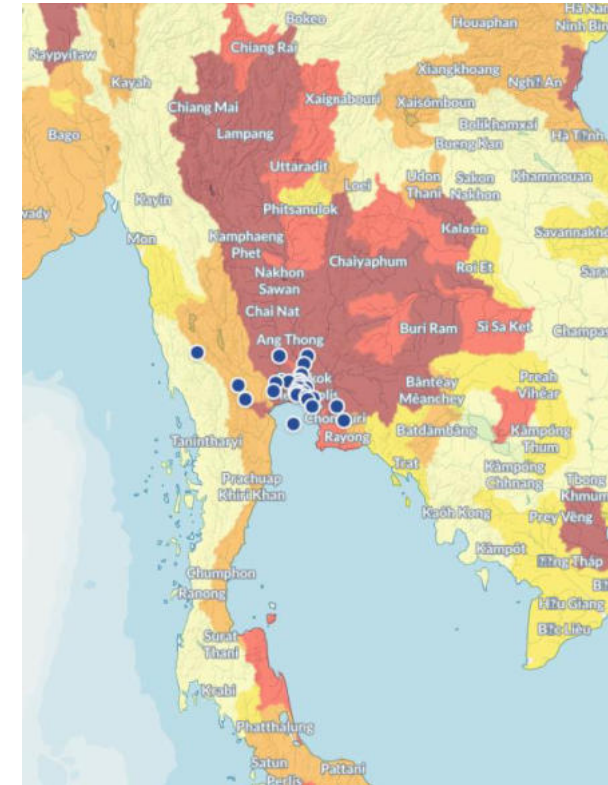
Results of Water Risk Assessment

The company set an annual target to comprehensively assess the operational areas of the company and its tier 1 partners. The results achieved the set targets as follows:

- 100% of the company's own operation sites and significant tier 1 partners have been assessed for water scarcity risks annually. The assessment utilized the **WRI's Aqueduct Global Water tool**, and **100%** of all stores and distribution centers , as well as **100%** significant tier 1 suppliers, have completed the assessment which achieved the target of the action plans.
- From the survey, the company found that 73% of the Company facilities and 93% of significant tier 1 supplier facilities are based on water stress area (high risk and extremely high risk) which both percent are higher than previous year. see the water stress map pictures.



The Company's
Own Operation



Significant Tier 1
supplier



Survey Results and Risk Mitigation Measures for Supply Chain

In 2024, The Company also conduct survey water stress by % of sourced agricultural commodities originating from water-stressed areas. The result found that % of agricultural commodities from the water stress area are higher than last year according to country's circumstance. The survey of each category as;

% of sourced agricultural commodities originating from water-stressed areas		
Category	by purchasing	by supplier's location
Cattle products	90%	54/70 (77%)
Maize	74%	60/88 (68%)
Palm Oil	52%	15/16 (94%)
Rice	70%	15/25 (60%)
Soy	97%	11/17 (65%)
Sugar	49%	14/26 (54%)
Tobacco	98%	73/81 (90%)
Cotton	59%	25/44 (57%)
Cassava	74%	21/23 (91%)
Coffee	99.8%	67/74 (91%)
Cocoa	100%	32/33 (97%)
% Cost of goods purchased in 2024	100%	-

Types of Water Management Risks of Significant Tier 1 Suppliers	Mitigation
81% face risks related to water quantity and quality	Implemented the "Better Life for Highland Farmers" project. This project focuses on providing knowledge and promoting organic farming practices among farmers in the northern and northeastern regions, which face chronic drought issues. The project aims to improve agricultural production efficiency and reduce food loss. The company collaborates with the Department of Agricultural Extension and various universities to encourage farmers to adopt organic farming methods, such as drip irrigation, eliminating pesticide use, and transitioning to organic farming. Additionally, the company educates farmers on low-water-consumption crops that are in high demand, reducing food loss. The company also purchases produce from participating farmers for distribution nationwide.
18% face risks related to legal compliance and price structure changes	the company organized an annual partner meeting under the Responsible Supply Chain Development Project, which included discussions on partners' roles in preparing for water and environmental measures. The meeting aimed to inform partners about relevant water and environmental laws, changes in regulations, and the company's environmental requirements for partners. In 2024, 2,031 partners (100%) participated in this development program
1% face risks related to water management violations and disputes.	the company selected rice-producing partners, such as Nakhon Luang Rice Mill in Kamphaeng Phet, as a case study for the Rice Production Model Project. This project focuses on efficient water and soil management practices, such as alternate wet and dry farming, organic fertilizer use, efficient water management, and proper rice straw management (avoiding straw burning) to reduce risks of violations and disputes related to water and environmental management with communities. Additionally, the company collaborated with the Professional Qualification Institute (Public Organization) to provide training on Level 4 Rice Quality Control and Inspection Standards for rice mill personnel to enhance their knowledge in sustainable rice production.

Examples of Water Resource Management Projects

Water Risks Management of Suppliers

A Measurement to mitigate water quantitative and quality risk - "Save Water, for Future Water Conservation" Project

Continue the Save Water, Save Future project since 2018. To reduce water consumption. by returning the treated effluent to reuse in the green area, and cleaning the waste house or loading area. This project can reduce the amount of water used and recirculate water to improve resource efficiency and to mitigate water quantity and reduce operation costs.

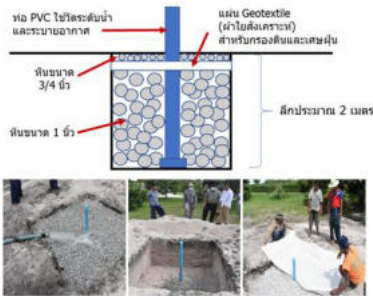


2024 Result

- 72 stores and 1 Distribution Center treated wastewater and reused.
- 2 stores installed rainwater collecting tanks for plant irrigation and street cleaning
- 3 stores Implemented a groundwater bank project to return treated wastewater to the environment, enhancing soil moisture around the store

A Measurement to mitigate risks related to regulatory or pricing Structure changes - "Groundwater Bank in Water Stress Areas" Project

CP Aextra has recognized that water consumption in water-stressed areas is vulnerable to water stress and drought which can potentially affect the water pricing structure of the operating areas. The Company has worked diligently with suppliers to monitoring the water pricing structure and identify mitigation plans, if the regulatory changes may arise. With that CP Aextra has adopted a ground water bank within the water stress areas. The water sump with vertical piping that is installed to collect flash rainfall well-treated wastewater and flow to the water reservoir or increase water absorption. The pilot project is in Yasothon and has expanded to another water stress area in Maha Sarakham province. The efforts to monitor water pricing structure as well as the mitigation actions will be implemented to farmers in the nearby community as well.



2024 Result

- Over 32 cubic meters returned to nature through groundwater bank pipe
- Over 155,520 Baht in cost savings per year.
- 20 farmers and community in water stress are trained

Examples of Water Resource Management Projects

A Measurement to mitigate water quantitative and quality risk - “For Better Life of High Land Farmer” Project

The “For Better Life of High Land Farmer” project directly mitigates water quantity risks by changing farming practices in water-stressed regions of northern and northeastern Thailand. By partnering with Department of Agricultural, University and agricultural experts, the project encourages farmers to adopt water-saving irrigation systems and plant low-water crops that are better suited for the local climate. These specific actions reduce the overall water demand for agriculture, making the participating communities more resilient to drought and water scarcity.

The project tackles water quality risks by promoting a fundamental shift in cultivation methods. It encourages farmers to transition to organic farming, which eliminates the use of chemical fertilizers and pesticides. This can prevent chemical runoff that can contaminate local water sources, transforming the agricultural practices for suppliers, farmers and communities. Ultimately, CP Aextra has supported the farmers by purchasing these products to sell in CP Aextra’s upcountry stores.



2024 Result

- 281 farmers have participated program (Target 100% in 2030)

Measures to mitigate risks related to stakeholder conflicts - “Low Carbon Rice” Project

The company recognizes the importance of developing the domestic agricultural supply chain and has integrated collaboration across multiple sectors—including farmers, agricultural and environmental experts, rice producer groups, Nakornluang Rice Mill, and retail branches—to drive the “Low-Carbon Rice” pilot project in Kamphaeng Phet Province. This initiative adopts the Alternate Wetting and Drying (AWD) process that help water usage and GHG emissions.

A key component of this project is the shift from traditional rice farming, which requires continuous flooding, to the Alternate Wetting and Drying (AWD) technique. This method significantly reduces water consumption (38% compared to traditional method) by allowing the field to dry out periodically before being re-flooded. This not only lowers water demand but also prevents water conflicts with other users in the area. Other practices include using organic fertilizers instead of chemical fertilizers, efficient water management, and proper handling of agricultural waste.

This multi-party engagement with suppliers, municipalities, academia, and the government helps to reduce misunderstandings of water demands and consumption, align objectives, and prevent potential disputes. The initiative aims to mitigate climate change impacts, respond to the growing demand of environmentally conscious consumers, add value to target premium rice markets, and prepare stakeholders for international regulations linking greenhouse gas emissions to market access



Examples of Training program



Course Categories

KM (องค์ความรู้)

Assessment center

Search

๖๑

Programme/Course



ระบบบำบัดน้ำเสีย
Wastewater Treatment

0h

Wastewater Treatment

★★★★★ 1.3k



การดูแลและบำรุงรักษาเครื่องทำน้ำแข็ง (2,500 kg)

0h

PM & Optimization for ice making machine

★★★★★ 1.3k



การดูแลและบำรุงรักษาเครื่องทำน้ำแข็ง (2,500 kg)

0h

Ice Maker Machine Maintenance Guidance

★★★★★ 1.3k



ความรู้สินค้าแพนค
"Sea Food"

0h

Water Saving for Seafood cutting

★★★★★ 36



น้ำปั่นผลไม้ สำหรับ Jungle Café

0h

Fruit Smoothies Jungle Cafe

★★★★★ 865



FM การดูแลระบบบำบัดน้ำเสีย (Wastewater Treatment) 2020

0h

Wastewater Treatment

★★★★★ 362



Learning Class

FM การดูแลและบำรุงรักษาตู้แช่ (Refrigerator) 2021

0h

Refrigeration and Ice Maker Machine Maintenance Test

★★★★★ 321



โครงการเปลี่ยนปั๊มน้ำให้เกิดความเหมาะสมกับปริมาณการใช้ (Booster Pump Optimization)

0h

Booster Pump Optimization for Water Saving

★★★★★ 1.2k

Water Consumption

Total Water Consumption	Unit	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	target for FY 2024
Water withdrawal (Exclude saltwater)	Cubic meter	12,609,451.31	12,517,292.99	14,025,494.66	15,072,217.50	15,539,045.21	
	Million cubic meter	12.61	12.52	14.03	15.07	15.54	
Water discharge (Exclude saltwater)	Cubic meter	8,385,799.09	8,024,412.55	8,561,938.59	9,928,032.80	9,733,505.05	
	Million cubic meter	8.39	8.02	8.56	9.93	9.73	
Total net fresh water consumption	Cubic meter	4,223,652.22	4,492,880.45	5,463,556.07	5,144,184.70	5,805,540.16	4,932,705.40
	Million cubic meter	4.22	4.49	5.46	5.14	5.81	4.93
Data coverage	% of sites	100	100	100	100	100	100

ECOSYSTEM & BIODIVERSITY PROTECTION

Target and Performance

Long term target by 2030

- 100% of business unit and tier 1 supplier are not in the natural or heritage reservation area.
- 100% of high-risk raw material are traceable.



2024 Target

- 100% of stores and distribution centers are assessed diversity risk and not in the natural or cultural heritage reservation area.



Of Target

2024 Performance

- **100%** of stores and distribution centers are assessed biodiversity risk.
- **100%** of high-risk raw material are traceable.
- **42 items** of Ocean Gems, the house brand product are certified MSC, ASC
- **0** Breach case that related to biodiversity and ecosystem among own operation and supply chain

Opportunity and Challenges

Biodiversity is essential in enabling ecosystem infrastructures to survive under intensifying climate changes. The Company enhanced to operate a business with sustaining and balancing the economic-ecological development is thus paramount for Climate Resilience and ensuring operational business preventing the impacts on the ecosystem, either directly or indirectly.

Policy and Management Approach

The ecosystem and biodiversity management approach is aimed at minimizing the negative impacts that our business operation has on nature and maximizing the positive impact. Our projects support agricultural product that follow sustainable methods, reforestation and afforestation efforts, wildlife protection, watershed rehabilitation, waste recycling programs, as well as other biodiversity conservation projects.

For more information, please visit:

<https://www.cpaxtra.com/storage/document/sustainability/biodiversity-policy-th.pdf>

Management strategies and results in the protection of ecosystems and biodiversity

Biodiversity Framework	
 Biodiversity Risk Assessment	Conduct the biodiversity risk assessment with location specific and TNFD ,UNESCO World Heritage, and IUCN to assess own operation and adjacent area including the activities of upstream to downstream along the supply chain. To access biodiversity risk location with Integrated Biodiversity Assessment Tool (IBAT).
 Mitigation Action	The action plans to avoid, reduce, regenerate, restore and transform to protect ecosystem and biodiversity from business operations or activities to promote ecosystem and biodiversity over the long run.
 Communication & Training	Communication and education to all employee, temporary staff, contractors, tier-1 suppliers and business partners.
 Enhance through Supply Chain	Assess biodiversity protection and restoration by working with supplier and partners for collaborative projects that promote ecosystem and biodiversity.
 Disclosure of Biodiversity Performance	Publicly communicates the biodiversity performance and targets through the annual report and website.

2024 Performance

Target: **100%** own operation and Critical supplier are assessed the biodiversity risk



Stores and Distribution Center (**2,645** branches)



Critical tier 1 supplier (**2,353** Suppliers)



Tier 1 supplier (**5,475** Suppliers)

Target: **100%** Employee and Supplier Awareness & Training



Employee & Worker



Critical Tier-1 Supplier

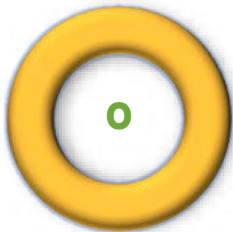


Tier-1 Supplier

Result from assessment



Own operation and supplier are not located in the conservation area

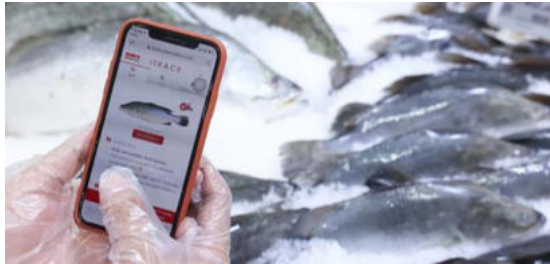


Violation, complaint, or related case in own operation and supply chain

Examples of Biodiversity Mitigation Actions

"Do not catch, do not buy, and do not sell - juvenile marine animals"

The company emphasizes sustainable sourcing, in collaboration with makro and Lotus, by announcing the policy of "Do not catch, do not buy, and do not sell juvenile marine animals" in every store. The objective is to promote the conservation of juvenile marine animals, which is fundamental of food chain in nature. The measures are communicated to all relevant partners, starting from the proper sourcing, defining & inspect the size and species, equipment, and fishing methods, ensuring no adverse impact on the environment. Additionally, the company is providing training and raising awareness among supplier, producers, traders, and fishing groups throughout its supply chain. Altogether, actively collaborating with government. This initiative aims to drive behavioural changes to the sustainable fishery.



"Sustainable Tuna-Sourcing" Project

The Company prioritizes sustainable sourcing for raw materials and products related to tuna. The selected tuna must not belong to endangered species or red list, as per the International Union for Conservation of Nature (IUCN) guidelines. The company verifies the sources, tuna species, and fishing methods, ensuring they have no adverse impact on the environment. Additionally, the company checks with its partners to ensure compliance with human rights, labor practices, and occupational health & safety regulations for workers. The commitment covers 100% of the products in this category under the company's trademark. The policy is publicly post on website:

<https://www.cpaxtra.com/en/sustainability/sustainability-policy-and-guidelines>



"Food Waste - Feed Wildlife" Project

Wildlife is an indicator of ecosystem biodiversity. The Department of National Parks, Wildlife and Plant Conservation oversees breeding animals, confiscated wildlife, and animals from illegal trade, which continues to rise yearly despite limited resources. To support their efforts, the company signed an MoU to provide animal feed to conservation centers and breeding stations, with plans to expand support further



2024 Result

- 37 Wildlife and Plant Conservation station are supported.
- 2,709.88 tons of food waste are delivered for animal feeding at the station.

Sample projects aimed at reducing biodiversity risks through internal employee participation.

"Planting Trees at Store" Projects

Colleagues are implementing a project to plant native trees based on urban reforestation principles. The planting with various species of perennial trees, such as teak, bamboo, mango, banana, and jackfruit, to enhance green area within the stores. The treated effluent is used for irrigation. The project aims conserved species of local tree, reduce greenhouse gases, improve soil heath and to create food source that benefit both employees, customers and nearby communities.



2024 Result

Perennial plant at store (Tree)



Next Gen New World & Planting Tree With Partners

Company in collaboration with the Khao Yai National Park Conservation Foundation under the Next Gen New World project, organized youth training activities, including tree planting and forest fire stopping. The project has continuously planted over 61,000 trees in national parks many provinces. The employees participated planting 500 seedlings, at stores, distribution centres, and community. Furthermore, Lotus collaborates with partners in the campaign to generating funds through the sale of eco-friendly dishwashing liquid products. For every product sold, donated 1 Baht to support tree planting activities in Thailand.



2024 Result

- **61,000** seedlings are planted.
- **1,000,000** Baht are donated to support tress planting activities.

Sample projects aimed at reducing biodiversity risks through internal employee participation.

“CP 100 Love the Earth – Sustainable Thai Sea” Project In Celebration of International Coastal Cleanup Day

As part of our commitment to environmental stewardship and coastal ecosystem preservation, Charoen Pokphand Group and CP Aextra Public Company Limited (CPAXTRA), in collaboration with government agencies, educational institutions, youth, and the Ban Pak Duad community, organized the “CP 100 Love the Earth – Sustainable Thai Sea: SEACOSYSTEM” initiative at Ban Pak Duad, Klang Subdistrict, Tha Sala District, Nakhon Si Thammarat Province.

This initiative was held in conjunction with International Coastal Cleanup Day and featured multiple sustainability-driven activities aimed at reducing environmental impact and strengthening community engagement:

- Beach Waste Cleanup & Sorting: Volunteers collected and segregated marine debris to reduce waste accumulation and promote awareness of proper waste management practices.
- Youth Environmental Education: The program emphasized instilling environmental responsibility among children and youth through hands-on activities, reinforcing the long-term importance of marine ecosystem protection.
- Coastal Tree Planting: Trees were planted along the beach to enhance green spaces and mitigate shoreline erosion.
- Marine Restocking Efforts: Over 10 million juvenile suai-a (local marine species) were released into the sea to restore marine biodiversity and support local fisheries.

In addition, a Community Marine Hatchery Center was launched under the innovative “Aquatic Animal Bank” concept, enabling sustainable breeding of aquatic species and supporting long-term marine resource recovery led by the local community.

To foster youth participation, a blue crab egg cleaning activity was held, providing hands-on conservation education focused on the life cycle and sustainable propagation of marine species. This initiative reflects CP Group’s broader sustainability commitment to biodiversity conservation, responsible resource use, and enhancing the quality of life in local communities.



RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Target and Performance

Long term target by 2030

- 100% of suppliers are assessed ESG risk.
- 100% high-risk suppliers are audited and corrected.

95.67% significant supplier has been ESG assessment

(2024 and 2030 Target)
100%



Base year: 2020

2024 Performance: **95.67%**

100% High risk score suppliers are onsite audited and completed the correction

(2024 and 2030 Target)
100%

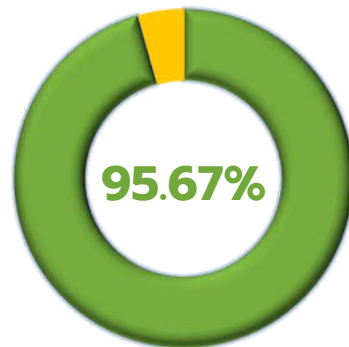


Base year: 2020

2024 Performance: **100%**

2024 Target

- 100% Significant Supplier has been evaluated the Environment, Social, and Governance assessment in 2025



Of Target

2024 Performance

- **95.67%** % significant supplier has been ESG assessment
- **100%** Tier 1 suppliers and Non-tier 1 suppliers signed acknowledgment and trained.
- **100%** High risk suppliers are onsite audited.
- **100%** of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation
- **100%** of significant suppliers in capacity building programs

Opportunities and Challenges

The company alike. as the linkage between producer to end-user, the Company aims to ensure customers access to safe, high-quality, and sufficient in a timely manner. The Company has strengthened the supply chain's risk management and collaborated with producers, distributors, suppliers and business partners to enhance the value chain management, ensuring adequate inventory meets consumption needs with responsible sourcing and traceability to upstream.

Policy and Management Approach

The Company commits to leveraging the ESG along the supply chain with all significant of tier 1 and non tier 1 suppliers. With focused Supply chain ESG program that assess potential ESG risks, and consequently, plan remedial measures to assure sustainability performance along the supply chain. The Company integrated Supplier's ESG program as one of 2030 Sustainability strategy and closely monitoring program performance. Including clearly communicate and engage the ESG target to all suppliers. The new supplier must comply with ESG assessment before starting the business with the company. This includes all partners, who are required to meet at least 33% of the sustainability assessment criteria and must not fail any critical criteria prior to commencing business with the company.

Supplier ESG Program



Responsible Supply Chain Management Committee



The CG & SD Committee (BOD level) is the accountable decision-making body for supply chain implementation plan approval. The Responsible supply chain steering team members are heads of the QA, buyers, and operations departments. Their role is to ensure the Purchasing practices towards suppliers are continuously reviewed to ensure alignment with the Supplier Code of Conduct and to avoid potential conflicts with ESG requirements. All suppliers are informed of the exclusion from contracting if they cannot achieve minimum ESG requirements within the set timeframe (score >33% before starting or > 55% within 2.5 years to continuing the business). Suppliers with better ESG performance are preferred by applying a minimum weight to ESG criteria in supplier selection and contract awarding.

Supplier's Risk Assessment and Potential Impact to The Company

Business Aspect

Risk of Food safety and product quality from supplier

As the food safety and product quality are crucial factors directly affecting consumer health, satisfaction, and confidence. Product safety and adherence to quality standards are fundamental factors that directly influence the Company's reputation, credibility, and the trust we maintain with our customer. Furthermore, food safety crises could cause damage to both business operations and stakeholder relationships. Therefore, the Company places the highest priority on delivering quality and safe products while promoting consumer health and well-being to build business sustainability and maintain long-term confidence.

Mitigation:

The Company has developed food safety and product quality management processes according to international standards, from raw material sourcing and supplier selection to product delivery. The Company conducts strict supplier and source evaluations (Ethical Sourcing) to ensure products sold come from quality sources. The Company has developed food safety standards following internationally recognized guidelines such as GLP, Q Mark, GHP, HACCP, and GMP Codex to ensure all products. Also implemented a traceability system called "i-Trace" using QR codes to display product origin information. Customers can scan QR codes on packaging to directly access information about production sources, quality inspections, and product safety standards. This system enhances transparency and builds confidence among consumers and operators. Furthermore, the Company closely monitors disease situations, collaborating with government agencies and relevant organizations to track news and develop effective preventive measures. Safety management covers prevention, control, and concrete crisis response to ensure the Company is prepared to handle and reduce impacts from food safety crises.

Examples of the company's economic risk assessment results from Critical Tier 1 and Tier 1 suppliers across various aspects.

Supplier Name	Supplier Classification	Quality and Traceability assessment scores	Supply Chain Management assessment score	Human Rights and Labour Practice assessment score	Health & Safety assessment score	Environment assessment score	Total Score
Supplier Name xxxx1	Critical Tier 1	4.0	1.0	4.0	4.0	5.0	31
Supplier Name xxxx2	Critical Tier 1	4.0	4.0	8.0	6.0	5.8	31
Supplier Name xxxx3	Critical Tier 1	4.0	1.0	1.0	1.0	3.0	15
Supplier Name xxxx4	Critical Tier 1	4.0	0.0	5.0	5.0	7.4	31
Supplier Name xxxx5	Critical Tier 1	4.0	1.0	1.0	1.0	4.0	15
Supplier Name xxxx6	Critical Tier 1	4.0	4.0	8.0	6.0	7.8	31
Supplier Name xxxx7	Critical Tier 1	4.0	4.0	8.0	6.0	6.2	31
Supplier Name xxxx8	Critical Tier 1	4.0	4.0	8.0	6.0	7.6	31
Supplier Name xxxx37	Tier 1	4.0	4.0	8.0	5.0	9.0	31
Supplier Name xxxx38	Tier 1	2.0	0.0	6.0	3.0	5.0	31
Supplier Name xxxx39	Tier 1	2.0	4.0	8.0	6.0	2.0	31
Supplier Name xxxx40	Tier 1	4.0	1.0	7.0	5.0	7.0	31
Supplier Name xxxx41	Tier 1	3.0	4.0	6.0	6.0	7.0	31
Supplier Name xxxx42	Tier 1	4.0	4.0	7.9	6.0	5.5	31

Supplier's Risk Assessment and Potential Impact to The Company

Environment Aspect

Risk of environment impact to supplier's operation which is Climate Resilience risk refers to the risks arising from climate shifts and their associated impacts, which can affect business operations, supply chains, and long-term sustainability. The environmental crisis i.e. water, clean air etc. caused by climate change represent a key challenge affecting businesses across all sectors. The Company recognizes potential impacts on business operations, energy consumption, and environmental management costs. These changes not only increase pressure on sustainable business operations but also affect corporate image in stakeholders' views.

Mitigation:

The Company enhance suppliers and contractors—production, transportation, storage, distribution, and sales—in jointly reducing carbon emissions. This is achieved through activities such as the Supply Chain Sustainability Excellence Award. Furthermore, the greenhouse gas reduction target setting is the one of the supplier's annual evaluation criteria. Additionally, the company implements the "Better Life for Highland Farmers" project. This initiative aims to explore, educate, and support farmers in the northern and northeastern regions, which face chronic drought issues, to improve agricultural production efficiency and prevent food loss. In collaboration with the Department of Agricultural Extension and various universities, the company encourages farmers to adopt organic farming practices for a better quality of life, such as using drip irrigation systems, eliminating pesticide use, and transitioning to organic farming. Furthermore, the company educates farmers on cultivating water-efficient and high-demand fruits and vegetables to prevent food loss and purchases produce from participating farmers for distribution nationwide.

Supplier's Risk Assessment and Potential Impact to The Company

Social Aspect

Risk of social impact from supplier's operation such as the Human rights violation risk refers to the risk of non-compliance with international human rights standards, potentially leading to legal, reputational, and stakeholder relationship issues. Human rights and labor practices are crucial issues in sustainable business operations. Failing to prioritize human rights and labor management may affect organizational credibility and lead to human rights violations in business activities, including risks of discrimination and workplace harassment, impacting operational efficiency and company image. Non-compliance with legal requirements or international labor standards may result in legal consequences and loss of stakeholder trust, including customers, employees, and business partners.

Mitigation:

Human Rights Due Diligence (HRDD) processes are implemented to assess and improve human rights policies, including establishing a human rights working team responsible for risk assessment, impact evaluation, and performance monitoring. The Company communicates and trains supplier on human rights policies. The Company conduct human rights risk assessment including supplier and contractors. Additionally, performance results are disclosed in annual reports to ensure transparency and credibility with stakeholders. In occupational health and safety, the Company aims to achieve zero lost-time accidents by 2030, developing safety management systems aligned with ISO 45001 standards and implementing 10 Life-Saving Rules to strictly prevent workplace accidents and diseases. The Company also provides defensive driving and safe forklift operation training courses, including continuous workplace safety inspections and improvements.

Supplier ESG Program

The Company commits to leveraging the ESG along the supply chain with all significant of tier 1 and non tier 1 suppliers. The supplier ESG program assesses the potential ESG risks, consequently, correction and remedial action to assure the compliance along the supply chain which is integrated as one of 2030 Sustainability strategy and oversighted by Board of director level.



The CG & SD Committee (BOD level) is the highest accountable decision-making body for oversight of implementation of supply chain ESG program. The steering team members are heads of the QA, buyers, and operations departments. The program and KPI are setting to ensure the purchasing practices towards suppliers are continuously reviewed to ensure alignment with the Supplier Code of Conduct and to avoid potential conflicts with ESG requirements. The company's buyers, QA and operation team are trained their roles in the supplier ESG programs.

Altogether, the suppliers are trained and notified that they are excluded from contracting if cannot achieve minimum ESG requirements within a set time frame (score >33% before starting contract or > 55% within 2.5 years to continuing the contract). And the suppliers with better ESG performance are preferred in supplier selection and contract awarding.

Supplier ESG Program Implementation



Supplier's Code of Conduct

The Supplier's Code of Conduct manual and training VDO with subtitle are publicly on The Company's website and applied to all suppliers across all countries. All the suppliers must be trained and sign an acknowledgment by their top management or assignee to accept these ESG criteria as the business contract terms and conditions



2024 Result

- **100%** Tier 1 suppliers and non-tier 1 suppliers signed acknowledgment and trained.
- **100%** Buyer, QA, and Operation are trained in their roles in the supplier ESG program.



Supplier Screening

The significant supplier is a supplier that is identified as a potential sustainability risk supplier. The screening of the significant suppliers by reviewing potential or actual suppliers’ risks of the negative ESG impacts and also business relevance risks or a combination of both. The risk covers factors of country, sector, and commodity-specific risks are considered.

Aspect of supplier ESG screening

Business relevance	Environmental	Social Aspect	Governance & Compliance
• High procurement value • Key component, material • non-substitutable components	• Resource efficiency • Greenhouse gas • Energy • Water & Wastewater • Waste• - Biodiversity • No deforestation • etc.	• Human rights i.e. forced labor, child labor, female labor, etc. • Labor practice include employee, temporary and migrant worker • Occupational Health & Safety • Discrimination / Harassment & Sexual harassment / Community’s rights • etc.	• Quality & Product Safety for consumer • Country’s law & Regulation • Corruption • Bribery • Conflicts of interest • Intellectual property • Specific certificate or requirement of products • Country of Origin and non-economic sanction list • etc.

2024 Result of Supplier Screening	
Total number of Tier-1 Suppliers	5,475
Total number of Significant Suppliers in Tier-1	2,353
%Total spend on Significant Suppliers in Tier-1	94.44
Total number of Significant Suppliers in non-Tier-1	6
Total number of Significant Suppliers (Tier-1 and non-Tier-1)	2,359

All suppliers are required to achieve minimum ESG requirements within the set timeframe (**score >33% before starting** or **> 55% within 2.5 years to continuing the business**)

Supplier Assessment & Development

Purchasing practices towards suppliers are continuously reviewed to ensure alignment with the Supplier Code of Conduct and to avoid potential conflicts with ESG requirements.

ESG assessment

- All supplier must pass the ESG desk (online) assessments which is the systematic verification of evidence on the company’s digital platform and transparent scoring. The assessments follow SMETA and ISO 17025 and ISO 20400.
- All suppliers are informed of the exclusion from contracting if they cannot achieve minimum ESG requirements within the set timeframe (score >33% before starting contract or > 55% within 2.5 years to continuing the contract). Suppliers with better ESG performance are preferred by applying a minimum weight to ESG criteria in supplier selection and contract awarding.

Criteria for onsite Audit

- Any supplier who has low score (< 33%) and/or potential ESG risk in any criteria i.e. product safety & quality, human rights, labor practices, environment impact or breach case with community, etc. will be conducted the on-site assessments which carried out by the company’s audit team and/or independent accredited auditing body (3rd party assessment). The high-risk supplier must have the correction within 12 months and quarterly update the progression.



Picture of Supplier ESG Assessment Platform

2024 Result	
 Desk (Online) Assessment	100% supplier undergo a transparent digital assessment that requires submission of relevant evidence and features a clearly defined scoring system.
 Onsite Audit	100% with low scores (less than 33%) or identified ESG risks are subject to on-site audit, performed by the company’s assessment team and verified by accredited third-party auditors.
 Standards of Industry	100% have been assessed through ESG questionnaire, with supporting documents aligned with SMETA, ISO 17025, and ISO 20400 standards.
 Supplier’s Correction and Development	• 100% Training on company's supplier ESG program, process and requirements. • 100% Supplier access to ESG benchmarks against peers. • 100% Collaborate with supplier support on implementation of corrective / improvement actions. • 43 suppliers has got the In-depth technical support programs and 2,359 suppliers are in the capacity building programs.



Example of individual result of Supplier that helps them to monitor ESG score and ranking against peers

KPIs for Supplier Assessment and Development

Target: 100% Significant Supplier are assessed ESG within 2025 100% Suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation 100% unique significant suppliers in capacity building programs	2024 Result		
	Makro	Lotus’s	CP Aextra
Total number of suppliers assessed via online and onsite assessment (tier 1 / non tier 1)	2,264	2,069	4,333
• New suppliers are assessed	173 (100%)	48 (100%)	221 (100%)
• Significant suppliers are assessed	1,765 (99.67%)	486 (82.65%)	2,251 (95.42%)
• Non-Significant suppliers are assessed	326	1,535	1,861
Total number of suppliers are required onsite audit (score < 33% or potential ESG risk)	13	26	39
Total number of suppliers have been onsite audited	13	26	39
Total number of suppliers assessed with substantial actual/potential negative impacts	90	192	282
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	97.83%	100%	97.87%
Total number of suppliers with substantial actual/potential negative impacts that were terminated	2	0	2
Corrective action plan support			
Total number of suppliers supported in corrective action plan implementation	90	192	282
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	97.82%	100%	99.30%
Capacity building programs			
Total number of suppliers in capacity building programs	1,771	588	2,359
% of unique significant suppliers in capacity building programs	100%	100%	100%

Promoting Sustainability Certified Product

Over the past year, the Company has placed strong emphasis on encouraging its supply chain to produce and deliver products that are certified under various sustainability standards. As a result, in 2024, the volume of purchases of certified products has increased, as outlined below.

Certification of Agricultural Crops

Agriculture Crop	Certification or Accreditation	% Purchased of certificated product	% Exposure
 Palm Oil	RSPO, RSB, ISCC	47.88%	2.47%
 Soy	RTRS, Pro Terra, CRS, ISCC+	79.32%	2.41%
 Sugar	BON Sucro, Fairtrade, Vive	10.95%	1.22%
 Cacao	Fair trade, UTZ , Rainforest Alliance, Bird Friendly	38.58%	0.98%
 Coffee	UTZ, Fairtrade, IRTAC, SRP, Global G.A.P, BRC , Rainforest Alliance,	18.93%	2.24%
 Cereal	FTA Gold, Global G.A.P, BRC, GAP	21.25%	16.00%
 Cotton	Global organic textile standard Fair Trade-certified cotton, BCI, GOTS, OCS, GRS, RCS	28.57%	0.45%

Note: % Purchased of certificated product per total purchasing agricultural crops.
% Exposure = Purchased argricultural crops per total purchasing.

Certification of Animal Product

Animal product	Certification or Accreditation	% Purchased of certificated product	% Exposure
 Aquaculture	ASC, G.A.P., BAP, Non-GMO, BRC, GMP	89.69%	0.6%
 Cattle	G.A.P., AAWC, BRC, GMP	27.78%	0.6%
 Dairy	G.A.P., AAWC, BRC, GMP, Fairtrade	23.15%	5.14%
 Swine	G.A.P., AAWC, BRC, GMP, Fairtrade	76.20%	8.14%
 Poultry & Egg	G.A.P., AAWC, BRC, GMP	50.07%	5.83%
 Wild fishery	MSC, MSC Chain of Custody, G.A.P., ATBF	20.65%	1.88%

Note: % Purchased of certificated product per total purchasing agricultural crops.
% Exposure = Purchased argricultural crops per total purchasing.

Own Brand ASC & MSC Certified
"ocean gems" own brand product has 42 items which are certified by Marine Stewardship Council (MSC) and Aquaculture Stewardship Council (ASC) in the 6 product categories which are fish, crab, shellfish, shrimp, squid, and roe. In 2024 selling volume of The company own brand products are ASC MSC certified value 332.33 million THB significantly increased compared to 113.47 million THB in previous year. The increasing sales of own brand sustainable products reflect the growing trend of consumer acceptance towards certified sustainable products.

The certificate are posted on the company's website which accessible through below links
<https://www.cpaxtra.com/storage/document/sustainability/asc-certificate.pdf>
<https://www.cpaxtra.com/storage/document/sustainability/msc-certificate.pdf>



26% Selling volume of private label products are ASC MSC certified

Promoting the Animal Welfare and organic products
The company's commitment and engagement to animal product suppliers must be audited and qualified with QA and product safety criteria before trading and reassessment every 3 years to ensure the product is safe for consumers.



Not to use the antibiotics
100%



Not to use GMO or cloned animal
100%



Not to apply growth-hormone substance
100%

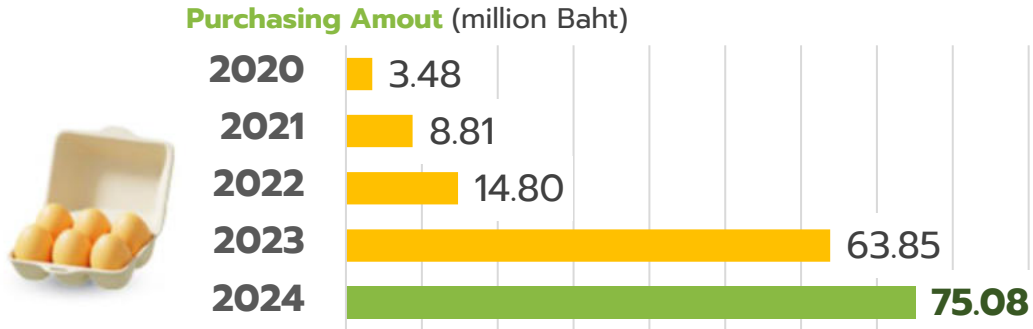


Lab sampling in every product lot.
100%

2024 Result
33.82% Share of organic products per total fresh food products which is increased 10.93% compared last year. (2023 = 22.89%)

Cage Free Egg Product
Collaborates with supply chain and government agencies to improve cage-free egg production, develop egg farmers, educate customers and consumers, as well as sales at all stores since 2020. In 2024, the total sales of cage free egg is 75.08 million THB which increase 11.23 million THB (2023 sales = 63.85 million THB).

2024 Result



"Sustainable Fishery" Initiative

The Company is committed to developing sustainable seafood products by ensuring certification in accordance with internationally recognized standards, such as those of the Aquaculture Stewardship Council (ASC) and the Marine Stewardship Council (MSC). These certifications safeguard the aquatic animal supply chain, assuring consumers that the products offered originate from responsibly managed fisheries with verified quality assurance. Additionally, the certifications emphasize environmental responsibility and sustainability, with full traceability across the entire supply chain—right back to the original source of the seafood.



2024 Result

- More than 200 items certified under MSC and ASC standards.
- Purchases of certified products exceeded 7 billion baht, representing for 38% of total seafood product purchases in 2024.

Programs to reduce water consumption

"For Better Life of High Land Farmer" Project

The "For Better Life of High Land Farmer" project directly mitigates water quantity risks by changing farming practices in water-stressed regions of central, northern and northeastern Thailand. By partnering with Department of Agricultural, University and agricultural experts, the project encourages farmers to adopt water-saving irrigation systems and plant low-water crops that are better suited for the local climate. These specific actions reduce the overall water demand for agriculture, making the participating communities more resilient to drought and water scarcity.

The project tackles water quality risks by promoting a fundamental shift in cultivation methods. It encourages farmers to transition to organic farming, which eliminates the use of chemical fertilizers and pesticides. This can prevent chemical runoff that can contaminate local water sources, transforming the agricultural practices for suppliers, farmers and communities. Ultimately, CP Aextra has supported the farmers by purchasing these products to sell in CP Aextra's upcountry stores.



2024 Result

- **286** (makro 281 + Lotus's 5)farmers have participated program (Target 100% in 2030)

Programs to reduce environmental pollution

Innovation project “Sustainable packaging with banana stems”

Create quantitative benefits for society and the environment by replacing single-use plastic packaging with packaging trays made from banana stalks. It can reduce plastic waste by 6.74 tons in 2024 and help farmers in Chachoengsao Province increase their income by 15 million baht per year.



2024 Results

- **6.74** tons of banana stem tray replace plastic tray
- Sale amount **17,354,476** Baht per year.

“Shelf Ready Display” Project

To address this issue at the source and promote reuse and recyclability, CP Axtra launch out the new ecofriendly initiative in 2024 by encouraging all supplier and partners to adopt the Shelf-Ready Display (SRD) which made from 100% recycled paper material and redesigned the packaging for better shelf display. Beyond its reduced the environmental impact, SRD packaging also offers the business advantage-it's easier and faster for the staff to stocking and restocking, enhances product visibility and shelf appeal also convenience for customer to pick up the products.

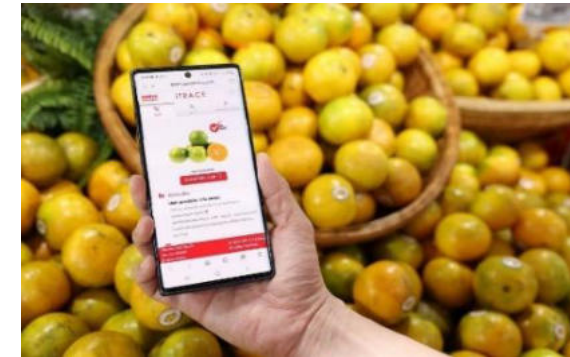


*Watch more videos at
<https://youtu.be/DI-HQzrIZsM?si=h5SvTNn-fxxVLBm1>

Programs to protect soil health

"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.

Programs to prevent the destruction of ecosystems

" Do not catch, do not buy, and do not sell - juvenile marine animals "

The company emphasizes sustainable sourcing, in collaboration with makro and Lotus, by announcing the policy of "Do not catch, do not buy, and do not sell juvenile marine animals" in every store. The objective is to promote the conservation of juvenile marine animals, which is fundamental of food chain in nature. The measures are communicated to all relevant partners, starting from the proper sourcing, defining & inspect the size and species, equipment, and fishing methods, ensuring no adverse impact on the environment. Additionally, the company is providing training and raising awareness among supplier, producers, traders, and fishing groups throughout its supply chain. Altogether, actively collaborating with government. This initiative aims to drive behavioural changes to the sustainable fishery.



<https://www.youtube.com/watch?v=PRJ15TVRJKg>

"Sustainable Tuna-Sourcing" Project

The Company prioritizes sustainable sourcing for raw materials and products related to tuna. The selected tuna must not belong to endangered species or red list, as per the International Union for Conservation of Nature (IUCN) guidelines. The company verifies the sources, tuna species, and fishing methods, ensuring they have no adverse impact on the environment. Additionally, the company checks with its partners to ensure compliance with human rights, labor practices, and occupational health & safety regulations for workers. The commitment covers 100% of the products in this category under the company's trademark. The policy is publicly post on website:

<https://www.cpaxtra.com/en/sustainability/sustainability-policy-and-guidelines>



Programs to reduce GHG emissions

“Low Carbon Rice” Project

The company recognizes the importance of developing the domestic agricultural supply chain and has integrated collaboration across multiple sectors—including farmers, agricultural and environmental experts, rice producer groups, Nakornluang Rice Mill, and retail branches—to drive the “Low-Carbon Rice” pilot project in Kamphaeng Phet Province. This initiative adopts the Alternate Wetting and Drying (AWD) process that can reduce GHG Emission.

This initiative involves producing and processing rice using methods and technologies that help reduce greenhouse gas emissions, such as alternate wetting and drying (AWD), using organic fertilizers instead of chemical ones, efficient water management, and proper handling of agricultural waste (e.g., avoiding open burning of rice straw). The project aims to mitigate climate change impacts, meet the growing demand of environmentally conscious consumers (Green Consumers), add value to target the premium rice market, and prepare for international regulations and trade measures that increasingly link greenhouse gas emissions to market access. The initiative aims to mitigate climate change impacts, respond to the growing demand of environmentally conscious consumers, add value to target premium rice markets, and prepare stakeholders for international regulations linking greenhouse gas emissions to market access.



Example of Agricultural Value Chain Development Programs

“CP AXTRA Teams Up with Food and Drugs Administration (FDA) To Elevate Food Safety and Build Consumer Trust”

CP Axtra organized a seminar with business partners, suppliers, importers, and fresh food producers to elevate and strengthen food safety standards, aiming to build “Safe Food Standards for Consumer Confidence.” Representatives from the Thai Food and Drug Administration (FDA) provided guidance on establishing end-to-end product quality management processes. Additionally, experts from AMARC, an internationally certified laboratory, shared knowledge on testing for chemical residues in fruits and vegetables. The initiative aims to enhance food safety standards for both locally produced and imported fresh foods, reinforcing CP Axtra’s position as a leader in the fresh food industry.



LRQA Independent Assurance Statement

Relating to CP Axtra Public Company Limited's Sustainability Report for the calendar year 2024

This Assurance Statement has been prepared for CP Axtra Public Company Limited (CP Axtra) in accordance with our contract but is intended for the readers of this Report.

Terms of Engagement

LRQA (Thailand) Limited (LRQA) was commissioned by CP Axtra Public Company Limited (CP Axtra) to provide independent assurance on its Sustainability Report 2024 "the report" against the assurance criteria below to a moderate level of assurance and at the materiality of the professional judgement of the verifier, using AccountAbility's AA1000AS v3, where the scope was a Type 2 engagement.

Our assurance engagement covered CP Axtra's subsidiaries in Malaysia and Thailand, and specifically the following requirements:

- Evaluating CP Axtra's adherence to AA1000 AccountAbility Principles (2018) of Inclusivity, Materiality, Responsiveness and Impact.
- Confirming that the report is in accordance with GRI Standards¹ (2021).
- Reviewing the double materiality assessment process, Codes of conduct compliance system and integrity of CP Axtra's supplier screening, assessment and development process.
- Evaluating the reliability of data and information for only the selected indicators listed below:

Environmental:

GRI 302-1 Energy consumption within the organization, GRI 302-3 Energy intensity, GRI 303-3 to 5 Water withdrawal, discharge and consumption, GRI 305-1 Direct (scope 1) GHG emissions, GRI 305-2 Energy indirect (scope 2) GHG emissions, GRI 305-3 Other indirect (Scope 3) GHG emissions (Purchased goods & services, Capital goods, Upstream transport and distribution and business travel, Employee commuting and Downstream leased only), GRI 305-4 GHG emissions intensity, (GRI 306- 3 to 5) Waste generated/diverted from disposal and direct to disposal and food loss & waste and GRI 308-2 Negative environmental impacts in the supply chain and actions taken.

Social:

GRI 403-9 to 10 Work-related injuries and ill health, GRI 405-2 Ratio of basic salary and remuneration of women to men and GRI 414-2 Negative social impacts in the supply chain and actions taken.

Our assurance engagement excluded the data and information of CP Axtra's subsidiaries within Malaysia and Thailand where it has no operational control, all operations and activities outside of Malaysia and Thailand and suppliers and any third-parties mentioned in the report.

LRQA's responsibility is only to CP Axtra. LRQA disclaims any liability or responsibility to others as explained in the end footnote. CP Axtra's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of CP Axtra.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that CP Axtra has not, in all material respects:

- Met the requirements above.
- Disclosed reliable performance data and information for the selected indicators as no errors or omissions were detected.
- Covered all the issues that are important to the stakeholders and readers of this report.

The opinion expressed is formed on the basis of a moderate level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a moderate level of assurance engagement is less than for a high level of assurance engagement. Moderate assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a moderate assurance engagement is substantially lower than the assurance that would have been obtained had a high assurance engagement been performed.

¹ <https://www.globalreporting.org>

LRQA's approach

LRQA's assurance engagements are carried out in accordance with AA1000AS v3. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Assessing CP Axtra's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this by interviewing CP Axtra's management who engage directly with stakeholder groups as well as reviewing documents and associated records.
- Reviewing CP Axtra's process for identifying and determining double material issues to confirm that the right issues were included in their report. We also tested the filters used in determining material issues to evaluate whether CP Axtra makes informed business decisions that may create opportunities which contribute towards sustainable development.
- Auditing CP Axtra's data management systems to confirm that there were no significant errors, omissions or mis-statements in the report. We did this by reviewing the effectiveness of data handling process, and systems, including those for internal verification. We also spoke with key people in various departments responsible for compiling the data and drafting the report.
- Visiting CP Axtra's operations in Malaysia and Thailand as business representative to sampling performance data and information for only the selected indicators to confirm its reliability.

Observations

Further observations and findings, made during the assurance engagement, are:

- Stakeholder inclusivity: We are not aware of any key stakeholder groups that have been excluded from CP Axtra's stakeholder engagement process. Stakeholders have the opportunity to express their concerns about how CP Axtra's operations may impact on them.
- Materiality: We are not aware of any material issues concerning CP Axtra's sustainability performance that have been excluded from the report. CP Axtra has processes for identifying and determining material issues from either ESG impact or financial materiality accordingly.
- Responsiveness: CP Axtra has addressed and response the concerns of stakeholders in relation to GHG emissions reduction and OH&S statistics.
- Impact: CP Axtra has processes to evaluate negative ESG impacts from its operations for example, input materials and food loss/waste.
- Reliability: Data management systems are considered to be well defined, but the implementation of these systems varies across CP Axtra's business unit. CP Axtra should consider interim verification to further improve the reliability and of its disclosed data and information.

LRQA's standards, competence and independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This verification is the only works undertaken by LRQA for CP Axtra and as such does not compromise our independence or impartiality.

Dated: 15 February 2025

Opart Charuratana
LRQA Lead Verifier

On behalf of LRQA (Thailand) Limited

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