# Environmental Policy and Guidelines

## Leadership Development Charoen Pokphand Group Co., Ltd.

## Contents


| | | |
|---|---|---|
| 1. | Intent | 1 |
| 2. | Scope | 2 |
| 3. | Objectives | 2 |
| 4. | Roles and Responsibilities | 3 |
| 5. | Guidelines | 5 |
| 6. | Training | 7 |
| 7. | Whistleblowing | 8 |
| 8. | Policy Advice | 8 |
| 9. | Penalties | 8 |
| 10. | Related Laws, Regulations, and Policies | 8 |

# Environmental Policy and Guidelines

## Leadership Development Charoen Pokphand Group Co., Ltd.

### 1. Intent

Leadership Development Charoen Pokphand Group Co., Ltd. recognizes the importance of environmental protection and responsible use of natural resources. Leadership Development Charoen Pokphand Group Co., Ltd. is committed to complying with all applicable environmental laws and regulations as well as internationally-recognized standards and relevant industry best-practices. We undertake all practical efforts to minimize adverse environmental impacts from our business operations, within our own boundary and throughout our value chain, including product design and development, raw material sourcing, agricultural activities, manufacturing activities, provision of services and solutions, operations of business facilities, sales and distribution activities, retail activities, as well as management of waste and products at their end-of-use stage. This principle is applied to current business operations, as well as when there is a change in business activities, whether through development of new businesses, modification or expansion of existing businesses, or acquisition of new businesses, which requires environmental due diligence prior to executing the transaction. Leadership Development Charoen Pokphand Group Co., Ltd. collaborates with multiple stakeholders on environmental protection and natural resource conservation. We work with communities wherever we operate to prevent environmental impacts that may arise from our own business activities and activities throughout the value chain from adversely affecting members of surrounding communities. We support the use of renewable energy to reduce greenhouse gas emissions. Charoen Pokphand Group is also a supporter of United Nations Global Compact (UNGC), committed to upholding all relevant environmental principles, and to encourage our suppliers, business partners and contractors to implement those principles as well.

These efforts and undertakings are aimed at generating long-term values for all stakeholders and achieving Leadership Development Charoen Pokphand Group Co., Ltd.'s Sustainability Strategy and Goals.

To implement this Environmental Policy and Guidelines, the following supporting policies have been enacted:

1) Leadership Development Charoen Pokphand Group Co., Ltd.'s Climate Resilience Policy
2) Leadership Development Charoen Pokphand Group Co., Ltd.'s Circular Economy Policy
3) Leadership Development Charoen Pokphand Group Co., Ltd.'s Water Stewardship Policy
4) Leadership Development Charoen Pokphand Group Co., Ltd.'s Ecosystem and Biodiversity Protection Policy
5) Leadership Development Charoen Pokphand Group Co., Ltd.'s Food Loss and Food Waste Policy
6) Leadership Development Charoen Pokphand Group Co., Ltd.'s Sustainable Packaging Policy
7) Leadership Development Charoen Pokphand Group Co., Ltd.'s Waste Management Policy
8) Leadership Development Charoen Pokphand Group Co., Ltd.'s Product Stewardship Policy
9) Leadership Development Charoen Pokphand Group Co., Ltd.'s Air Quality Management Policy
10) Leadership Development Charoen Pokphand Group Co., Ltd.'s Hazardous Chemicals and Substances Management Policy

## 2. Scope

This Environmental Policy and Guidelines apply to Charoen Pokphand Group, (hereafter "the Group") which includes Charoen Pokphand Group Co., Ltd., and all of its subsidiary companies. The term "company" hereafter refers to any such company individually that has adopted this Environmental Policy and Guidelines. This document shall be reviewed at least once a year, or as conditions require.

## 3. Objectives

3.1 To create an understanding among employees at all levels regarding their roles and responsibilities in environmental protection, natural resources, climate and environmental management, as well as proper waste and end-of-life product management.

3.2 To minimize the environmental impacts from our business operations, to make the most of use of natural resources, and protect ecosystem and biodiversity, in line with the Group's Sustainability Strategy and Goals.

## 4. Roles and Responsibilities

### 4.1 Board of Directors

4.1.1. Review and approve the Environmental Policy and Guidelines to ensure that they are in place and cover all relevant business activities and stakeholders along the value chain.

4.1.2. Ensure that all business operations are in accordance with the laws, rules, regulations and policies related to environmental management.

### 4.2 Management

4.2.1 Set objectives, targets, and indicators for environmental performance.

4.2.2 Establish standards, criteria, and protocols that are suitable to the business context and consistent with this Environmental Policy and Guidelines.

4.2.3 Establish an organizational structure with clear roles and responsibilities, to ensure that business activities comply with applicable laws, regulations, and are consistent with this Policy and Guidelines.

4.2.4 Promote and support business operations in accordance with the Policies and Guidelines at the Group level, including the laws and regulations that each company adheres.

4.2.5 Assess all relevant environmental risks including climate, water, air, noise, biodiversity, and waste, as well as, the impact of resources and energy consumption in business activities in order to conduct business in accordance with Policies and Guidelines.

4.2.6 Communicate Policy and Guidelines to employees and all related departments to ensure correct understanding and effective implementation.

4.2.7 Provide a whistleblowing channel for all stakeholders to file reports regarding environmental violations. The whistleblowing mechanism must provide adequate protection for whistleblowers, complainants and informants.

4.2.8 Monitor the implementation to ensure compliance with this Policy and Guidelines, and applicable environmental laws, regulations, and standards, and identify new measures to improve environmental performance.

4.2.9 Produce a report on an annual basis to show company performance on environmental management.

4.2.10 Review the Group's environmental policies and practices in accordance with both local and international laws, regulations and practices.

**4.3 Environmental Team or Responsible Department / Person**

4.3.1 Implement this Environmental Policy and Guidelines, in line with each company's business context, while supporting the Group's sustainability targets.

4.3.2 Develop action plans and targets that are consistent with this Policy and Guideline, including the Group's Sustainable Development Goals.

4.3.3 Support and coordinate with relevant teams or persons at the Group level in implementing this Environmental Policy and Guidelines, and driving towards the Group's Sustainable Development Goals.

4.3.4 Communicate and advise the management and employees on how to comply with this Environmental Policy and Guidelines to ensure correct understanding; promote continuous engagement with relevant stakeholders throughout the value chain.

4.3.5 Provide an environmental management investment plan and practical tools to assess the Environmental Return on Investment (EROI).

4.3.6 Organize training, public relations and communications to all employees and relevant persons to raise awareness of environmental protection on a regular basis, as well as expanding the effort to reach stakeholders throughout the value chain.

4.3.7 Arrange channels for whistleblowing, submitting suggestions, opinions and complaints from employees and stakeholders on environmental issues, to encourage participation in environmental management and use the information for further improvement of environmental management.

4.3.8 Monitor and analyze environmental performance data in accordance with this Policy and Guidelines on a regular basis.

4.3.9 Compile and report all applicable environmental performance data in accordance with this Policy and Guidelines to the Management at least once a year.

4.3.10 Communicate all environmental performance data to the public, employees and stakeholders through Charoen Pokphand Group's Sustainability Report annually.

4.3.11 Review and provide feedback on the Environmental Policies and Guidelines to the Company's Management annually.

**4.4 Staff**

4.4.1 Ensure correct understanding of applicable environmental laws, regulations, standards, and this Policy and Guidelines.

4.4.2 Attend mandatory trainings on environmental issues and participate in environmental activities.

4.4.3 Report information or complaints through the company's whistleblowing channel when encountering wrongdoings or violations this Policy and Guidelines.

## 5. Guidelines

5.1 Strictly comply with environmental laws, rules and regulations, this Policy and Guidelines, and applicable environmental standards, in all countries of operations.

5.2 Develop and improve the efficiency of business operations, including manufacturing processes, procurement, provision of services, logistics, business administration, product and service design, and other business activities, with the objective of delivering high-quality, environmentally-friendly products and services to customers.

5.3 Commit to preventing impacts on natural resources and the environment from operations throughout value chain such as water, air, soil pollution.

5.4 Encourage the innovation and technology development to increase efficient use of resources, including designing of products and services that reduce greenhouse gas emissions throughout the value chain and minimize environmental impacts.

5.5 Ensure adequate, thorough, and regular assessment of environmental risks and opportunities, including financial impacts, to support operational decisions, before initiating a new project or activity, during the implementation of projects or activities, and after the project or activities have been completed.

5.6 Implement management control of factors that may cause pollution problems for communities surrounding business operations and society in general, in accordance with the Green Economy Principles in Charoen Pokphand Group's C. P. Excellence Management System.

5.7 Monitor and follow- up on environmental impacts from operations and promote continuous improvement by setting up clear objectives, targets and action plans as well as assess environmental impact to support operational decision.

5.8 Conserve natural resources through efficient and sustainable consumption, implementing the 9 R's principles:

(1) Refuse: avoid the use of materials that are harmful to the environment; provide consumers with the options to avoid or reduce unnecessary purchase and consumption.

(2) Reduce by Design: develop products with resource and energy efficiency as design criteria.

(3) Reduce: reduce unnecessary consumption of resources and generation of waste.

(4) Reuse: extend useful life of products or materials by reusing.

(5) Repair: repairable items should be repaired for further use whenever practical to avoid generating waste and consumption of new resources; products should be designed with reparability in mind.

(6) Refurbish: whenever possible, furbish items to return to their acceptable quality and performance instead of discarding them, which would lead to generation of waste and consumption of new resources; relevant products should be designed to allow refurbishment.

(7) Remanufacture: for applicable products, remanufacture end-of-life products into new products that serve the same function as the original item.

(8) Repurpose: convert parts of one product into input for making new products that serve a different function as the original item.

(9) Recycle: process materials from discarded products into raw materials for making new products.

5.9 Manage and integrate environment management by working together with stakeholders and providing full support to suppliers, business partners and contractors in the implementation of this Environmental Policy and Guidelines.

5.10 Collaborate with the private sector, government sector, civil society and surrounding communities to promote the conservation of natural resources and protecting the environment.

5.11 Communicate this Policy and Guidelines to suppliers and business partners to ensure that they perform in line with appropriate environmental standard and procedures.

5.12 Encourage environmental awareness building by providing training to employees, partners and relevant stakeholders.

5.13 Disclose environmental performance to the public in the form of Sustainability Report or other formats.

## 6. Training

The Company shall communicate the Environmental Policy and Guidelines and cascade it through training programs, conferences, and other appropriate channels to its directors, management, staff, and relevant stakeholders including suppliers, business partners and the general public throughout the value chain. The effectiveness of such training and communications programs shall be evaluated on a regular basis.

## 7. Whistleblowing

In case a violation of the Environmental Policy and Guidelines is found, a report must be filed by following the procedure stated in the Whistleblowing Policy and Guidelines. The information of complainant or whistleblower will be protected and the information will be kept confidential during the investigation and after the completion of the investigation process.

## 8. Policy Advice

In case of suspicion on the action that may violate environmental laws, regulations and this Environmental Policy and Guidelines, the employee can seek advice from her or his supervisors; team or persons responsible for environmental management within the Company, Compliance Department; or Legal Department, before making any decision or carrying out any action.

## 9. Penalties

In the event of an investigation, all employees must fully cooperate with internal and external entities. If an employee violates or fails to comply with this Policy and Guidelines, either directly or indirectly, the employee will be subject to disciplinary action in accordance with Company's regulations.

## 10. Related Laws, Regulations, and Policies

10.1. Related Acts and applicable environmental laws in all countries where Leadership Development Charoen Pokphand Group Co., Ltd. operates.

10.2. Leadership Development Charoen Pokphand Group Co., Ltd.'s Sustainability Policy and Guidelines

10.3. Leadership Development Charoen Pokphand Group Co., Ltd.'s Whistleblowing Policy and Guidelines