CP AXTRA PUBLIC COMPANY LIMITED

Biodiversity and No Deforestation Commitment

CP Axtra is committed to responsible business practices, maintaining the balance of nature, and giving priority to ecosystem restoration and biodiversity protection in accordance with internationally accepted principles, including The Rio Declaration on Environment and Development and The Convention on Biological Diversity. Supporting the UN SDG 14 (Life under Water) and SDGs 15 (Life on Land), CP Axtra aims to stop deforestation and create a net positive impact (NPI) on biodiversity by 2030 in our operation, subsidiaries, partners, and throughout the supply chain (including tier and non-tier supplier). The principles are listed as follows.

- 1. Assess potential risks and impact of deforestation/ biodiversity loss from business activities throughout the value chain.
- 2. Apply mitigation hierarchy including avoidance, minimization, restoration, and offset shall be effectively implemented when the potential risk to biodiversity and deforestation is identified.
- 3. The business operation based on no net loss, avoid operation near global or national important biodiversity including avoiding deforestation, burning, or land conversion in legal forest conservation areas, high conservation value areas, High Carbon Stock Approach (HCSA), Ramsar Areas, Biosphere Reserve, Key Biodiversity Areas (KBAs), Alliance for Zero Extinction (AZE) and 1-4 IUCN Category I-IV)
- 4. Protect and restore rare and endangered species by restricting use of any harmful substance or technology throughout the value chain to protect soil health and prevent ecosystem destruction and degradation
- 5. Establish action plans and mitigation to prevent deforestation, preserve natural resources, and restore degraded forest landscapes. The plan shall include monitoring, audit, and mitigation measure.
- 6. Support the procurement of sustainably sourced raw materials and ensure the tracing of raw materials back to their sources to ensure that they are not derived from illegal deforestation sites.
- 7. Encourage the supplier to have a commitment to "No deforestation" and engage with the supplier to ensure that the risk of deforestation shall be managed properly during the contractual period.
- 8. All business units have or participate in projects with a relevant national or international partner to establish biodiversity management and monitoring programs in their operations
- 9. Disclose performance and progress against targets on deforestation and biodiversity protection through Sustainability Report or other relevant disclosures to stakeholders annually.