



Announcement No. 051/2021

Environmental Policy

Home Product Center Public Company Limited and its subsidiaries are committed to continuing to improve business operations including products and service, distribution and logistics as well as other activities across the Company's value chain; with respect to environmental Issues, implement sustainable development practices and comply with the Sustainable Development Goals (SGDs) of the United Nations. HomePro strives to incorporate environmental policies throughout its entire business from products and services, due-diligence on the construction of a new stores including all facilities that the Company uses, procurement, distribution and logistics, after-sales service, stores's production operations through to management of waste and packaging disposal as well as possible mergers & acquisitions. They are also imposed on suppliers, direct/indirect service providers and other key business partners (e.g. non-managed operations, joint venture partners, licensees, outsourcing partners, etc.). The policy is being oversighted by the Board of Directors and shall be implemented by the associates at all levels. HomePro's environmental policies include:

1. Conduct businesses in compliance with the rule of law, regulations, requirements and international environmental standards
2. Curb the environmental impact and reduce the Greenhouse gases (GHGs) emissions resulted from HomePro's overall business activities including work procedures and services, in a bid to achieve and maintain HomePro's ambitious GHGs reduction target, as well as to align with the Paris Agreement's global net-zero emissions goal by 2050. Promote sustainable use of natural resources, energy and water through an ecological efficiency improvement and circular economy.
3. Promote responsible consumption through Eco products consist of categories as energy saving, health and safety, sustainable forest, environmentally friendly, water saving and greenhouse gas reduction and improve the wellbeing of people, as well as promote responsible plastic consumption and sustainable use of packaging materials.
4. Manage energy efficiently by optimizing use of resources and increase renewable energy adoption. Develop energy management strategies. Encourage Associates engagement in energy conserving and resource efficiency activities, in line with HomePro's policies on energy management, renewable energy and energy conservation.
5. Manage garbage and waste efficiently. Properly sort garbage through implementing circular economy practices, recycling, reuse and repurposing materials, with the aim of improving efficient use of resources. HomePro also supports exchange used items for new ones.
6. Implement more eco-friendly transport and logistics practices by adopting green transport and supply chain related measures, which include:

- Full Truck Load delivery concept: Set up the weighing platform and the control loading system to maximize product volume per delivery.
- Consolidation: Combine deliveries by planning the route and schedule to deliver more drops to customers and to multi-stores to drop in one trip.
- Back Haul: Using empty trucks to collect products from manufacturers to the warehouse or HomePro store instead of taking empty trucks back. Moreover, the Company set up working process in order to further increase efficiency.
- The size of the container was enlarged increase the capacity of transportation per trip and could reduce the number of trips effectively.

7. Biodiversity commitment

- The Company commit to require of all supply chains to avoid operational activities to impact containing globally or nationally important biodiversity, which includes suppliers and our business partners.
- The Company will apply operating practices/ procedures consist of land used owned, leased or operated including potential new business process or store expansion plan that must undergo 'Mitigation Hierarchy Principles' (Avoid, minimize, restore, offset). The Company is in consultation with the stakeholders to ensure that any potential impact is avoided, minimized, restored and offset.
- The Company partnered with governmental and non-governmental organizations (e.g. Bangpu Natural Education Center) to ensure the proper knowledge and to avoid causing and mitigate any harmful impact to biodiversity surrounding our operations and communities nearby.
- The Company shall conduct a Biodiversity Risk Assessment prior to the expansion of our operations into any locations that are biodiversity- sensitive.

The following are the selection criteria for the store construction area:

1. It must not be prohibited operations where have impacts on species classified as critically endangered, or vulnerable on the IUCN Red List, endemic species, internationally recognized areas (UNESCO World Heritage sites, Ramsar Wetlands, UNESCO MAB and biosphere reserve areas), important biodiversity areas as defined

by the International Union for Conservation of Nature (IUCN), and any adjacent areas to critical biodiversity areas.)

2. It must not be an area that is in violation of the Town Planning Act or relevant rules.

3. It must not be an area where public waterways are obstructed.

4. Guideline assessment procedures are required for environmental impact prevention during construction and post construction periods.

5. Enhance suppliers' awareness to complete the environmental impact assessment.

- The Company will conduct business in strict compliance with local and state environmental rules to achieve "No Net Loss" (NNL)* as well as to promote "Net Positive Impacts" (NPI)* on biodiversity by reforestation or forest preservation in order to achieve 100% target of biodiversity in line with the company's goal of being a net-zero emission of greenhouse gases by 2050. (*A net positive impact (NPI) on biodiversity is a goal that could be achieved beyond no net loss (NNL) by taking actions at the operational and organizational levels to avoid and minimize negative consequences, as well as restore damaged species and landscapes by the target year of 2050.)

8. No Deforestation commitment

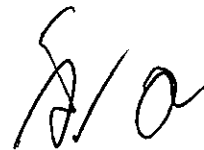
- The Company commit to require of all supply chains as well as encourages our stakeholders to end or reduce all deforestation associated to The Company's operation, including reforestation to compensate residual forest loss.
- The Company promote all supply chains to procure products sourced from sustainable production sources and ethical sourcing, as well as encourage suppliers to follow sustainable forest management principles or to certify products from the FSC (Forest Stewardship Council) standards, etc.
- The Company will conduct supplier selection based on sustainability criteria, particularly deforestation, and traceability system to monitor the origin of the products to prevent deforestation.
- For new business and store expansion, the Company considers conducting environmental assessment for ecological impact reduction such as big tree preservation from new store expansion by landscape design or tree relocation.
- The Company will conduct business to achieve 100% target of no deforestation in line with the company's goal of being a net-zero emission of greenhouse gases by 2050.

9. Provide knowledge, training and Promote participation raising awareness of environmental issues among associates, customers, suppliers and all stakeholders for all to better understand the impacts of their actions and activities on the environment.

10. Disclose environmental data. Discuss operating results and environment topics with all stakeholder groups.

The Company encourages from all associates, customers, suppliers and stakeholders to comply with its environment and other policies to help minimize the environmental impacts, contribute to society and ensure sustainable growth for future generations.

This shall be effective since 1st January 2021 onward.



(Mr. Weerapun Ungsumalee)

Representative of the Board of Directors,
and Managing Director