



## Announcement No. 066 / 2024

### Environmental Policy

Home Product Center Public Company Limited (the "Company") and its subsidiaries are committed to continuing to improve business operations with respect to environmental Issues, implement sustainable development practices and comply with the Sustainable Development Goals (SGDs) of the United Nations including products and service, distribution and logistics as well as other activities across the Company's value chain. 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, aftersales 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.).

#### Roles and Responsibilities

The Company has assigned the Board of Directors the responsibility of overseeing the implementation of policies and providing guidance and support to ensure that the operations of management and associates are smooth, accurate, standardized, and auditable. This is to enable the company to achieve its various environmental goals, such as energy management, water resource management, waste management, climate change management, and biodiversity management. In this regard, the Board of Directors has assigned the following responsibilities to the Strategy and Sustainable Development Committee, executives, and associates as follow:

- Strategy and Sustainable Development Committee

Responsible for setting and reviewing policies, strategies, and various operational plans to comply with relevant regulations and laws. These must align with the organization's strategic direction and various environmental goals. The Committee also oversees and promotes the effective implementation of the organization's environmental initiatives.

- Executives

Responsible for driving the implementation of established guidelines. Executives also develop, improve, and audit the environmental management system to ensure its effectiveness. Additionally, executives must monitor the performance of subordinates and report on operational results to the Managing Director on a regular basis.

- Associates

Responsible for carrying out assigned environmental tasks in accordance with established standards, legal requirements, and best practices. Associates must adhere strictly to these guidelines and report their progress to their supervisors regularly.

**Details on Environmental Policy are as follow:**

1. Conduct business based on national and international environmental laws, regulations, standards, and requirements such as Environmental Impact Assessment (EIA) reports, ISO9001, ISO14001, and other relevant standards, which are verified through the Company's internal audit program.
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. Promote the use of raw materials and products that have been certified for safety or environmental standards by external third-party organizations at both the national and international levels. The product's categories consist of energy saving, health and safety, sustainable forest, environmentally friendly, water saving, and greenhouse gas reduction. This product helps improving 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 manage waste into re-materials process for producing the new product, 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 avoid, minimize, restore and offset.
- The Company partnered with governmental and non-governmental organizations (e.g. Bangpu Natural Education Center) to ensure the proper knowledge to avoid causing and mitigate any harmful impact to biodiversity surrounding our operations and communities nearby.

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 Forest Stewardship Council (FSC) 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 directors, executives and 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 1 January 2024 onward.



(Mr. Weerapun Ungsumalee)

Representative of the Board of Directors,  
and Managing Director