# KCG Corporation

Creating pleasure for your taste

**Sustainability Report 2024**
KCG Corporation Public Company Limited.

THE YEAR OF
**THE SUSTAINABLE SUPPLY CHAIN**

Live a
Better Life
Together

## - VISION -

"To be a leading culinary provider that delights our customers, nourishes our communities, and sustains the planet"

## - MISSIONS -

- Excellence in Quality and Taste
- Sustainability
- Health and Wellness Focus
- Cultural Appreciation and Education
- Community Involvement and Local Impact
- Innovation and Growth

## - CORE VALUES -

| H | E | A | R | T |
|---|---|---|---|---|
| HEART DRIVEN | EXPERTISE | AGILE | RESPONSIBLE | TEAMWORK |

# Contents

# Message from the Chairman of the Corporate Governance and Sustainability Committee

**Mr. Poonsawat Phaoprapat**

**Mr. Vichan Amornrojanawong**

Business operations and activities have an increasingly severe impact on the environment and society. The importance of corporate governance that fosters confidence among stakeholders, investors, and the general public has increased both domestically and internationally.

The situation has increased reliance on financial information but may not be sufficient to make prudent decisions regarding investments. Managing the aforementioned risk factors while creating opportunities for economic value has attracted investor interest.

KCG has acknowledged and prioritized environment, social, governance, and economic (ESG) even before listing on the stock exchange. The Company has embedded material topics into its operations throughout the business supply chain, crystallizing them into policies and strategies with the ultimate goal of integrating them into corporate culture.

The Board of Directors established the Corporate Governance and Sustainability Committee (CG&SD) to oversee and closely monitor sustainability performance. The Board aspires to be a top-rated company for "sustainability investment" in both domestic and international stock exchanges. After being listed on the Stock Exchange of Thailand on August 3, 2023, the Company received a 5-star rating, or Excellent CG Scoring for the Corporate Governance Report of Thai Listed Companies and ranked in the Top Quartile of listed companies with a market capitalization of 3,000 - 9,999 million Baht by The Thai Institute of Directors Association. The Company received the Sustainability Disclosure Acknowledgment Award from the Thaipat Institute for its sustainability information disclosure. In addition, the Company achieved an "A" rating in the SET ESG Ratings and was included in the SET ESG Index.

This sustainability report, while officially part of the annual report (56-1 One Report), is presented as a separate report. It serves as evidence of tangible success in a variety of areas, demonstrating pride, and collaboration of all executives and employees who have advocated for the understanding and significance of sustainable development. Therefore, I would like to extend my congratulations and heartfelt gratitude on this occasion. I hope to see continued progress and growth development in both the business sector and ESG dimensions endlessly merging into one.

**Mr. Poonsawat Phaoprapat and Mr. Vichan Amornrojanawong**
Co-Chairman of the Corporate Governance and Sustainability Committee
KCG Corporation Public Company Limited

# Message from the Chief Executive Officer

**Mr.Damrongchai Vipawatanakul**

In 2024, the Thai economy faced multiple challenges, including new government policies, geopolitical conflicts, global economic and political volatility, household debt, a slowdown in consumer activity, and an increase in severe natural disasters, which clearly reflect the issues of global warming and climate change as well as the development of laws and regulations aimed at transitioning to a low-carbon society. These factors have driven all sectors to inevitably place greater focus on sustainability, alongside economic growth and business expansion.

KCG Corporation Public Company Limited manufactures and distributes butter, cheese, biscuits, and Western food products. The Company is committed to driving business toward sustainability, making sustainable development as one of our key strategies and emphasizing sustainability integration while considering its impact on stakeholders, society, and the environment. This includes reducing greenhouse gas emissions, developing efficient and environmentally friendly production process, enhancing product safety and quality, managing a responsible supply chain, promoting good corporate governance, and upholding human rights both within and outside the organization.

The Company focuses on developing sustainable supply chain management and creating culture of innovation and technology. KCG Logistics Park was launched in 2024 as an integrated distribution center in accordance with the Green Supply Chain strategy. KCG Logistics Park utilizes warehouse management technology to enhance the efficiency of supply chain and inventory management at an international level. The Company prioritizes environmental sustainability by using solar energy as a renewable energy source, increasing the use of EV trucks, partnering with suppliers to optimize product delivery routes, and implementing work systems and machinery to reduce workplace hazards.

As a result of these continuous efforts, the Company achieved an "A" rating in the SET ESG Ratings for 2024 in the agricultural and food industry group. The Company was also selected as one of the securities with promising performance in the 2024 ESG Emerging list and honored with the 2024 Sustainability Disclosure Acknowledgement Award from the Thaipat Institute in its first year as a listed company on the SET. In terms of governance, the Company earned a 5-star CGR rating and was ranked in the Top Quartile of listed companies with a market capitalization of 3,000 - 9,999 million baht by the Thai Institute of Directors Association.These achievements demonstrate the Company's responsibility to stakeholders and a focus on environment, social, and governance dimensions.

The Company recognizes that this is the only beginning of the Company's journey toward sustainability. As a result, the Company remains committed to collaborating with all sectors to make significant progress toward a sustainable future for a better environment and society.

As the Chief Executive Officer of KCG, I would like to express my gratitude to all stakeholders across the business value chain for their support and engagement in the Company's commitment to sustainable development in order to create a positive impact and achieve sustainable growth for the benefit of society, the environment, and the economy.

**Mr. Damrongchai Vipawatanakul**
Chief Executive Officer and Managing Director
KCG Corporation Public Company Limited

# Awards and Recognitions

## SET ESG Ratings 2024
Achieved an "A" rating for SET ESG Ratings for 2024 from the Stock Exchange of Thailand.

## ESG Emerging List
Selected as one of the 100 companies with outstanding sustainability performance for the ESG Emerging List for 2024 by Thaipat Institute in its first year of listing on the Stock Exchange of Thailand.

## Sustainability Disclosure Acknowledgement
Awarded with Sustainability Disclosure Acknowledgement from Thaipat Institute for the disclosure of sustainability information to the public and stakeholders, leading to a higher level of information disclosure and long-term sustainability organization development.

## Excellent CG Scoring 2024
Received a 5-star rating for the Corporate Governance Report of Thai Listed Companies or Excellent CG Scoring for 2024 from the Thai Institute of Directors (IOD), by the Stock Exchange of Thailand. The Company was also ranked in the Top Quartile of listed companies with a market capitalization of 3,000 - 9,999 million baht.

## Investors' Choice Award 2024 and AGM Checklist
Achieved a perfect score of 100 or an "Excellent" rating for the 2024 Annual General Meeting Checklist by the Thai Investor Association and the Federation of Thai Capital Market Organizations.

## Green Industry Level 4
Received Green Industry Certification Level 4 (Green Culture) from the Department of Industrial Works, certifying that everyone in the organization collaborates in an environmentally friendly manner in all aspects of operations, making it an integral part of corporate culture.

## FSCC 22000 (Food Safety System Certification 22000)
Certified with an internationally recognized standard for food safety system certification.
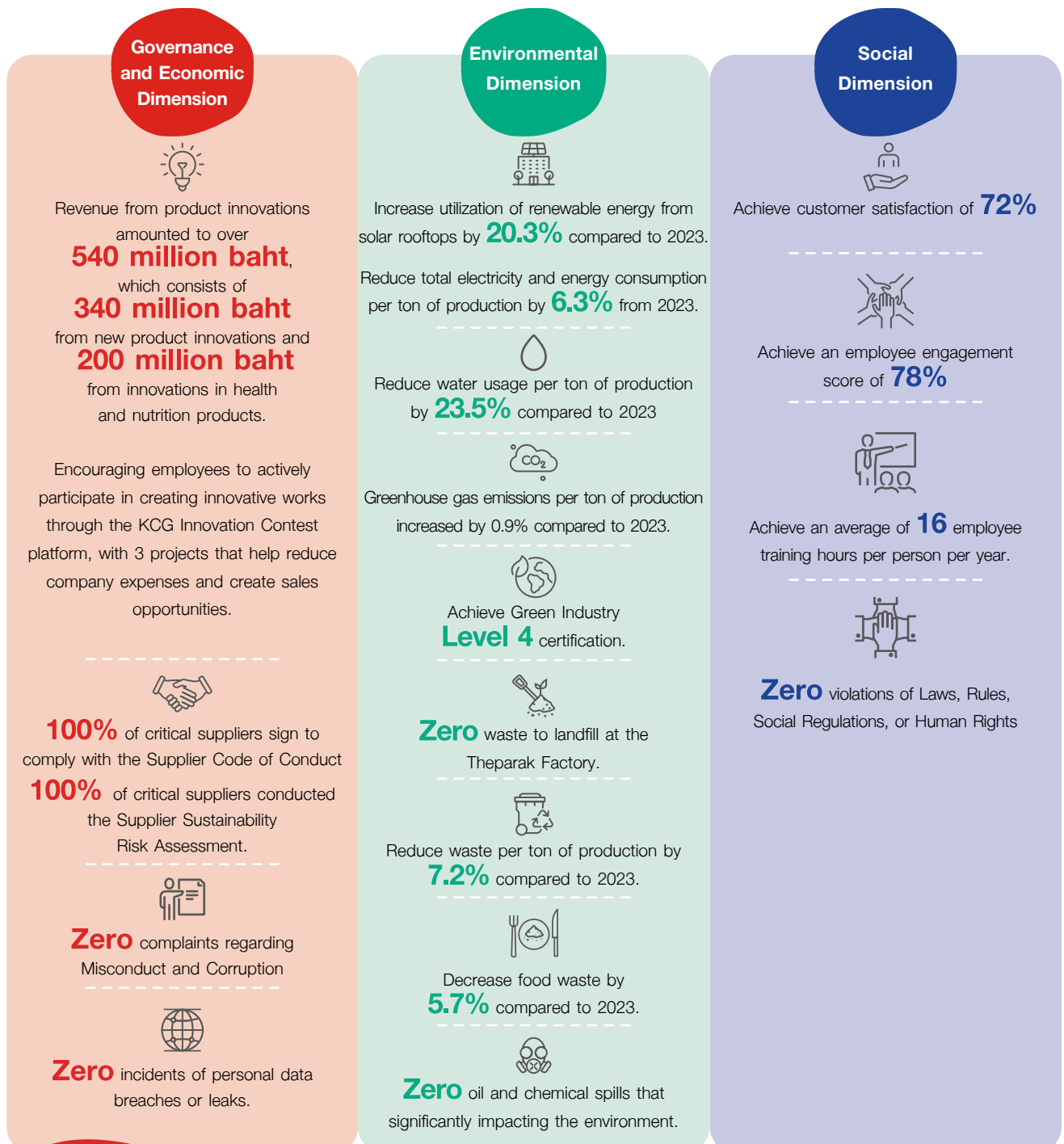
## ISO45001:2018 (Occupational Health and Safety Management Systems)
Certified with the Occupational Health and Safety Management System (OHSMS), an international standard that specifies requirements for occupational health and safety, with a goal of enhancing health and safety for workers and employees.

# Key Sustainability Performance

As of December 31, 2024

**Economic Performance**

Sales Revenue :
**7,743.4** million baht
**8.2%** increased from 2023

Dairy Products
**57.6%**

Food and Bakery Ingredients
**28.6%**

Biscuits
**14.2%**

Net Profit
**405.8 Baht**
32.67% increased from 2023

Employee Remuneration and Welfare
**923.5 million baht**

Employee Training and Development
**3.2 million baht**

Community Engagement Activities
**2.5 million baht**

## Governance and Economic Dimension

Revenue from product innovations amounted to over
**540 million baht**,
which consists of
**340 million baht**
from new product innovations and
**200 million baht**
from innovations in health and nutrition products.

Encouraging employees to actively participate in creating innovative works through the KCG Innovation Contest platform, with 3 projects that help reduce company expenses and create sales opportunities.

**100%** of critical suppliers sign to comply with the Supplier Code of Conduct
**100%** of critical suppliers conducted the Supplier Sustainability Risk Assessment.

**Zero** complaints regarding Misconduct and Corruption

**Zero** incidents of personal data breaches or leaks.

## Environmental Dimension

Increase utilization of renewable energy from solar rooftops by **20.3%** compared to 2023.

Reduce total electricity and energy consumption per ton of production by **6.3%** from 2023.

Reduce water usage per ton of production by **23.5%** compared to 2023

Greenhouse gas emissions per ton of production increased by 0.9% compared to 2023.

Achieve Green Industry
**Level 4** certification.

**Zero** waste to landfill at the Theparak Factory.

Reduce waste per ton of production by **7.2%** compared to 2023.

Decrease food waste by **5.7%** compared to 2023.

**Zero** oil and chemical spills that significantly impacting the environment.

## Social Dimension

Achieve customer satisfaction of **72%**

Achieve an employee engagement score of **78%**

Achieve an average of **16** employee training hours per person per year.

**Zero** violations of Laws, Rules, Social Regulations, or Human Rights

# About this report

KCG Corporation Public Company Limited (the "Company") has prepared the Sustainability Report 2024 to disclose its sustainability operation, covering material topics across the environmental, social, governance, and economic dimensions. This report is based on the perspectives and significant impact assessments of key stakeholders. The Company has set sustainability goals aligned with the United Nations Sustainable Development Goals (SDGs) and places great emphasis on annual sustainability reporting to communicate its commitment to achieving sustainable development goals across all dimensions to stakeholders and interested parties.

# Scope of the Report

This report presents the performance of KCG Corporation Public Company Limited and its subsidiaries (the Company) operating in Thailand. It covers the head office, 2 factories, offices, distribution centers, and subsidiaries, for the period from January 1, 2024, to December 31, 2024.

- Head Office: Phra Khanong, Bangkok
- Bang Phli Factory: Bang Phli, Samut Prakan
- Theparak Factory: Bang Phli, Samut Prakan
- Office: Bang Na, Bangkok
- Distribution Center: San Sai, Chiang Mai
- Distribution Center: Mueang Khon Kaen, Khon Kaen
- Distribution Center: Tha Chang, Surat Thani
- KCG Logistics Park, an integrated distribution and warehouse center: Bang Phli, Samut Prakan Province.
- Indoguna (Thailand) Company Limited: Bang Phli, Samut Prakan

# Standards and Guidelines for Information Disclosure

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021 and the Sustainability Reporting Guidelines for listed companies as provided by the Stock Exchange of Thailand (SET).

# Assurance of the report

The economic performance data in this report are sourced from the same accounting system used for the 56-1 One Report and have been audited by a licensed external auditor as detailed in the 56-1 One Report 2024. The governance, environmental and social performance data have been internally collected, verified, and reported in line with the GRI Standards 2021. In addition, this report has been reviewed by senior management and presented to the Corporate Governance and Sustainability Committee to ensure that the company's sustainability disclosures are accurate, sufficient, and comprehensive in addressing the needs of all stakeholders.

# Contact Information

For further details or inquiries about this report, please contact:

**Sustainable Development Department**

**KCG Corporation Public Company Limited**

3059 - 3059/1-3 Sukhumvit Road, Bang Chak Subdistrict, Phra Khanong District, Bangkok 10260

Email: sd@kcgcorporation.com

# Business Overview

· Nature of Business

# Nature of Business

The Company is engaged in the manufacturing and distribution of dairy products, including butter and cheese, under the Imperial and Allowrie brands, as well as biscuits, food and bakery ingredients, and selected Western food products from around the world. The Company is a leader in food manufacturing, with extensive experience in managing processes throughout the supply chain from upstream to downstream, starting from research and development to the creation of production formulas, sourcing raw materials and products, manufacturing, and distribution. This includes product storage, distribution, and delivery, both domestically and internationally. Additionally, the Company imports leading products from abroad to distribute in Thailand, catering to the diverse needs of customers and consumers.

The Company has two factories, Theparak and Bangplee, with a combined production capacity of approximately 39,384 tons per year (a 10% increase from 2023). The dairy product group accounted for the largest share of production, accounting for 52% of the total volume, followed by the biscuit group at 26%, and food and bakery ingredients product group at 22%.

In addition to manufacturing products for distribution, the Company also purchases products from both international and domestic brands for resale. However, the Company primarily distributes products under its own brands, which are tailored to meet the needs of its customer groups. These in-house products account for approximately 74% of total sales revenue, while outsourced products make up about 26%.

For more information on the nature of business, please refer to the 56-1 One Report 2024 under the section "Nature of Business" on pages 22-45

# Products and Services

The Company's products and services are divided into three groups as follows:

**1. Dairy Products:** These include butter, cheese, and other processed milk products such as whipped cream, cream cheese, and yogurt.

Company Brands: Allowrie, Imperial and DairyGold.

### Allowrie


### Imperial


### DairyGold


**2. Food and Bakery Ingredients: FBI** This category includes food ingredients, ready-to-eat food products (such as frozen foods, meat, and seafood), bakery ingredients and concentrated fruit juice beverages.

Company Brands : Imperial, Sunquick, Bake Master and Premio.

### Imperial


### Sunquick


### Premio


### Bake Master

**3. Biscuits:** This category includes cookies, crackers, and wafers.
Company Brands: Imperial, Rosy, Violet, Baker's Choice, Cookie Choice and Variety.



**Imperial**



**Rosy**



**Violet**

**Baker's Choice**



**Cookie Choice**



**Variety**



The Company is dedicated to sourcing high-quality products from around the world and has a strong advantage as a distributor of imported food products, particularly from Europe and Australia, which are recognized for their premium image. Furthermore, the Company distributes renowned brands such as Sunquick orange juice from Denmark, LeGall butter from France, Corman butter from Belgium, Mövenpick ice cream from Switzerland, Bruggeman yeast from Belgium, Ambrosial Greek Yogurt from China, and Shineroad whipping cream from China and other leading brands. In 2024, the Company expanded its portfolio with Emborg, a Danish brand renowned for high-quality dairy products and frozen fruits and vegetables, exported to 90 countries worldwide. This also includes Van Houten Professional, a global leader in cocoa and chocolate products for the food and beverage industry since 1828.

# Financial Information

The Company discloses material financial information on its website both quarterly and annually. This information is audited by a certified public account before being filed with the Securities and Exchange Commission (www.sec.or.th) and disclosed to the public within the specified timeframe.

## Tax Management

The Company is committed to managing taxes in a comprehensive, accurate, and standardized manner, ensuring transparency and verifiability, and complying with all relevant tax regulations, practices, and laws. The Company has developed a tax policy that serves as a guideline for tax operations,which is strictly followed,  including the disclosure of income tax information in the Company's financial reports, financial statements, and annual reports in accordance with financial reporting standards to enhance stakeholder confidence.

> More Information available in:
> **Tax Policy**

2024, the Company's significant financial information, tax management, and economic performance data are as follows:

| Financial Data | 2022 | 2023 | 2024 |
|---|---|---|---|
| **Profit and Loss Statement (million Baht)** | | | |
| Total Revenue | 6,232.7 | 7,204.7 | 7,790.3 |
| Revenue from Sales and Services | 6,156.9 | 7,157.0 | 7,743.4 |
| Profit before Income Tax | 314.7 | 386.2 | 511.2 |
| Income Tax Expense | 73.6 | 80.3 | 105.4 |
| Net Profit | 241.1 | 305.9 | 405.8 |
| **Statement of Financial Position (million Baht)** | | | |
| Total Assets | 5,539.6 | 5,872.0 | 5,993.8 |
| Total Liabilities | 4,356.1 | 3,178.1 | 3,052.4 |
| Shareholders' Equity | 1,183.5 | 2,693.9 | 2,941.4 |
| Income Tax Payable | 16.3 | 29.5 | 57.8 |
| Dividend per Share (Baht) | - | 0.30 | 0.41[2] |
| Dividend Payout Ratio (%) | - | 53.4%[1] | 55.1% |
| **Key Financial Ratios** | | | |
| Gross Profit Margin (%) | 28.7% | 30.0% | 30.9% |
| Net Profit Margin (%) | 3.9% | 4.2% | 5.2% |
| Return on Assets ROA (%) | 7.2% | 8.2% | 9.5% |
| Return on Equity ROE (%) | 18.0% | 15.8% | 14.4% |
| Liquidity Ratio (times) | 0.9 | 1.1 | 1.1 |
| Quick Ratio (times) | 0.4 | 0.7 | 0.7 |

Remark:

[1]   The Company was listed on the Stock Exchange of Thailand on August 3, 2023, and adjusted the average number of registered shares in 2023 to 545 million shares.

[2]   The Company will request approval for the dividend payment for the 2024 operating results  at the rate of 0.41 baht per share at the General Meeting of Shareholders to be held on April 28, 2025.

# General Information of the Company

| | |
|---|---|
| **Company Name** | KCG Corporation Public Company Limited |
| **Securities Abbreviation** | KCG |
| **Business Type** | Manufacturing and distribution of consumer products, primarily Western food products. There are 3 primary product groups: dairy products, food and bakery ingredients and any other products, and biscuits. |
| **Business Category** | Food and Beverage |
| **Industry Group** | Agriculture and Food Industry Group |
| **Establishment as a Limited Company Date** | May 24, 1985 |
| **Public Company Registration Date** | December 9, 2022 |
| **Start Date for Trading on the Stock Exchange** | August 3, 2023 |
| **Registered Capital and Paid-Up Capital** | 545,000,000 Baht, 545,000,000 shares, par value 1.00 Baht per share |
| **Head Office Address** | 3059-3059/1-3 Sukhumvit Road, Bang Chak, Phra Khanong, Bangkok 10260 |
| **Telephone Number** | 02-332-8040-9 |
| **Website** | www.kcgcorporation.com |
| **Organizational Memberships and Networks** | - Federation of Thai Industries |
| | - Thai Institute of Directors Association |
| | - Greenhouse Gas Management Organization (Public Organization) |
| | - Green Industry Project, Ministry of Industry |
| | - Thai Chamber of Commerce |
| | - Thai-Japanese Association |

# Driving Business For Sustainability

- Sustainable Development Policy
- Sustainable Development Structure
- Business Value Chain
- Stakeholder Analysis in the Business Value Chain
- Stakeholder Engagement
- Material Topics
- KCG Sustainability Strategy and Goals

# Sustainable Development Policy

The Company is committed to driving business by taking into account the stakeholder needs, creating long-term shared value, and recognizing the importance of sustainability management. As a result, policies have been developed to address social, environment, governance, and economic issues. The Company also incorporates and applies the United Nations' Sustainable Development Goals (SDGs) on related topics as guidelines for sustainability management, ensuring they align with our vision, mission, business operations, and strategic plans, including the material topics and stakeholder expectations.

More Information available in:
**Sustainable Development Policy**

# Sustainable Development Structure

To ensure the Company's efficiency in sustainability management, the Board of Directors appointed the Corporate Governance and Sustainability Committee to oversee and scrutinize the Company's policies, strategies, goals, and management approaches. The Corporate Governance and Sustainability Committee appointed the Chief Executive Officer to establish and be the leader of the Sustainable Development and Innovation Working Team. This working team consists of senior executives and representatives from departments in order to take action on material topics and put them into practice and communication to enhance understanding and foster employee cooperation across the organization.

# The Company's Sustainable Development Structure is as follows:

**Board of Directors**

**Corporate Governance and Sustainability Committee**

**Chief Executive Officer and Managing Director**

**Corporate Sustainability**

**Sustainable Development and Innovation Working Team**

**Sustainable Development Department**

## Governance and Economy

- Corporate Governance
- Risk and Business Continuity Management
- Innovation and Technology
- Sustainable and Responsible Supply Chain Management
- Cybersecurity

- Corporate Governance Department
- Accounting and Finance Department
- Risk Management Department
- Research, Development, and Innovation Department
- Supply Chain Management Department
- Information Technology Department
- Digital Transformation Department

## Environment

- Energy and Resource Management
- Waste and Pollution Management
- Climate Change Adaptation and GHG emissions

- Production Department
- Safety, Health and Environment Department

## Social

- Product Safety and Responsibility to Customers and Consumers
- Human Capital Management
- Occupational Health and Safety
- Community Involvement and Development

- Quality Department
- Marketing Department
- Human Resources Department
- Safety, Health and Environment Department
- Corporate Communications Department

## Other Sustainability Working Teams

- Occupational Safety, Health and Work Environment Committee
- Occupational Safety, Health and Work Environment working team
- Personal Data Protection Committee
- Human Resources Committee
- The Labor Standards Management Committee
- Welfare Committee
- Enterprise Risk Management Working Team
- Digital Transformation Committee (DTC)
- Energy Management Working Team

# Business Value Chain

The Company analyzed the business value chain to identify stakeholders, including any impacts that may occur as a result of the Company's primary activities and support activities within the value chain from upstream to downstream, comprehensively and completely in each dimension. The Company's value chain is as follows:
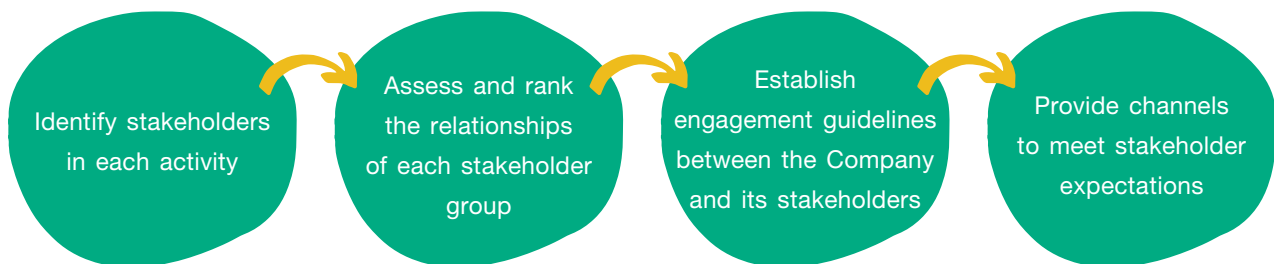


## KCG Value Chain

### PRIMARY ACTIVITIES

**Operation**
Develop an efficient manufacturing process that optimizes resources to meet international safety standards and manages waste and pollution to achieve the least environmental impact.

**Marketing & Sales**
Provide complete and accurate product and nutritional information, promote responsible sales, and ensure that quality assurance processes adhere to stringent quality and hygiene standards.

**Raw Material & Trading Goods Sourcing**
Source raw materials, products, and services by acquiring high-quality, safe products from suppliers committed to environmental and social responsibility.

**Warehouse, Distribution & Logistics**
Manage warehouses and logistics sustainably through efficient energy consumption to reduce greenhouse gas emissions.

**After Sales Service**
Strengthen customer relationships, provide customer satisfaction surveys and feedback channels, implement corrective action processes, and analyze feedback to enhance products and services.

### SUPPORT ACTIVITIES

**General Procurement**

**Accounting & Finance**

**Infrastructure**
Oversee utilities, quality management, food safety, occupational health, and environment.

**Human Resource Management**

**Innovation & Technology**

## STAKEHOLDER GROUPS

Employees | Suppliers | Customers and Consumers | Business Partners | Shareholders & Investors | Communities | Government Agencies and Regulatory Agencies | Financial Institutions | Media

# Stakeholder Analysis in the Business Value Chain

The Company identifies stakeholder groups involved in business value chain activities. Then, analyze and rank stakeholder relationships based on their influence on the Company and the potential impacts on stakeholders in order to establish engagement guidelines between the Company and stakeholders, respond to stakeholders' expectations or needs, and provide communication channels that are easily accessible and appropriate for each stakeholder group. This includes implementing a mitigation plan for stakeholder groups and the Company.

## Stakeholder Analysis Process

Identify stakeholders in each activity → Assess and rank the relationships of each stakeholder group → Establish engagement guidelines between the Company and its stakeholders → Provide channels to meet stakeholder expectations

The Company divided stakeholders into 2 groups:
- Internal Stakeholder: Employee
- External Stakeholder: Customer and consumer, business partner, supplier, shareholder/investor, community, government and regulatory agencies, financial institution and media.

The Company assesses and ranks stakeholder relationships to set priorities for effective stakeholder management. The four most important stakeholder groups, based on their significant influence on the Company and direct impact from its activities, are customers and consumers, business partners, suppliers, and employees. Stakeholder groups with a significant influence but are indirectly affected by the Company include shareholders/investors, government agencies, regulatory agencies, and media.

# Stakeholder Engagement

| Stakeholder | Expectations | Responses | Communication Channels |
|---|---|---|---|
| **Employee**<br><br>All individuals employed under any form of employment relationship, whether Thai nationals or foreigners that fall under the Company's legal responsibility. | • Fair compensation and Welfare in accordance with the law<br>• Continuous skills and capability development<br>• Career progression<br>• Better quality of life<br>• Equitable treatment<br>• Safe and healthy working environment<br>• Acceptance at work among colleagues and executives<br>• Effective and thorough communication of internal information<br>• Provide channels for complaints and feedback | • Competitive compensation to the same industry and appropriate welfare to the quality of life<br>• Protect and respect for human rights<br>• Employee welfare<br>• Enhance workplace environments in accordance with the Occupational Health and Safety guidelines, promoting employee well-being<br>• Promote continuous learning to enhance knowledge, skills, and abilities<br>• Organize activities that foster collaboration and contribute to organizational success<br>• Effective and fair performance assessment system | • Executive-Employee Interaction activities such as KCG Townhall, etc.<br>• Employee Engagement Survey<br>• Internal communication via email, intranet website, Line@, Line group, share drive, and public relations boards<br>• Personnel development and team-building activities<br>• Complaint channels (e.g., comment boxes, the Company website, or email)<br>• HR & Welfare Committee or the Occupational Health and Safety Committee |
| **Customer and Consumer**<br><br>Individuals or juristic persons who use the Company's products and services, either directly or indirectly, through various sales channels, including end customers or consumers who purchase directly from the Company or through its business customers | • Quality products/services and food safety<br>• Product variety<br>• Clear nutritional information<br>• Transparent nutritional information<br>• Reasonable pricing<br>• Easy access to products<br>• On-time delivery<br>• Promotions and offers<br>• Timely response to issues and complaints and be responsible<br>• Consumer rights compliance | • Quality and food safety standards<br>• Appropriate pricing process and mechanism<br>• Research, Development and Technology<br>• Advanced production technology, product quality and safety, and cost reduction<br>• Two-way communication channels for inquiries and complaints<br>• personal data protection | • Direct meetings or interactions<br>• Online and offline communication channels<br>• Satisfaction surveys<br>• Advertisement and marketing activities<br>• Product labels<br>• Company website<br>• Complaint channels (e.g., website, email, etc.)<br>• Sales and customer service department |

| Stakeholder | Expectations | Responses | Communication Channels |
|---|---|---|---|
| **Business Partner**<br><br>Groups of individuals or juristic persons who collaborate in business activities, sharing resources and strengths to achieve mutual business goals, both in the short and long term. This includes developing strategies for sales, marketing, business plans, and collaborative efforts in branding, marketing, or media. For example, the Top 10 key accounts or strategic partners in each channel. | • Fair business practices<br>• Increased operating results<br>• Quality & safety products and services<br>• Innovative products and services that meet customer needs<br>• Competency and personnel development<br>• Good reputation<br>• Confidentiality<br>• Sustainable business operations | • Fair contracts and agreements<br>• Cooperative business planning and development<br>• Collaborate on product/ business development to increase sales (e.g., workshops, menu creation)<br>• Organize press conferences to promote cooperation<br>• Maintain quality standards and safety of products and services<br>• personal data protection | • Direct meetings or interactions<br>• Online and offline communication channels<br>• Exhibitions or marketing activities<br>• Complaint channels (e.g., website, email, etc.)<br>• Sales and customer service department |
| **Supplier**<br><br>Product and service providers, whether individuals or juristic persons, both domestic and international, that procure and deliver products or provide services to the Company under contracts or agreements with the Company. | • Timely payments<br>• Long-term partnerships<br>• Information sharing (e.g., service plans, projections, etc.)<br>• Fair contracts and agreements<br>• Transparency in procurement<br>• Supplier development<br>• Confidentiality | • Fair, equitable, and transparent supplier relations<br>• Foster mutual growth and development<br>• Timely and fair compensation as agreed upon<br>• Clear operating procedures, measures and standards<br>• Personal data protection | • Direct meetings or interactions<br>• Supplier engagement activities (e.g., KCG Supplier Day, etc.)<br>• Email or telephone<br>• Complaint channels (e.g., website, email, etc.)<br>• Purchasing department |
| **Shareholder/ Investor**<br><br>Individuals or juristic persons interested in investing in the Company, including those who own shares and have the right to provide feedback, make recommendations, and receive information on the Company's performance as required by law. This also includes securities analysts and investors. | • Operating results and return on investment<br>• Company goals, vision, and strategy<br>• Corporate governance<br>• Accurate, complete, transparent, continuous, and timely disclosure of information<br>• Shareholders/investor relationship management<br>• Qualified Board of Directors and executives<br>• Effective risk management<br>• Sustainability operations | • Conduct business with transparency, efficiency, adhering to CG code and Code of Conduct<br>• Investor relations department<br>• Regularly disclose operating results<br>• Provide accurate information disclosure via SET and related agencies | • Annual Report (Form 56-1 One Report)<br>• Sustainability Report<br>• Annual General Meeting of Shareholders<br>• Opportunity Day<br>• Analyst meetings<br>• Investor relations activities such as site visits, company visits<br>• Roadshows/Corporate Day activities<br>• Complaint channels (e.g., website, email, etc.)<br>• Investor relations information on company website<br>• Investor Relations (IR) Department and Company Secretary |

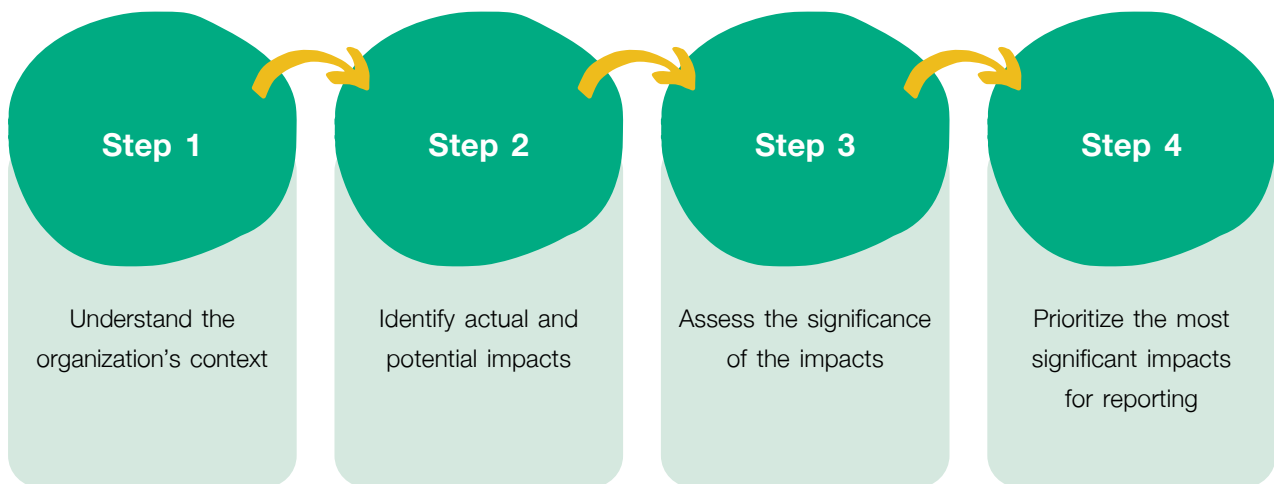| Stakeholder | Expectations | Responses | Communication Channels |
|---|---|---|---|
| **Government and Regulatory agencies**<br>Government agencies, state-owned enterprises, public organizations, and regulatory bodies that are responsible for creating and enforcing rules, laws, and regulations that the Company must comply with, both domestically and internationally. | • Regulatory compliance<br>• Good corporate governance<br>• Disclose information on business operations and ESG sustainability operations<br>• Provide feedback and participate in government and regulatory activities<br>• Consumer protection and supervision of food quality | • Regulatory compliance<br>• Engage in government activities or projects continuously<br>• Enhance operating procedures in compliance with rules and regulations<br>• Establish a responsible department to ensure regulatory compliance | • Direct meetings or interactions<br>• Seminar activities organized by government and regulatory agencies<br>• Complaint channels (e.g., website, email, etc.) |
| **Community**<br>Individuals or groups residing near the Company's operations, including those within the Company's transportation range, agencies, institutions, or organizations (such as schools, shelters, temples, the Red Cross, and hospitals) located in the same area or province in which the Company operates. | • Zero impact on daily life, whether social or environment<br>• Community employment<br>• Community engagement activities<br>• Complaint and whistleblowing channels | • Conduct business with social responsibility<br>• Provide local employment opportunities<br>• Organize corporate social responsibility activities in collaboration with the community<br>• Ensure compliance with environmental laws | • Corporate social responsibility activities<br>• Company website<br>• Public relations through organization's personnel<br>• Complaint channels (e.g., website, email, etc.) |
| **Financial Institution**<br>Business entities within the financial system that offer financial services to companies through transactions, including loans and investments that the Company is responsible for repaying loans according to agreed-upon terms (e.g., banks, financial institutions, and insurance companies.) | • Timely loan and interest repayment<br>• Select alternative financial products and services<br>• Foster business growth and sustainability | • Strict compliance with contracts and agreements<br>• Promote mutual understanding, collaboration, and positive relationships | • Direct meetings or interactions<br>• Email or telephone<br>• Company website<br>• Complaint channels (e.g., website, email, etc.)<br>• Accounting and Finance Department |
| **Media**<br>Organizations or individuals responsible for delivering news and information to the public through both online and offline media channels, including influencers in digital media. | • Accurate and timely disclosure of information<br>• Accurate product information, special offers, and sales promotions.<br>• Positive relationships with the Company | • Accurate and timely disclosure of information<br>• Press releases<br>• Press conferences and interaction with media | • Online media (e.g., Company website and social media)<br>• Offline media (e.g., telephone calls and executive interviews)<br>• Corporate Communication |

# Material Topics

Materiality Assessment is a crucial process for identifying and prioritizing material topics that significantly impact the business and its stakeholders. This process enables the Company to align its operations with sustainable development by effectively prioritizing resources and investing in projects that address economic, social, and environmental issues while meeting stakeholder needs.

## Materiality Assessment

The Company identified and assessed the sustainability material topics according to the following process:

| Step 1 | Step 2 | Step 3 | Step 4 |
|---|---|---|---|
| Understand the organization's context | Identify actual and potential impacts | Assess the significance of the impacts | Prioritize the most significant impacts for reporting |

**Step 1: Understand the Organization's Context**

The Company identifies and collects sustainability issues that may have an impact on business operations and stakeholders by analyzing the sustainability internal context through the identification of value chain activities, value chain analysis, and external context, using the PESTEL Analysis, stakeholder expectations, and sustainability trends in the agricultural and food industries to precisely and thoroughly understand and identify issues.

**Step 2: Identify Actual and Potential Impacts**

The Company identifies actual and potential impacts on sustainability, as well as negative and positive impacts on the economy, society, and environment. The Company considered economic, social, and environmental issues that affect its profitability and growth in a variety of areas, including strategy, performance, finance, operations, regulatory compliance, etc. This includes economic, social, and environmental issues that may either benefit or impact stakeholders, which affect the Company's business, reflecting its short and long-term risks and opportunities.

**Step 3: Assess the Significance of the Impacts**

The Company established materiality assessment and likelihood criteria to assess the significance of both positive and negative impacts. The material topics were determined by classifying the significance of the impacts. The Company compared the material topics to standards and leading companies in the same industry.

**Step 4. Prioritize the Most Significant Impacts for Reporting**

The Company prioritized the significant impacts by considering the level of impact on stakeholders and business operations in order to develop sustainable management guidelines based on their significance and urgency. The Company solicits feedback from stakeholders and employee representatives who interact with stakeholders to prioritize the impacts from the stakeholder perspective. In terms of the organizational perspective, senior executives prioritize the significant impacts for reporting.

## Approval of Material Topics

The Sustainability Development and Innovation Working Team consults with sustainability experts to review material topics, ensuring they comprehensively cover all aspects the Company should address and disclose in its sustainability information. Then, the Sustainability Development and Innovation Working Team presents the material topics to the Corporate Governance and Sustainability Committee for approval. The Corporate Governance and Sustainability Committee evaluates the sustainability reporting framework and its suitability, considering factors such as business confidentiality and the availability and completeness of the information. In addition, the Company conducts an annual review of material topics and targets, monitoring performance and sustainability plans to efficiently adjust management guidelines with flexibility to adapt to changes and potential risks
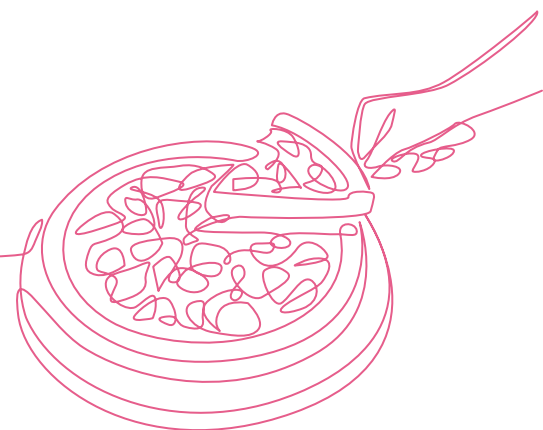
# KCG Material Topics

In 2024, the Company had 12 material topics as follows:

## ENVIRONMENT



1. Energy and Resource Management

2. Waste and Pollution Management

3. Climate Change Adaptation and GHG Emission

## SOCIAL



4. Product Safety and Responsibility to Customer and Consumer

5. Human Capital Management

6. Occupational Health and Safety

7. Community Involvement and Development
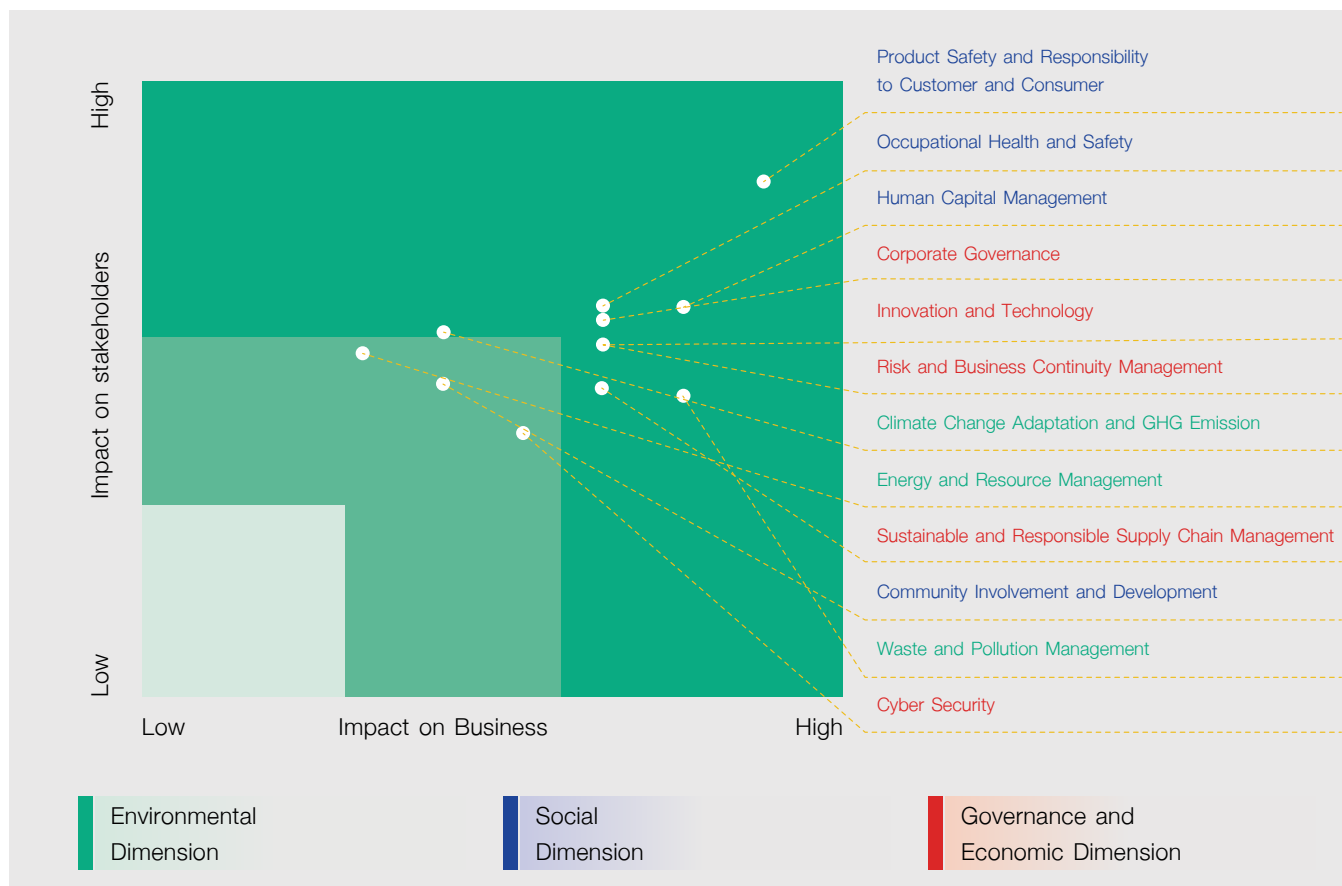
## GOVERNANCE & ECONOMIC



8. Innovation and Technology

9. Risk and Business Continuity Management

10. Sustainable and Responsible Supply Chain Management

11. Corporate Governance

12. Cyber Security

# Prioritization of Material Topics

Materiality Matrix



**Impact on stakeholders** (vertical axis: Low to High)
**Impact on Business** (horizontal axis: Low to High)

Topics listed:
- Product Safety and Responsibility to Customer and Consumer
- Occupational Health and Safety
- Human Capital Management
- Corporate Governance
- Innovation and Technology
- Risk and Business Continuity Management
- Climate Change Adaptation and GHG Emission
- Energy and Resource Management
- Sustainable and Responsible Supply Chain Management
- Community Involvement and Development
- Waste and Pollution Management
- Cyber Security

Environmental Dimension

Social Dimension

Governance and Economic Dimension

# Materiality Assessment

| Dimension | | Material Topics | Risks/ Opportunity and Impacts | Material Impacts | | Report Content |
|---|---|---|---|---|---|---|
| | | | | + (Opportunity) | - (Risk) | |
| Environment | 1 | Energy and Resource Management | Manage, plan, develop, and improve resource utilization methods that reduce fossil energy sources, including electricity, fuel, and water, as well as resources used in the Company's activities, in order to achieve maximum resource efficiency. Commit to increasing the use of renewable energy or suitable alternative energy in accordance with sustainable energy management goals. | ✓ | | • Energy and Resource Management<br>• Environmental Performance |
| | 2 | Waste and Pollution Management | Manage waste with the goal of reducing garbage and waste generation. Seek opportunities to develop methods for recycling or reusing resources, waste, or raw materials to maximize benefit. Manage and control environmental impacts in all aspects, such as water, air, and noise pollution caused by the Company's production, distribution, and supply chain activities. | ✓ | ✓ | • Waste and Pollution Management<br>• Environmental Performance |
| | 3 | Climate Change Adaptation and GHG emissions | Commit to driving business while managing climate change adaptation to reduce greenhouse gas emissions and adapt to a low-carbon society to mitigate the effects of climate change in accordance with the Company's strategy and national goals. | ✓ | ✓ | • Climate Change Adaptation and GHG Emissions<br>• Environmental Performance |
| Social | 4 | Product Safety and Responsibility to Customer and Consumer | Manage and develop quality systems to ensure the delivery of high-quality and safety products. Develop healthy and nutritious products that can respond to constantly changing needs. Maintain responsible business operations and marketing activities and nurture sustainable relationships with customers for mutual growth. | ✓ | ✓ | • Product Safety and Responsibility to Customer and Consumer<br>• Social Performance |
| | 5 | Human Capital Management | Manage human resources by treating employees fairly and respecting their rights. Foster skill development and encourage employee responsibility and participation, offering opportunities for involvement. This includes promoting well-being within the organization. | ✓ | | • Human Capital Management<br>• Social Performance |
| | 6 | Occupational Health and Safety | Prioritize occupational health and safety management in accordance with international standards. Develop safety management processes to minimize workplace risks in areas where potential hazards may affect employees. | | ✓ | • Occupational Health and Safety<br>• Social Performance |

| Dimension | | Material Topics | Risks/ Opportunity and Impacts | Material Impacts | | Report Content |
| --- | --- | --- | --- | --- | --- | --- |
| | | | | + (Opportunity) | - (Risk) | |
| Social | 7 | Community Involvement and Development | Take responsibility for the actual impacts and potential impacts to communities in the business area by taking appropriate proactive measures. Pay attention and foster positive relationships with the community through community involvement. Initiate activities or projects to develop potential and strengthen sustainable communities. | ✓ | ✓ | ● Community Involvement and Development |
| Governance & Economic | 8 | Innovation and Technology | Drive innovation and expand on new concepts. Utilize technology to develop products, processes, services, and business models that enhance the Company's strategic planning, increase efficiency, and add value to products/services. | ✓ | | ● Innovation and Technology |
| | 9 | Risk and Business Continuity Management | Manage enterprise risk, crisis, unexpected events, and emerging risks in order to achieve the business's strategy and goals and ensure sustainability. Increase flexibility in business continuity management while minimizing overall impacts on the Company's stakeholders. | ✓ | ✓ | ● Risk and Business Continuity Management |
| | 10 | Sustainable and Responsible Supply Chain Management | Promote responsible supply chain management by considering the economic, social, and environmental impacts. Develop suppliers and business partners to reduce operational risks for both the Company and its partners, while fostering collaboration and sustainable growth. | ✓ | ✓ | ● Sustainable and Responsible Supply Chain Management |
| | 11 | Corporate Governance | Ensure transparent business operations with good corporate governance and a commitment to preventing all forms of corruption. Prioritize compliance with relevant laws, regulations, and requirements, aligning with the CG Code and the code of conduct to build stakeholder trust. | ✓ | ✓ | ● Corporate Governance |
| | 12 | Cybersecurity | Enhance the Company's strength and credibility in maintaining cybersecurity, preventing risks to key work systems and critical data of the Company and its stakeholders. | | ✓ | ● Cybersecurity |

# KCG Sustainability Strategy

To effectively drive the business towards sustainability and achieve the Sustainable Development Goals, the Company upholds sustainable development as one of the primary strategies and formulates sustainability strategies and management guidelines that align with its vision and business strategy, ensuring that business and sustainability are integrated and move in the same direction.

**Vision**

**"To be a leading culinary provider that delights our customers, nourishes our communities, and sustains the planet"**

**ENVIRONMENT**

- Energy and Resource Management
- Waste and Pollution Management
- Climate Change Adaptation and GHG Emission

**SUSTAIN THE PLANET**
Environment

**SOCIAL**

- Human Capital Management
- Product Safety and Responsibility to Customer and Consumer
- Community Involvement and Development
- Occupational Health and Safety

**NOURISH OUR COMMUNITIES**
Social

*KCG*
**Sustainability Strategy**

**GOVERNANCE**

- Corporate Governance
- Risk and Business Continuity Management
- Sustainable and Responsible Supply Chain Management
- Innovation and Technology
- Cyber Security

**DRIVE GROWTH WITH GOVERNANCE**
Governance and Economic

## KCG Sustainability Management and Strategies in 3 dimensions include:

### Sustain the planet
### Environment :

The Company emphasizes conducting business alongside sustainable environmental management by optimizing energy and resource consumption throughout the supply chain, and reducing greenhouse gas emissions to minimize environmental and climate change impacts.

### Nourish our communities
### Social :

The Company conducts business with social responsibility and respects human rights in all aspects. The Company focuses on delivering quality and safety products while striving to be a safety organization that emphasizes employee potential development and actively strengthening and developing communities for sustainability.

### Drive growth with governance
### Governance and Economic :

The Company aims to drive business for sustainable growth with good corporate governance, transparency, and zero tolerance for corruption. The Company emphasizes sustainable supply chain management in collaboration with suppliers, develops innovation and technology to create products and services that benefit customer and consumer health. Additionally, the Company enhances operational efficiency and operates as a green organization, promoting sustainability for society and the community.

# Sustainability Goals

The Company sets Sustainability goals aligned with its key corporate strategies and goals, adhering to SET sustainability investment guidelines, international sustainability standards, and the United Nations Sustainable Development Goals (SDGs) in order to effectively integrate sustainable development and business operations while managing risks and impacts across all sustainability dimensions.

| Dimension | Material Topics | Sustainability Goals in 2024 | SDGs |
|---|---|---|---|
| Environment | Energy and Resource Management | • Reduce electricity and fuel consumption by 0.5% per ton of production (compared to base year 2023).<br>• Reduce water consumption by 0.5% per ton of production (compared to base year 2023). | 6 CLEAN WATER AND SANITATION<br>7 AFFORDABLE AND CLEAN ENERGY<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION<br>13 CLIMATE ACTION |
| | Climate Change Adaptation and GHG Emissions | • Reduce Scope 1 and 2 greenhouse gas emissions by 10% by 2025.<br>• Achieve Net Zero greenhouse gas emissions by 2050. | |
| | Waste and Pollution Management | • Zero Waste to Landfill 100% at Thepharak Factory by 2024.<br>• Reduce waste per ton of production by 5% compared to 2023.<br>• Zero complaints related to violations of laws or environmental impacts. | |
| Social | Product Safety and Responsibility to Customer and Consumer | • Customer satisfaction of 75%.<br>• Complaints decrease by 5% compared to the annual production volume. | 1 NO POVERTY<br>2 ZERO HUNGER<br>3 GOOD HEALTH AND WELL-BEING<br>8 DECENT WORK AND ECONOMIC GROWTH |
| | Human Capital Management | • Zero violations of human rights that require corrective action<br>• Employee engagement score of 75%.<br>• Average training hours per employee: At least 12 hours per year.<br>• 100% of employees are aware of Digital Transformation. | |
| | Occupational Health and Safety | • Lost Time Injury Frequency Rate (LTIFR) $\leq$ 3. | |
| | Community Involvement and Development | • Zero complaints or disputes from the community or society<br>• At least one project or activity to promote community involvement and development. | |
| Governance and Economic | Innovation and Technology | • At least 3 projects from the KCG Innovation Contest are developed for practical use within the Company. | 3 GOOD HEALTH AND WELL-BEING<br>9 INDUSTRY INNOVATION AND INFRASTRUCTURE<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION<br>16 PEACE, JUSTICE AND STRONG INSTITUTIONS |
| | Sustainable and Responsible Supply Chain Management | • 100% of critical Tier 1 suppliers completed ESG risk assessment.<br>• 70% of critical Tier 1 suppliers have signed to comply with the Supplier Code of Conduct. | |
| | Risk and Business Continuity Management | • Conduct critical business continuity plan (BCP) drills according to the established plan: 100% | |
| | Corporate Governance | • Zero complaints on violations of the code of conduct and corruption.<br>• Zero cases that significantly violate laws, rules, or social and human rights regulations. | |
| | Cybersecurity | • Zero cyberattacks on company operations.<br>• Zero incident of personal data breaches or leaks.<br>• 80% of employees complete cybersecurity training by 2025. | |

# Governance and Economic
# Drive Growth with Governance

- Corporate Governance
- Risk and Business Continuity Management
- Innovation and Technology
- Sustainable and Responsible Supply Chain Management
- Cyber Security

# Corporate Governance

The Company is committed to being a good corporate citizen with sustainable business operations, driving business for sustainable growth, and being accepted in society based on ethics and good corporate governance, transparency and generating efficient returns for shareholders while considering the impact of business operations on stakeholders.

## Corporate Governance Policy and Practices

The Board of Directors has developed Corporate Governance and Sustainability policy to serve as practice guidelines for directors, executives, employees, and stakeholders to acknowledge its intent and the policy framework. The Corporate Governance and Sustainability Committee is responsible for overseeing the Company's corporate governance to ensure that it is consistently effective,  policies and practices are reviewed on an annual basis.

This is to ensure the Company's corporate governance meets recognized standards and effectively demonstrates compliance with the corporate governance code. The Company adopts corporate governance guidelines, such as the ASEAN Corporate Governance Scorecard (ACGS), OECD Corporate Governance Code for Listed Companies, and SEC Corporate Governance Code for Listed Companies, to develop its Corporate Governance and Sustainability Policy which covers 8 major principles, as follows:

## CG Code
## Corporate Governance

Corporate Governance Code

**Principle 1:** Establish Clear Leadership Roles and Responsibilities of the Board

**Principle 2:** Define Objectives that Promote Sustainable Value Creation

**Principle 3:** Strengthen Board Effectiveness

**Principle 4:** Ensure an Effective CEO and People Management

**Principle 5:** Nurture Innovation and Responsible Business

**Principle 6:** Strengthen Effective Risk Management and Internal Control

**Principle 7:** Ensure Disclosure and Financial Integrity

**Principle 8:** Ensure Engagement and Communication with Shareholders

More Information available in:

**Corporate Governance and Sustainable Development Policy**

KCG Corporation Public Company Limited.

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# Corporate Governance Structure

The Company established a corporate governance structure to ensure compliance with the corporate governance code, which consists of the Board of Directors and 5 subcommittees: the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance and Sustainability Committee, and the Information Technology Committee. The Board of Directors and each subcommittee defined their respective roles, duties, and responsibilities in a corporate governance committee charter. The subcommittee charter is reviewed at least once a year.

## Organization Chart

**Board of Directors**

**Company Secretary**

- Information Technology Committee
- Corporate Governance and Sustainability Committee
- Executive Committee
- Audit Committee
- Nomination and Remuneration Committee

**Chief Executive Officer and Managing Director** --- **Internal Audit**

**Deputy Managing Director Supporting Function**

**Deputy Managing Director Operation**

- Chief Corporate Sustainability Officer
- Chief Corporate Strategy Officer
- Chief Commercial Officer
- Chief Financial Officer
- Chief Supply Chain Management Officer
- Chief Technical Officer

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**Board of Directors Information as of December 31, 2024:**

Total number of directors: **12**

Independent directors: 5 **41.67%**

Female directors: 2 **16.67%**
Male directors: 10

Non-executive directors: 5 **41.67%**

Number of board meetings: **10**

Average meeting attendance: **94.89%**

**For more information regarding Corporate Governance, please refer to Section 2: Corporate Governance in the Annual Report 2024, pages 81-137.**

# Code of Conduct

The Company established stakeholder management guidelines in its Code of Conduct and Code of Ethics, taking into account responsibility to stakeholders, shareholders, employees, customers, suppliers, contractors, communities, society, and the environment. The Company promotes free and fair trade competition and avoids actions that may result in conflicts of interest or infringe on intellectual property rights, as well as fighting against all forms of corruption.

In 2024, the Company promoted awareness of the Code of Conduct and Corporate Governance Code throughout the organization as follows:

- Organized training sessions to provide knowledge on good corporate governance to directors and executives. This included the course "Corporate Governance and Legal Implications for the Board: Introduction to Corporate Governance" by the Thai Institute of Directors Association (IOD), as well as training on "Director and Officer Liability Insurance (D&O)" for the Board of Directors, executives, and employees, by Bangkok Insurance Company Limited. A total of 41 participants attended the training, including 8 company directors.

- Prepare a legal manual that includes potential liabilities and penalties that the Company and directors must follow.

- Disclose the Code of Conduct and Code of Ethics to suppliers through the Purchasing Department and disseminate them on the Company's website.

- Educate employees on the Code of Conduct.
  - Communicate and educate employees on the Code of Conduct and Code of Ethics by posting them on the Company's website and through internal communication channels, including public relations boards, the Intranet, and a shared drive accessible to all employees.
  - Communicate and educate employees on the policies regarding insider trading, information disclosure, and conflicts of interest on the Company's website, intranet, and Share Drive, which are available to all employees.

- The Corporate Governance Department promotes awareness of two corporate governance topics on the Company intranet: Annual General Meeting and Corruption.

- Prepare to organize additional training courses on the Code of Conduct to enhance employees' understanding of the Code of Conduct by 2025.

- Review Corporate Governance and Sustainability policies and develop relevant policies to promote good corporate governance. The Company has complied with the 2017 corporate governance code for listed companies by the SEC. The Board of Directors reviews the implementation of the CG Code at least once a year to ensure that it is appropriate for the business context.

- In addition, the Company established various policies such as a human rights policy, an anti-corruption policy, a prevention of conflict of interest policy, an internal information policy, and a personal data protection policy for the direct or indirect benefits to oneself or others. The Company published various policies on the Company's website and regularly monitors its corporate governance performance.

The Thai Institute of Directors Association (IOD) awarded the Company a 5-star rating for the Corporate Governance Report of Thai Listed Companies or Excellent CG Scoring due to its performance and information disclosure in accordance with the corporate governance code. The Company was also ranked in the Top Quartile of listed companies with a market capitalization of 3,000 - 9,999 million Baht from The Thai Institute of Directors Association and received a perfect score of 100 on the AGM checklist.

> More Information available in:
> **Code of Conduct and Code of Ethics**

# Anti-Corruption

The Company is committed to conducting business with transparency and recognizes the importance of combating all forms of corruption by complying with the laws and operating business for the benefit of society. The Company encourages employees to perform their duties with integrity and to be good citizens and established written anti-corruption policies and guidelines that serve as a framework for directors, executives, and employees, fostering awareness and emphasizing the importance of collective adherence to these policies to instill confidence among stakeholders in its commitment to operating under an anti-corruption framework. This policy has been communicated to all employees, and both the Board of Directors and all employees are required to strictly adhere to the policy. The Company also monitors the offering and receiving of gifts from various agencies. Activities are organized to support the fight against corruption with suppliers. The Procurement Department has sent emails inviting suppliers to engage in anti-corruption campaigns and to observe the No Gift Policy on Thailand's Anti-Corruption Day, which is observed on September 6 each year.

More Information available in:
**Anti-Corruption Policy**

More Information available in:
**Whistleblowing Policy**

## Complaint and Whistleblowing Procedures

The Company has established a policy to protect whistleblowers and a process for receiving reports regarding corruption and violations of the Company's Code of Conduct and corporate governance. Whistleblowing channels are available to directors, executives, employees, customers, stakeholders, or any individual with concerns or observations of violations. Whistleblowers may report suspected misconduct, corruption, embezzlement, unethical behavior, or any concerns for non-compliance with the Code of Conduct directly to the Audit Committee or the Chairman of the Audit Committee. The Company provides complaints and whistleblowing channels as follows:

**Electronic Mail (Email):**
Contact : Audit Committee or Chairman of the Audit Committee
Email : whistleblower@kcgcorporation.com

**Mail:**
Contact : Audit Committee or Chairman of the Audit Committee
Address : KCG Corporation Company Limited
3059-3059/1-3 Sukhumvit Road
Bang Chak, Phra Khanong, Bangkok 10260
Website : https://www.kcgcorporation.com/en/corporate-governance/anti-corruption-and-whistleblowing

The Company is committed to joining the Thai Private Sector Collective Action Against Corruption: CAC and plans to declare its intention to become part of the Collective Action Coalition of the Thai private sector to fight against corruption. This includes taking steps to obtain certification and continue to be an organization that fights against fraud and corruption.

In 2024, no complaints were received regarding violations of the code of ethics, code of conduct or corruption. There were also no incidents or cases that violated the law or any regulations.

In 2024, There were no complaints regarding the violation of the Code of Conduct, code of ethics, and corruption. There were 0 cases or incidents that violated the law or regulations.

| Cases of Violation or Infraction | 2024 |
|---|---|
| Number of cases of violation of the Code of Conduct or corruption | 0 |
| Number of cases or incidents of non-compliance of laws and regulations* | 0 |

Note:

*Number of incidents of non-compliance with laws and regulations regarding business operations, products, services, and marketing communication, as well as incidents of violation of personal data, environment, and human rights.

# Risk and Business Continuity Management

The uncertainty and volatility caused by external factors, whether economic, social, or environmental, are becoming more intense and constantly changing. As a result, the Company prioritizes risk and business continuity management to support operations and enable the achievement of its objectives, strategy, and goals. This has also increased its flexibility, allowing the Company to quickly adapt and respond to changes without affecting its main operations or goals, both under normal conditions and in the event of unexpected occurrences in the short and long term. The Company is able to respond appropriately to stakeholders' needs while mitigating the impact of the Company's operations on the environment and stakeholders in the value chain.

## Risk Management Plan and Policy

The Company has adopted risk management principles based on COSO-ERM 2017 (The Committee of Sponsoring Organizations of the Treadway Commission: Enterprise Risk Management),integrating strategy and performance for sustainable risk management, ensuring that enterprise risk management is efficient and aligned with international standards. The Company conducted a study on COSO-ERM 2017: Guidelines for Applying Enterprise Risk Management (ERM) to Environmental, Social, and Governance (ESG) – Related Risks, to gain a comprehensive understanding and effectively identify ESG risks, integrating them with strategies and business management. The Company has also established a risk management policy, along with a business continuity management policy, to ensure that appropriate risk management and effective control systems are implemented throughout the organization, enabling the Company to achieve its strategic objectives and various key goals.

> More information available in:
> **Risk Management Policy**

- **Enterprise Risk Management Structure**
  - The enterprise risk management is under the supervision of the Board of Directors and has been assigned to the Audit Committee and the Executive Committee to jointly oversee risk management and the effectiveness of risk management. The Executive Committee is responsible for setting the risk management framework and policy which includes developing a risk management plan to supervise risk management to be consistent with the Company's strategies and goals as well as provide recommendations to the Management to ensure that risks are appropriately managed and maintained within the Company's risk appetite.
  - In addition, the Audit Committee was assigned to be responsible for reviewing, and giving advice to the Company on having an appropriate risk management and control system that is efficient and in accordance with the guidelines assigned by the Board of Directors. This includes monitoring and ensuring that risk management is consistent with the risk management plan and policy. The Board of Directors scheduled regular joint meetings of the two committees at least twice a year to provide perspectives on enterprise risk management, reviewing the Company's risk management policy and risk appetite before presenting to the Board of Directors for consideration and approval, and providing comments and suggestions on risk management.

The Company has established a Risk Management Team at the management level, with the Chief Executive Officer serving as Chairman. The CEO appoints executives and representatives from each department to form a working team that discusses risks and related measures, aiming to enhance agility in risk management.This includes evaluating new risk factors and their impact, reviewing the risk appetite, and monitoring the effectiveness of mitigation plans to reduce the likelihood and potential impacts of risks to acceptable levels, while also promoting a risk culture among executives and employees throughout the organization. The enterprise risk management process is reviewed by the internal audit unit and the Audit Committee to ensure that the Company's enterprise risk management remains appropriate and effective.
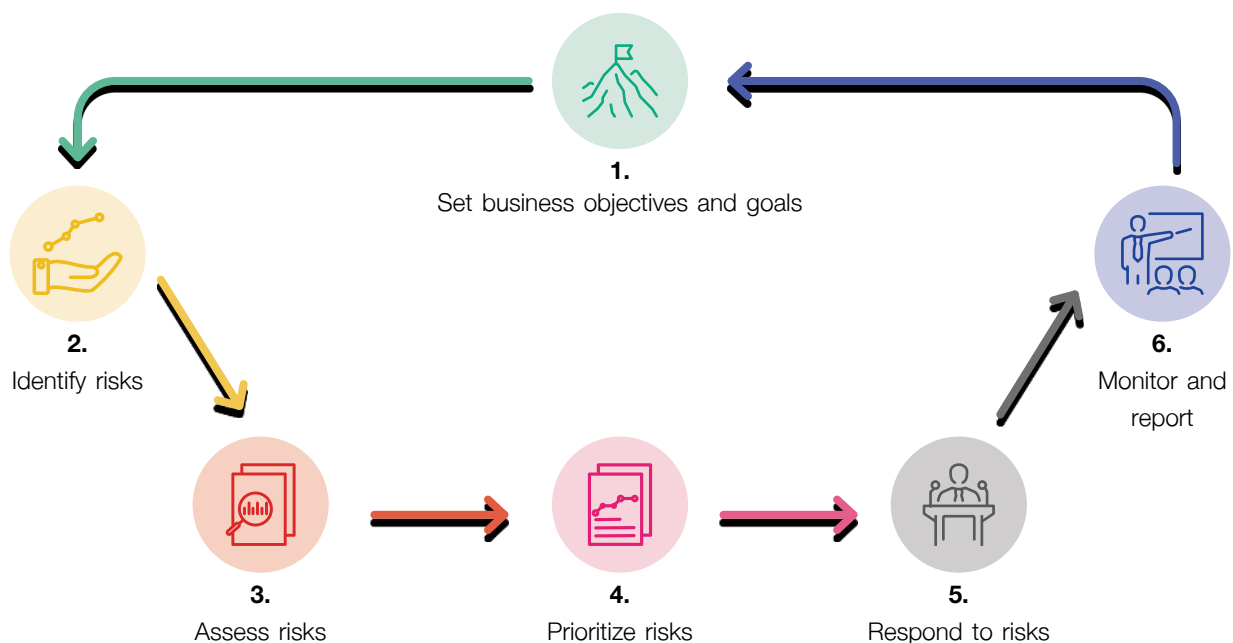
## Risk Management Structure
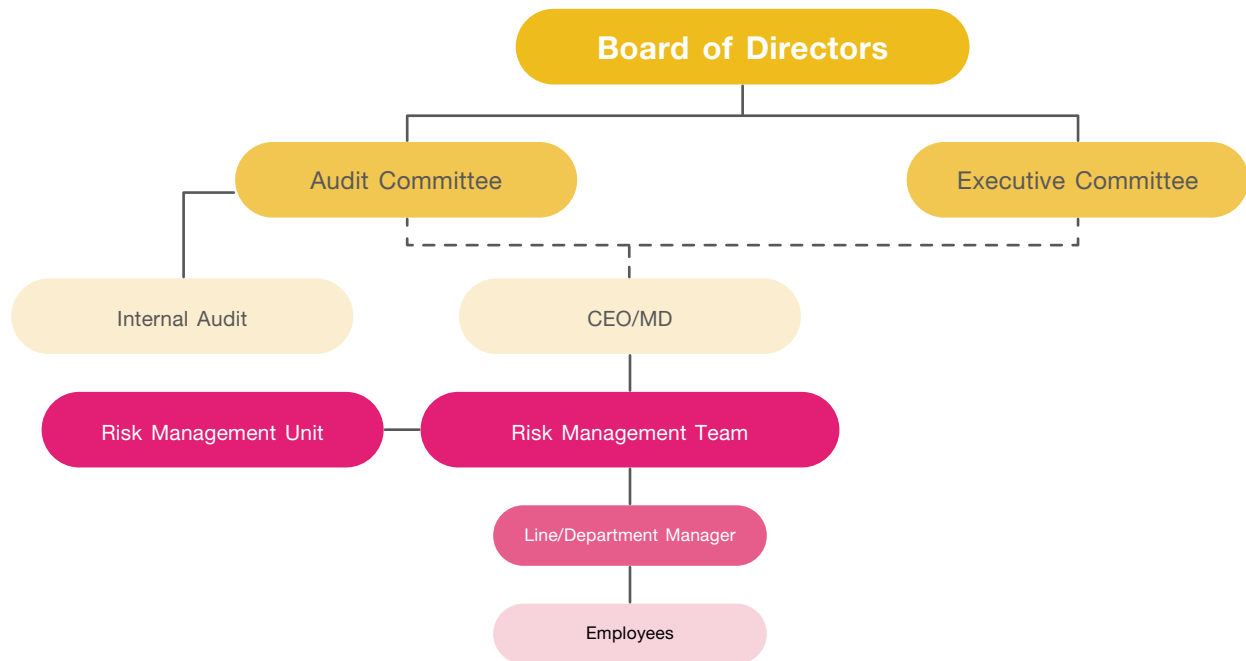


## Risk Management Processes and Tools

The Company established an integrated risk management system for the entire organization, aligning with strategy or business goals and international standards. The Company defines risk appetite, utilizes key risk indicators (KRI) for each risk factor, and regularly monitors the mitigation plan to ensure that risk levels remain within risk appetite.

The Company prepared an enterprise risk management manual to provide guidelines for risk management according to the COSO Enterprise Risk Management 2017 standard, which is an internationally accepted standard, and determined the risk management process as follows:



1. Set business objectives and goals
2. Identify risks
3. Assess risks
4. Prioritize risks
5. Respond to risks
6. Monitor and report

1) Set objectives and goals for business operations, and review Risk Appetite annually to ensure it aligns with operational goals.

2) Identify the impact of actual and potential risks on the achievement of its goals and strategies, taking into account both internal and external factors. Enterprise risks are classified into six groups: strategic risk, financial risk, operational risk, compliance risk, ESG risk, and emerging risk.

3) Assess and analyze risks by evaluating their impact and likelihood in the risk assessment process. In the event of any changes to policies or goals, the Company reviews risk factors to ensure alignment, considering risks both before and after the implementation of risk control measures.

4) Prioritize risks based on their significance and impact, identifying key risk factors to gain a comprehensive understanding of enterprise risks and the urgency of risk management.

5) Respond to risks by managing their causes or potential impacts within risk appetite or have the least impact by considering the cost-benefit analysis of risk management.

6) Monitor and report: Monitor the performance after implementing the risk management plan and report the results to the Audit Committee and the Executive Committee for review and recommendations before presenting them to the Board of Directors for consideration. This ensures that the risk management plan is effective and capable of managing risks to an acceptable level in a timely manner.

### Enterprise Risk Management and Controls Awareness

The Company is committed to fostering a risk culture throughout the organization, ensuring that every employee understands risks in all aspects related to their responsibilities and transactions. Employees must actively contribute and commit to prioritizing enterprise risk management before making investments or conducting transactions. To raise awareness, the Company communicates with employees as follow:

- Set risk indicators (Key Risk Indicator: KRI) that are consistent with organizational goals and strategies to connect risk management with the performance evaluation of executives and employees.
- Incorporate some significant risk indicators and sustainability indicators into the KPIs of the organization or risk owners to ensure that risk and sustainability management are consistent and integrated with the goals of the organization or risk owner. These indicators are then used in the annual performance evaluation of the management and departments'KPI. For example, the environmental dimension includes key indicators such as reducing energy consumption, waste management, and greenhouse gas emissions. The social dimension includes indicators such as customer satisfaction, safety & safety, and personnel development, etc.
- Include an agenda item for information in meetings of directors or executives to share or update on relevant laws, regulations, requirements, and current situations related to risk management, corporate governance, and sustainability.
- Organize a meeting of the Risk Management Team to report the progress on the risk management plan. Follow up on risk management results and assess risks based on the situation at least twice a year. In 2024, the Risk Management Team held four meetings.
- Ensure all employees have access to policies, enterprise risk management manual and Crisis Management and Response for Business Continuity and Contingency Plan through internal communication channels, such as the intranet, share drive, and email.
- Organize training courses on 'Enterprise Risk Management - Integrating with Strategy and Performance' for mid-level executives and above to understand and manage risk at the department level. There is also a plan to expand the training to cover other employee levels by 2025.

# Business Continuity Management

To ensure business continuity amidst uncertainty and unforeseen events, the Company has prepared a Crisis Management and Response for Business Continuity and Contingency Plan, which is part of the Business Continuity Management (BCM). This operating procedure is designed to assess risks and the severity of potential impacts for each event, as well as outline a mitigation plan to manage adverse situations, including natural disasters, fires, floods, and supply chain risks such as events that delay the delivery of goods, both domestically and internationally, as well as raw material shortages. It also addresses cyber threats, staff shortages due to epidemics of contagious diseases, and other potential emergencies.

The goal is to be prepared for any emergencies that may occur in any form to ensure business continuity, mitigate risks to the supply chain, and minimize operational losses. This includes food safety, protecting consumer interests, and maintaining strong customer relationships, company assets, brand image, and trademarks, ensuring that all departments operate efficiently, consistently, and in the same direction.

The Crisis Management and Response for Business Continuity and Contingency Plan has been established, with the Chief Executive Officer (CEO) appointed as Crisis Director. Executives from relevant departments have been designated to join the working team to execute crisis management and business continuity. In addition, the Company has established crisis recovery guidelines and conducts annual emergency drills. Some of these drills may need to involve customers in the event of an emergency impacting raw materials, products, and other factors affecting customers, suppliers, stakeholders, the environment, and the relevant community.

More information available in:

**Business Continuity Management Policy**

# Key Risk Factors

To identify key risk factors, the Company analyzes the business environment, considering both internal and external factors, including the sustainability impact on stakeholders and emerging risks. This process includes establishing a mitigation plan and continuously monitoring the performance. While monitoring enterprise risk management, some risks are related to material topics. Therefore, the Company is able to manage both operational risks and ESG risks that may have an impact on business operations, the environment, and society as well as being flexible in handling and mitigating potential impacts to achieve the goals set in the strategic plan and effectively oversee stakeholders, society, and the environment.

Enterprise risks are divided into 6 groups as follows:

## 1) Strategic Risk

Competitive Risk

New Product Launch Risk

International Business Expansion Risk

Human Capital Development Risk

## 2) Operational Risk

Inventory Management Risk

Price Fluctuation Risk in Key Raw Materials and Product Costs

Business Disruption Risk

Cybersecurity Risk

Production Capacity Risk in Butter and Pastry Sheet Margarine Products

### 3) Financial Risk

Interest Rate Risk

Exchange Rate Volatility Risk

### 4) Compliance Risk

Risk from Changes in Laws and Government Policies

### 5) ESG Risk

Product Quality and Safety Risk

Reputation Risk

Corruption Risk

Climate Change Risk

### 6) Emerging Risk

Opportunity and Risk from Free Trade Agreement (FTA)

Geopolitical Risk

**For more details on risk management, impacts, and mitigation plans, please refer to the 'Risk Management' section in the 56-1 One Report 2024, pages 51 – 60.**

# Innovation and Technology

The Company recognizes the importance of driving development and advancing new ideas, by promoting the integration of technology and innovation into its business operations, in order to improve efficiency and develop new products, services, and business models. This includes developing social and environmental innovations that meet the needs of stakeholders in the business supply chain while preventing an environmental impact. This approach is a critical factor for differentiating the business and enhancing the Company's competitiveness in alignment with its strategies.

## Corporate Innovation Management Guidelines and Related Policies

The Company aims to foster corporate innovation and implement technology across the organization by establishing corporate innovation management as a key component of its sustainability development policies. This focus on creating innovation to enhance business operations, meet stakeholder needs, consider social and environmental impacts in alignment with sustainable development goals. Furthermore, the Company has set corporate innovation and technology as one of its primary strategies, established a working team to drive corporate innovation, and appointed a committee to oversee its activities to ensure effectiveness and the achievement of set goals. The medium-term and long-term strategies for innovation development are established to ensure sustainable corporate innovation development as follows:

- Focus on continuously fostering corporate innovation within the organization, with the goal of expanding innovation externally through collaboration with educational institutions and the private sector. This approach aims to create an ecosystem that maximizes benefits for both the organization and its stakeholders.

- Establish knowledge management as a source of ideas and guidelines for innovation development among employees.

The Company has established a mechanism to drive innovation that reaches employees at all levels through communication and training. This includes organizing development projects to improve work processes and creating innovative work through ongoing support of innovation contests among employees. The KCG Innovation Contest Project has been running continuously since 2016. This project provides a platform for employees throughout the organization to showcase their innovative and creative work, which is then presented directly to senior executives and all employees throughout the organization. This was achieved to foster a corporate culture that delivers maximum benefits to the organization by creating innovations in new products, processes, services, business models, and generating economic value added for the Company.

Innovative projects are divided into two categories: "Creator" and "Innovation." "Creator" refers to initiatives that have not yet been implemented to benefit the organization, while "Innovation" refers to innovative projects that have already been implemented and have added value to the organization.

The number of employees participating in the innovation contest has steadily increased each year. For instance, in 1976, 59 projects were entered into the contest; in 2022, 66 projects were entered; and in 2023, 75 projects were entered. Among them, 49 projects in the 'Innovation' category contributed value added and benefits to the organization, while 26 projects in the 'Creator' category originated from creative ideas.



KCG Innovation 2022 Final Day Announcements



KCG Innovation 2023 Final Day Announcements

**The KCG Innovation Contest 2024, themed "Think Green, Think Digital, Innovation Beyond Tomorrow,"** opened for applications between December 2024 and January 2025. The competition results will be announced in March 2025. This year, sustainability benefits and technology integration are included in the judging criteria. This aims to incorporate technology into creative ideas, extending effective innovations while emphasizing the importance of environment and society.

The Company has established a Research Development and Innovation Department responsible for researching and improving product quality to meet customer needs and adapt to changing consumer behaviors. For example, the Company develops products that promote health by displaying nutritional information on the product labels as an alternative approach to health promotion for consumers. In addition, the Company established the KCG Excellence Center, which focuses on research and product development and collaborates with specialist consultants in dairy products to develop high-quality products and models that meet customer needs, while also creating new menu options that consistently align with customer demand.

**For more information on product research and development, please refer to the 'Innovation Development' section in the 56-1 One Report 2024, pages 31 - 35.**

# Key Performance

The Company has developed innovation and technology in the organization as follows:

**1. Promote innovative projects from the KCG Innovation Contest** to contribute to economic value added. The Company continuously organizes the KCG Innovation Contest as an annual competition within the organization, aiming to develop at least 3 award-winning projects for practical use within the Company. At the 2023 KCG Innovation Contest (held between December 2023 and March 2024), three exceptional cross-functional projects had the potential to expand beyond the scope of a project and contribute to the creation of tangible economic value and sustainability. These projects are as follows:

**1.1 Machine Efficiency Improvement Project** This project is categorized as a process innovation, aimed at enhancing the efficiency of machinery to increase the production capacity of 5-kilogram butter packaging by optimizing the production process and upgrading parts of the machinery to increase production efficiency. This project is a collaboration between the production department, engineering department, including research development and innovation department. The project improved the original production capacity from 2,000 kilograms per hour to 2,500 and 2,700 kilograms per hour, respectively. As a result, the project led to a cost reduction exceeding 5.9 million baht in 2024 for this product category while also creating greater sales opportunities for butter and margarine products.



**1.2 8-Gram Butter Cup Repackaging Project** This project is categorized as a process innovation, aimed at reducing the amount of plastic and material used in packaging while maintaining the quality of the product in comparison to its competitors. The project is a collaboration between the production department,

purchasing department, quality control department, research development and innovation department, as well as packaging suppliers. In addition to reducing greenhouse gas emissions, the project also lowered packaging costs for butter cups over 0.52 million baht per year.



**As Is...**

**To Be...**

*Butter cup
- Reduce plastic use in butter packaging from 1.3 grams to 1.2 grams per unit.

*Inner box:
Discontinue the honeycomb divider and minimize the packing size.

*Outer box:
Adjust specifications and size based on the dimension of the inner box.
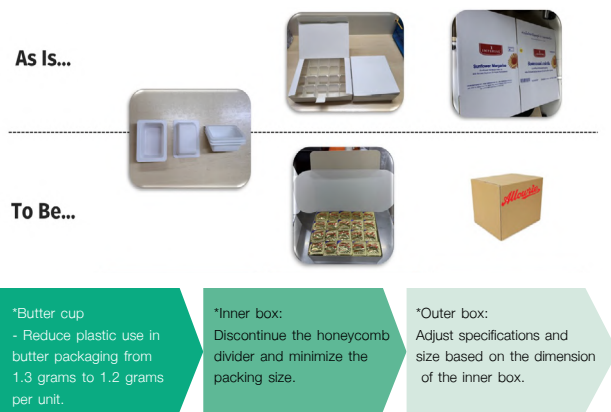
**1.3 Festive Return Hamper 2024 Project**

This project is categorized as a business model creator, aimed at transforming traditional New Year's gift baskets into eco-friendly hampers that are good for the heart and the planet. The project introduced hampers made from 100% biodegradable paper, which can be either sold or recycled after each use to reduce waste and minimize environmental impact. This was a collaborative effort between the purchasing department, research development and innovation department, along with packaging suppliers. The project offers an alternative for customers seeking eco-friendly products and packaging. It has received positive customer feedback, generated sales revenue during the festive season, and contributed to reducing greenhouse gas emissions , resulting in sales volume of 1.16 million baht in 2024

## 2. Lean Manufacturing Project

The Company encourages employees at all levels to be creative and continuously improve work processes for efficiency, moving towards a Lean Manufacturing within the organization. The Company provides knowledge and training on Lean Management to supervisors and higher-level employees in the production line at the factory. Employees are given opportunities to propose creative improvements in work processes, aiming to eliminate unnecessary steps and reduce work time in alignment with the Lean Manufacturing goal. There were 15 Lean Projects submitted by operational employees. These projects included reducing plastic packaging usage, lowering energy consumption by lowering boiling temperatures for product categories that use unnecessary higher heat, and simplifying production steps to enhance efficiency. The implementation of this project is an initiative to foster corporate innovation among employees. The Company plans to further develop and expand this project in the future.

## 3. Creating awareness about Digital Transformation among employees

The Company aims at equipping employees to be a key-driven force to implement digital technology to improve work processes and business operations to keep pace with the ever-changing digital age. The Company provides training and communication programs to ensure that all employees understand the importance and objectives of Digital Transformation.

This serves as a foundation for enhancing work efficiency, meeting customer needs, strengthening the organization's long-term capabilities, minimizing fear and resistance to change and instilling a mindset for employees to embrace new ways of working.



## 4. Building on and supporting innovation projects that bring benefits and reputation to the company

In 2024, the Company expanded its innovative projects to generate tangible benefits and foster employee development in creating new innovations for practical use. These projects have contributed to the Company's success and reputation as follows:

● **Imperial Edible Cookie Cups Project**

The Imperial Edible Cookie Cup was created from cookie scraps that do not meet quality control standards, such as broken or irregularly shaped cookies. This innovation transformed these scraps into a new product such as an edible coffee cup. The project helps reduce food waste during production. The edible coffee cup cookies are biodegradable and eco-friendly, and also contribute to the reduction of greenhouse gas emissions. The Company has applied for a patent as an innovation asset to further support the launch of commercial products



● **Sustainable Transportation Efficiency Project**

A service innovation project aimed at increasing transportation efficiency from the central distribution center in Phase 2 and Phase 3. This innovation project originated from the KCG Innovation Contest 2023-2024 and has been developed to reduce greenhouse gas emissions. This project manages distribution in the same route to enhance efficiency per cycle by using cross-docking and changing the time for distribution. This not only improves efficiency but also makes it easier for customers to track their deliveries. The project has been continuously developed after its success in shortening distances and increasing product delivery efficiency in

provinces with high-volume customers, and it won the 2022 KCG Innovation Award. This project has been continually developed to cover more regions while focusing on sustainability. This project enables the delivery of products that meet customer needs, shortens transportation distances by three times, increases transportation capacity, and reduces transportation costs for per sale for products under this project by 1.05%. Additionally, it has increased storage space in the distribution center which supports business expansion and sales growth. It also reduces greenhouse gas emissions from transportation per cycle, eliminates redundant operations, and shortens delivery times, enabling employees to spend less time on tasks and work,etc.



In addition, there are **New Product Innovation Projects** aimed at adjusting products to meet changing consumer behavior and needs, which continually benefits the organization by increasing sales channels and sales In 2024, the annual sales from new product innovation and Health and nutrition products was approximately 342.5 million baht for the company, with key project examples as following:

- **DAIRYGOLD Cheese Slices, 2 Slices** – The marketing department collaborated with the research development and innovation department to launch cheese slices packaged in convenient 2-slice portions for 19 Baht. This affordable price, which is available through convenience store channels, is suitable for a variety of lifestyles. The product can be enjoyed with instant noodles, which is consistent with the popular Korean food trend among modern teenagers and can generate continuous sales for the Company.

- **IMPERIAL Danish Cookies – New Size.** This collaboration between the marketing department and the research development and innovation department aimed to expand the reach of the popular Red Tin Cookies, traditionally enjoyed during festivals and special occasions. The cookies are now available in a new, smaller packaging, sold through convenience stores. This innovation targets a new generation customer base, particularly teenagers.

- **Imperial Gold Selection** It is a redesign of the Imperial Cookie packaging, transforming it from the iconic red tin to a more modern and premium look that aligns with contemporary trends. The focus is on the premium butter and carefully selected ingredients sourced from various countries, crafted into cookies with a variety of flavors and styles. Under the concept 'A new deliciousness that is unique... making you fall in love with every bite,' the goal is to expand the customer base to include the youth segment. It is perfect for both personal consumption and as a gift for any special occasion throughout the year, not just limited to festive seasons.

# Product Development for Health & Nutrition

The Company is dedicated to developing high-quality products that promote health and nutrition with customer responsibility. The Company researched and developed health-promoting products for consumers with health conditions as well as for the health-conscious.

- Product groups for consumers with health conditions include:

**Zero Sugar Baker's Choice Biscuit Products**

**Allowrie Butter with MCT Oil** – Medium-chain triglycerides (MCTs) that are quickly converted into energy and do not accumulate in the body.

**Imperial Sunflower Spread and Imperial Extra Virgin Olive Spread** – rich in unsaturated fats and help lowering triglyceride levels in the blood.

**Imperial Strawberry Spread, Orange Spread, Pineapple Spread, Mixed Berry Jam, and Blueberry Jam** – these spreads have reduced sugar, offering a less sweet taste, while increasing the fruit pulp content.

**Imperial Vegan Cheddar Style Slices** – ideal for those with lactose intolerance.

● Product groups for consumers with health-conscious include:



Allowrie Cheddar Cheese Slice Smart Kids formula - high in calcium.



Sunquick Concentrated Fruit Juice products in orange, mandarin orange, mixed fruit, and mixed berry flavors – high in vitamin C.

**Revenue of new product innovation and Health and nutrition products**

| Product Group | Revenue (Unit: million baht) | | |
|---|---|---|---|
| | **2022** | **2023** | **2024** |
| **New product Innovation** | 120.9 | 245.0 | 342.5 |
| **Health and nutrition products** | 92.3 | 202.6 | 199.4 |
| Health and nutrition products for high-risk consumer groups | 33.5 | 44.3 | 41.7 |
| Health and nutrition products for Consumer with Health-Conscious | 58.8 | 158.3 | 157.7 |
| **Total** | 213.2 | 447.6 | 541.9 |
| Percentage of revenue to total sales | 2.8% | 5.8% | 7.0% |

# Sustainable and Responsible Supply Chain Management

The Company values sustainable supply chain management and has made it a primary business strategy, with a commitment to manage efficient supply chain and enhancing the Company's potential to achieve its goals, as well as managing potential environmental, social, and economic impacts from any business operations of the Company, its suppliers, or stakeholders in the supply chain. As a result, the Company conducts supplier sustainability assessment and supports suppliers to have good corporate governance to reduce operational risks from economic, social, and environmental impacts. The Company values supplier engagement in potential development and new innovations to jointly strengthen its competitiveness and advantages across the supply chain, leading to mutual sustainability.

## Target

| Indicators | Target 2024 |
|---|---|
| Proportion of suppliers assessed for ESG risks. | **100%** of Critical Tier 1 suppliers conducted supplier sustainability assessment |
| Proportion of suppliers who have signed to comply with the Supplier Code of Conduct. | **70%** of Critical Tier 1 suppliers signed the supplier code of conduct |

## Management Approach and Relevant Policies

The Company recognizes that the operations of any supplier can impact overall goals, not only in economic terms, but also in social and environmental dimensions, such as raw material and product safety, regulatory violations, human rights violations, pollution, and environmental issues, including increased greenhouse gas emissions, waste management, and safety of life and property, etc. The Company established policies for the sustainable supply chain management and integrated supplier management into relevant operations by identifying critical suppliers and classifying those with high ESG risks. This approach aims to mitigate supplier risks and foster a unified effort toward Environment, Social, and Governance (ESG).

> More Information available in:
> **Sustainable Supply Chain Policy**

## Sustainable Supply Chain Management

The Company manages its suppliers in accordance with the sustainable supply chain management policy as follows:

| Identification of Critical Suppliers | Supplier Procurement and Selection | Supplier Evaluation | Development of Supplier Collaboration |
|---|---|---|---|
| - Critical Supplier Criteria<br>- Supplier Sustainability Risk Assessment | - Fair Screening of New Suppliers<br>- New Supplier Sustainability Risk Assessment<br>- Supplier Code of Conduct<br>- Approved Vendor List Registration<br>- Supplier Selection according to ESG criteria | - Performance Evaluation<br>- Supplier Audit<br>- Supplier ESG Assessment | - Supplier Relationship Management and Development Activities<br>- Supplier Sustainability Sanagement Projects (environment and social) |

# 1. Identification of Critical Supplier

- **Setting Criteria and Identifying Critical Suppliers**

  To evaluate the significance of suppliers, the Company has established classification criteria to clearly identify critical suppliers, determine their importance, and assess sustainability risks and manage suppliers appropriately. The criteria are as follows:

  **1. Critical Tier 1 Suppliers** are key suppliers that conduct business directly with the Company and meet the following criteria:

  - The value of raw material purchases is within the top 80% of the Company's total annual purchase value.
  - Supply essential raw materials crucial to the Company's operations, for which no replacements are available.
  - Pose ESG risks, such as environmental impacts, labor violations, or vulnerabilities related to climate change.

  **2. Critical Non-Tier 1 Suppliers**

  Critical Non-Tier 1 Suppliers are key suppliers that do not conduct business directly with the Company but have an impact on the Company's operations. This includes manufacturers or producers of raw materials and copyright owners of products sold to the Company through agents.

- **Supplier Sustainability Risk Assessment**

  The Company assesses supplier risks that may impact both the economic and ESG dimensions, including:

  - Environmental risks, such as waste and pollution management, and non-compliance with environmental laws.

  - Social risks, such as human rights violations, occupational health and safety, and personal data security.

  - Governance and Economic risks such as corruption, ethical disputes, etc.

  The Company requires suppliers to assess sustainability risks through self-assessments and purchasers, using publicly available evidence for foreign suppliers or interview their references. Guidelines have been established for high-risk suppliers to have an on-site assessment at their facilities. If an on-site assessment is not feasible, an online meeting must be arranged promptly to determine a risk mitigation plan.

## Critical Supplier and High-Risk Supplier

In 2024, Critical Tier 1 Suppliers, who conduct business directly with the Company, accounted for 7.9% of the total suppliers.

The Critical Non-Tier 1 Suppliers, who indirectly conduct business with the Company, accounted for 0.9%.

The 2024 risk assessment of critical suppliers found no high-risk suppliers. As a result, on-site assessments were not conducted.

Total number of suppliers: **974**

Tier 1
**965
(99.1%)**

Critical Tier 1 Suppliers:
**77 (7.9%)**

Critical Non-Tier 1 Suppliers:
**(0.9%)**
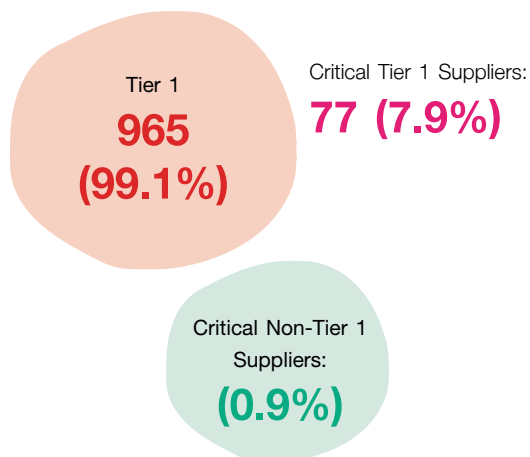
| Type | Number of Suppliers |
|---|---|
| Critical Tier 1 Supplier Assessed | 77 |
| High-risk Supplier | 0 |
| Medium-risk Supplier | 0 |
| Low-risk Supplier | 9 |
| Very low-risk Supplier | 68 |

## 2. Supplier Procurement and Selection

The Company prioritizes fair and transparent procurement and selection of new suppliers, as well as setting the evaluation criteria for supplier audit and sustainability assessment. The Company has an e-procurement system that enables suppliers to complete applications and submit essential supporting documents. This system is designed to safeguard data security and ensure the confidentiality of supplier information. The information received is used solely for trading or supplier management activities, ensuring data protection and preventing data breach or misuse of information.

The criteria for selecting new suppliers include a business score based on factors such as product characteristics in accordance with industrial standards, production, capacity, quality management, delivery capabilities, and business sustainability, including social and environmental issues.

The purchasing department considers the evaluation results of the sustainability self-assessment of new suppliers, and supporting documents for the Approved Vendor List.

- **Supplier Code of Conduct**

The Company established a Supplier Code of Conduct to ensure suppliers understand and adhere to sustainable best practices.

The Company prepared the Supplier Code of Conduct and Code of Ethics which includes material topics such as code of ethics, community and environmental responsibility, human rights, occupational health and safety, and etc. This aimed to serve as sustainability guidelines for suppliers.

New suppliers must acknowledge and sign the Supplier Code of Conduct and Supplier Code of Ethics. The Company plans to expand the process of disclosing the supplier Code of Conduct and supplier Code of Ethics, fostering cooperation to implement the Code of Conduct across all suppliers in each group.

In 2024, the Company developed a Code of Conduct and a Code of Ethics, and began distributing them to 100% of Critical Tier 1 Suppliers, as per the set target. Plans are in place to have new suppliers sign an acknowledgment, with the aim of expanding this initiative to include all supplier groups

- **Sustainable and Responsible Major Raw Material Sourcing**

The Company has additional requirements for the major raw material sourcing, including dairy products (butter oil, cheese and powdered milk), palm oil products, wheat flour, and sugar, ensuring that they come from sustainable and responsible sources.

**Dairy Products:** The Company primarily imports raw materials for dairy products from Australia and New Zealand, which are global critical suppliers with upstream dairy farm management that prioritize animal welfare and comply with national and international laws and standards such as the Australian Animal Welfare Standards and Guidelines for Cattle and the New Zealand Animal Welfare (Cattle) Code of Welfare. Several critical suppliers adhere to the animal welfare guidelines set by the World Organization for Animal Welfare. This ensures that KCG's imported dairy products are certified, meet international animal welfare standards, and have a traceability and verification system.

**Palm Oil Products:** The Company sources palm oil from RSPO-certified (Roundtable on Sustainable Palm Oil) suppliers or from suppliers with a traceability and verification system, ensuring it is not sourced from suppliers associated with environmental or social harm, such as encroachment or deforestation. Instead, suppliers must prioritize sustainable cultivation, biodiversity preservation, reduced pesticide use, responsible water resource management, and ethical labor practices that respect human rights and ensure that the production of palm oil products meets customer needs while consistently upholding environmental responsibility.

**Wheat Flour:** The Company imports wheat flour from abroad, where agricultural industry standards for pesticide management and government agricultural development policies may differ. Therefore, wheat flour products must have a traceability and verification system that identifies their original agricultural source. Suppliers must implement manufacturing processes that prevent the mixing of wheat from different sources, ensuring that all delivered wheat flour is fully traceable to its origin.

**Sugar** is produced domestically under the regulatory framework of the Sugarcane and Sugar Act. Suppliers must comply with all relevant laws, regulations, and guidelines while upholding responsibility throughout the supply chain. In addition to having a sustainability policy, suppliers must demonstrate care and commitment to farmers, production processes, and product delivery in alignment with sustainability guidelines. Suppliers must have a policy promoting the harvesting of fresh sugarcane, providing farmers with knowledge and support to enhance the ecosystem of sustainable sugarcane cultivation. Sugarcane planting areas must not be subject to encroachment or deforestation but follow sustainable farming practices that support biodiversity, implement responsible chemical, insecticide, and pesticide controls, manage water resources effectively, uphold ethical labor practices, and respect human rights.

In 2024, all critical suppliers in the major raw materials group complied with the additional sourcing requirements. No significant risk issues were identified; therefore, on-site assessment was not conducted.

- **Green Procurement Policy**

The Company established the Green Procurement Policy and developed a Green Procurement Manual to source eco-friendly products and services in accordance with the criteria and qualifications specified for each product category. This aims to raise supplier awareness of environmental responsibility and promote the efficient use of resources throughout the product life cycle. The Company prioritizes the procurement of products or services that are the most environmentally friendly, while also ensuring suitability, effectiveness, and reasonable pricing. This includes items such as electrical appliances, office equipment, computers, electronic devices, vehicles, advertisements, public relations services, electrical and construction products, cleaning services, etc.
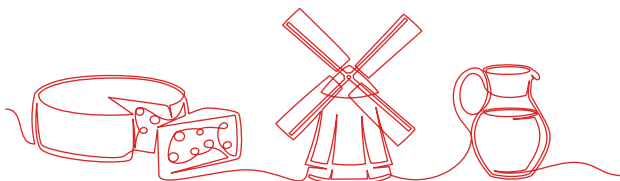
## 3. Supplier Evaluation

The Company conducts annual supplier post-evaluations. If evaluation results do not meet the specified criteria, suppliers must take corrective action within a set timeframe. If improvements are not with the criteria, the Company will consult with suppliers and explore alternative measures for improvement.

As for supplier audit, the Company prepared an annual on-site assessment. The assessment identifies operational inefficiencies and areas for improvement in quality systems and the food production safety standards framework. These issues are monitored until resolved. Suppliers that pose high ESG risks are closely monitored. If these risks stem from suppliers and cannot be mitigated, or pose potential impact on the Company, new measures may be considered or exploring alternatives suppliers.

The Company intends to improve its ESG risk assessment criteria by including ESG risk assessments in its annual supplier audit to further enhance ESG risk assessments of new suppliers. A pilot assessment was conducted with Critical Tier 1 suppliers. The results will be used to study relevant international regulations and standards to review and improve ESG assessment criteria for all suppliers in the long run.

## 4. Development of Supplier Collaboration

The Company prioritized collaborating with suppliers on product, services, and packaging development, as well as promoting potential and sustainable business operation with suppliers by carrying out the following projects.

- **Annual Supplier Meeting**

Since 2019, the Company has held the KCG Corporation Suppliers Day, an annual supplier meeting, to communicate policies and business direction and foster sustainable relationships with suppliers. This annual event provides a forum for communication, knowledge exchange, and developing new ideas. This includes fostering business collaboration and promoting sustainable development throughout the supply chain, such as minimizing environmental impact or adhering to social responsibility standards.

In 2024, KCG Corporation Supplier Day was held on February 6, 2024. The event was attended by over 130 suppliers representing 75 different companies. The Company communicates its sustainability policy and the potential for improved supply chain management through the Logistics Park, providing concrete examples such as the use of EV trucks and the Backhauling Project to reduce waste from return trips. These serve as guidelines for suppliers to adopt similar activities and work towards achieving shared sustainability goals. Furthermore, a seminar on sustainability was held by inviting suppliers who excel in environmental operations, such as Thanakorn Vegetable Oil Products Company Limited, known for "COOK soybean oil," which was the first company awarded with the Green Industry Level 5 for the vegetable oil category to share the journey towards green industry certification. United Container Company Limited (UCC) shared its extensive experience as a supplier with the Company and worked together to develop sustainability through the Green Innovation project with the Company in developing eco-friendly packaging such as butter and bakery products.This set a precedent for other suppliers to join the Company in sustainability development.

**Suppliers' perspective on KCG's sustainability development during KCG Corporation Suppliers Day.**
✓ Ready to grow together with KCG
✓ Adopt policies for business development with ESG
✓ Build strong partnerships
✓ Increase relationship-building activities for business expansion

- **Vendor Managed Inventory (VMI) Project**

The Company, in collaboration with its suppliers, launched a Vendor Managed Inventory project. This project adapts the exchange of information in the supply chain to optimize inventory management and help vendors manage inventory. This was done by determining inventory levels and exchanging information on the use of raw material plans. This allows suppliers to be agile and effective in deliveries. The Company has started studying and implementing with suppliers who are ready to collaborate with the Company before expanding this cooperation with other suppliers.

- **Collaborative Supplier Sustainability Development**

The Company has initiated sustainability projects or activities with suppliers, focusing on environmental and social dimensions such as a backhauling project, in which the Company collects products from its suppliers on the return trip, lowering transportation costs for suppliers and reducing unproductive return trips for the Company. This also helps to reduce greenhouse gas emissions in the supply chain. Furthermore, the Company collaborates with suppliers to create eco-friendly packaging, such as paper-made gift baskets, to increase the proportion of eco-friendly packaging. The Company advises suppliers on improving their quality systems and food production safety standards framework, ensuring that the Company receives standardized raw materials or products.

## Policies and average payment terms for suppliers

The Company is committed to strictly adhering to the terms and conditions of payment agreements with suppliers, accounts payable and receivables. The accounting and finance department processes payments through banking channels, ensuring suppliers receive timely payments. Accounts payable days may differ depending on the product, business type, or commercial conditions. The credit terms determine the accounts payable days as agreed upon with suppliers, depending on various factors such as the nature of the business, the longevity of the partnership, and any other relevant factors. The average accounts payable days is approximately 60 days. The Company has defined and communicated the accounts payable days to its suppliers. In the event of an emergency or other situation that may cause payment delays, the Company will promptly notify the suppliers, explain the reasons, and reschedule the payment as needed, either immediately or in advance, depending on the circumstances.

### Key Performance

| Indicators | 2024 |
|---|---|
| Critical Suppliers | Number of Suppliers |
| Number of critical suppliers | 86 |
|    - Critical tier 1 supplier | 77 (7.9%) |
|    - Critical non-tier 1 supplier | 9 (0.92%) |
| Other suppliers | 888 (91.2%) |
| Total number of supplier | 974 |
| Supplier Sustainability Risk Assessment | |
| The number of critical tier 1 suppliers assessed sustainability risk assessment | 77 (100%) |
| Supplier Code of Conduct and Code of Ethics | |
| The number of critical tier 1 suppliers signed to comply with the Supplier Code of Conduct and Code of Ethics | 77 (100%) |
| Supplier Management | |
| Average of accounts payable days (days) | 41 |

# Cybersecurity

The Company is aware of the importance of data security in maintaining customer trust and ensuring alignment with regulations by using cybersecurity measures and tools to protect sensitive information from unauthorized access and prevent business disruption resulting from undesirable network activities. The Company established a personal data protection policy to ensure that the personal data of employees, customers, and other stakeholders is appropriately protected under international laws and standards.

The Company has established cybersecurity guidelines to safeguard its business operations and stakeholders. The goal is to achieve zero customer data breaches due to cyberattacks and to enhance awareness among all employees about the importance of cybersecurity and personal data protection.

## Target

**Zero** cyberattacks impacting company operations.

**Zero** incident of personal data breaches or leaks.

**80%** of employees receive cybersecurity training by 2025, with **100%** by 2027.
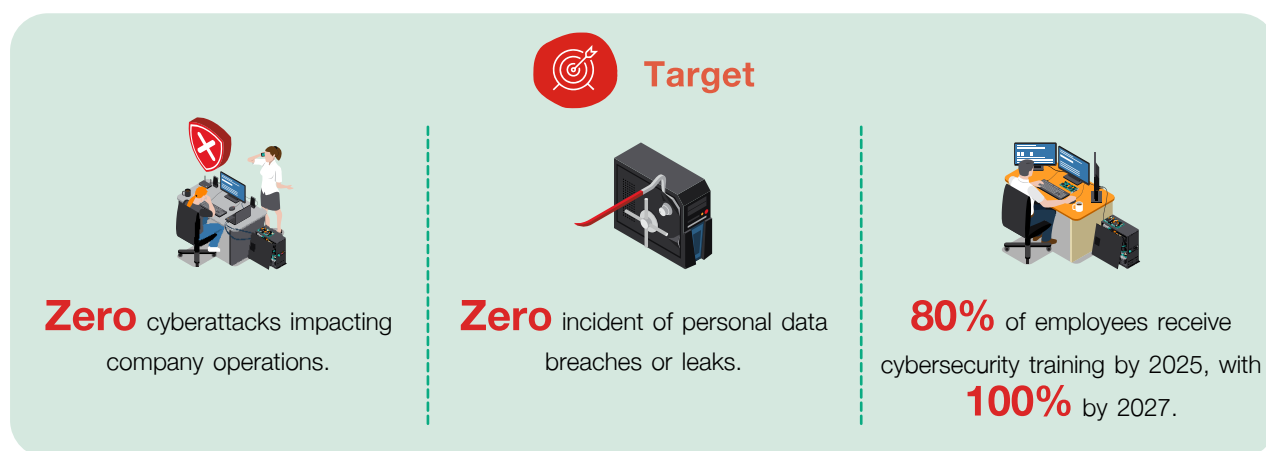
## Cybersecurity Management Policy

The Company has established an information security policy to ensure that its information technology systems are managed and controlled in a secure and appropriate manner, encompassing confidentiality, accuracy, integrity, and availability, allowing for business continuity and efficiency. The Company's Information Security Policy complies with international standards such as ISO/IEC 27001:2022 and the Computer Crime Act 2017. All departments and employees are required to adhere to the policy in all aspects as follows:

- Information security management
- Securing mobile computing devices and remote operations
- Cloud computing systems
- Asset management
- Access control and encryption
- Physical and environmental security
- Security for operations
- Data communication, procurement, system development, and maintenance
- Security incident management

Furthermore, the Company uses artificial intelligence (AI) systems to improve operational efficiency while maintaining data security. The policy also specifies the penalties for any violations of the established policy.

More Information available in:

**Information Security Policy**

- **Cyber Threat Management**

The Company established a process for managing and responding to cyber threats to prevent, mitigate, and restore systems after an attack occurs. This includes establishing an inspection and incident reporting, analyzing causes, and resolving issues to ensure business continuity. The management framework and response to cyber threats is as follows:

## Cyberthreat Management and Response Framework

**1**
Establish a cyber threat protection system

**2**
Raise cybersecurity awareness for employees

**3**
Prepare data backup systems

**4**
Conduct annual disaster recovery drills

**5**
Develop cyber threat monitoring and investigation systems

**(1)**
Establish a cyber threat protection system within the organization that aligns with international standards.

**(2)**
Raise cybersecurity awareness and data confidentiality among all employees to protect personal and company data effectively.

**(3)**
Prepare data backup systems in compliance with international standards, ensuring the ability to quickly recover data and systems without disrupting business operations.

**(4)**
Conduct annual disaster recovery drills to ensure emergency preparedness and the ability to resume operations smoothly during a cyber incident.

**(5)**
Develop a cyber threat monitoring and investigation system to prevent data breaches.

# Personal Data Protection

The Company established a personal data protection policy to protect the Company's data, personal data of suppliers and stakeholders. The Company recognizes the significance of personal data protection, which can affect business operations, reflect the Company's credibility, and support crucial fundamental human rights. The Company is committed to responsible data management and complies with the Personal Data Protection Act 2019 (PDPA) to ensure security and privacy in its operations.

Employees and departments handling personal data must prioritize and take responsibility for its collection, use, and management in strict compliance with the Company's personal data protection policy and the Personal Data Protection Act. The Company aims to prevent customer data breach. In addition, measures to protect personal data information are in place, including reviewing and evaluating the effectiveness of the measures and the management process of a personal data breach. In the event of a personal data breach, the Data Protection Officer will notify the Office of the Personal Data Commissioner within 72 hours of becoming aware of the incident unless the breach poses no risk to the rights and freedoms of the data owner. If the data breach significantly affects the rights and freedom, the Company will promptly inform the data owner and provide remedial measures without excessive questioning.

Additionally, the Company established guidelines for maintaining customer confidentiality in the Code of Conduct and Code of Ethics, which employees are required to strictly follow. Disciplinary measures have been implemented to prevent the misuse of confidential information for personal gain and to ensure that customer confidentiality is maintained strictly in line with the Company's established objectives.

More Information available in:
**Data Privacy Policy**

## Key Performance

In 2024, the Company enhanced and prepared its data backup systems for critical or high-risk data. To increase awareness of cyber threats and ensure compliance with the Personal Data Protection Act, the Company conducted training sessions on PDPA and Cybersecurity Awareness for employee representatives, covering 10% of the total number of employees. Representatives in this first group are selected from departments that IT has identified as having critical responsibilities for personal data protection and cybersecurity. The Company remains committed to extending cybersecurity and personal data protection training to all employees by 2027.

Following the implementation of cybersecurity management, there were no incidents of personal data breaches or leaks in 2024, nor any cyberattacks that disrupted the Company's internal operations.

# Environment
# Sustain The Planet

· Environmental Management System
· Energy and Resource Management
· Waste and Pollution Management
· Climate Change Adaptation and GHG Emissions.

# Environmental Management System

The Company recognizes that its operations have an impact on the environment in certain ways. The Company prioritized environmental care and protection by managing environmental issues across all aspects to promote business sustainability. The Company is committed to managing the environment for the maximum benefit of all stakeholders. The environmental management processes are as follows:

● Climate change adaptation
● Greenhouse gas management
● Sustainable water management
● Sustainable waste management
● Sustainable air pollution management
● Energy management
● Renewable energy management

The Company operates its business in accordance with sustainable development principles and implements the environmental management system in accordance with ISO14001:2015 as follows:

● Analyze both internal and external environmental factors that may impact business operations and stakeholders. Evaluate the positive and negative impact on all stakeholder groups in every field including business groups in the value chain.
● Conduct a product life cycle assessment, which covers raw material sourcing, design, manufacturing, transportation, delivery, utilization, final treatment, and disposal.
● Identify and assess environmental impacts resulting from related activities, products, and services, including a product lifecycle perspective.
● Assess risks and likelihood associated with the Company's products, activities, and services that have an impact on the environment, considering the risk and likelihood of significant environmental issues, organizational context,stakeholders and relevant covenant.
● Establish activity plans, objectives, goals, and environmental management strategies to effectively control these environmental impacts.

# Energy and Resource Management

The Company recognizes the significance of management and action plans in developing and improving methods for maximizing resource utilization and minimizing the consumption of fossil energy, electricity, fuel (oil, gas), water management, and any resources used in its operations. The Company aims to increase the use of alternative or renewable energy sources and raise employee awareness of energy conservation, aligning with sustainable development goals and the organization's sustainable energy management objectives.

## Management Approach

The Company is dedicated to environmental care and actively oversees and monitors operations to ensure an effective environmental management system at both the Theparak and Bang Phli factories. This includes promoting energy conservation and environmental care activities. The Company has implemented an environmental management system based on the ISO14001:2015 standards, which address resource utilization, pollution control, and the Green Industry Level 4: Green Culture criteria set by the Department of Industrial Works. Furthermore, the Company has established an energy management policy and formed an Energy Management Working Team, comprising representatives from various departments to collaborate on promoting energy conservation and efficient resource utilization to be in accordance with the policies and achieve the set goals as follows:

1.  Implement and develop effective energy and resource management systems. Ensure that energy and water conservation are an essential part of the Company's operations in compliance with relevant laws and regulations.

2.  Improve technology and operational guidelines to achieve optimal energy and resource utilization.

3.  Set energy and resource conservation plans and goals each year and communicate them to all employees to ensure their comprehension and implementation.

4.  Instill energy conservation responsibility in the management and employees at all levels, ensuring cooperation and compliance with established measures, while monitoring progress and reporting to the Energy and Resource Management Team.

5.  Provide necessary support, including human resources, budget, time, training, and opportunities for employees to contribute ideas for improving energy and the cost-effective use of resources.

6.  Executives and the Energy Management Working Team review and update energy and resource management policies, goals, and operational plans annually.

## Target

The Company established the following targets for energy and resource management:

| Indicators | Target 2024 | Performance 2024 |
|---|---|---|
| **Energy and Fuel** | | |
| Electricity consumption intensity (kWh/Ton of production) | Decreased by **0.5%** (from base year 2023) | Decreased **0.4 %** |
| Fuel Energy intensity (kWh/Ton of production) | Decreased by **0.5%** (from base year 2023) | Decreased **11.7 %** |

## Performance in Energy and Resource Management

### 1.  Energy and Fuel Management

The Company consumes a substantial amount of electrical energy and fuel, particularly cooking gas in the production process and transportation, which accounted for 51.2%, 36.1%, and 12.7%, respectively. The launch of KCG Logistics Park and the renovation of the Thepharak factory in 2024 led to an increase in energy consumption, including electricity and other energy sources. However, the increase in total electricity consumption was offset by the use of solar energy generated from newly installed Solar Roof systems at five locations. Additionally, the company has implemented electricity management and energy conservation measures to optimize energy usage consistently.

Proportion of Electricity and Fuel Consumption:



- Fuel for Transportation **12.7%**
- LPG Gas **36.1%**
- Electricity **51.2%**

**Purchased Electricity 47.4%**

**Solar Electricity 3.8%**
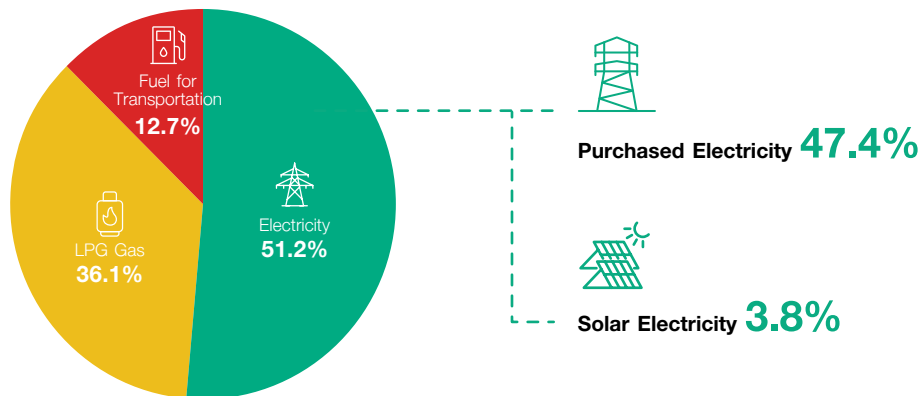
# Energy and Fuel Management Projects

## Solar Roof Installation Project at Logistics Park and Distribution Center

The Company strives to be a Green Organization that drives Thai businesses toward a low-carbon society. Since 2020, the Company has begun to use renewable energy by installing solar roofs at the Theparak factory, which has a capacity of 1,107 kW. In 2024, the project was expanded with an additional 2,358 kW capacity to increase renewable energy capacity and reduce electricity purchases. This expansion covers all five factories and distribution centers, including the Bang Phli factory, KCG Logistics Park, and three distribution centers in Chiang Mai, Surat Thani, and Khon Kaen. The installation was completed and became operational in November 2024. Once fully functional, the system will generate approximately 4,564,489 kWh per year across all locations, resulting in an increased renewable energy consumption in 2025.



Electricity generated from solar energy (kWh)

Electrical Capacity



- 2022: 1,570,614.00
- 2023: 1,576,549.28
- 2024: 1,897,093.83
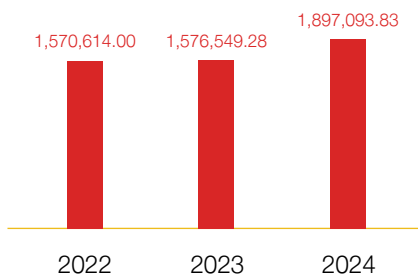
| Electrical Capacity | 2022 | 2023 | 2024 |
|---|---|---|---|
| Number of branches with solar roof installations (locations) | 1 | 1 | 6 |
| Electricity generated from solar energy (kWh) | 1,570,614.00 | 1,576,549.28 | 1,897,093.83 |
| Total Electricity Consumption | 19,900,675.13 | 21,851,359.37 | 23,827,098.28 |
| % renewable energy consumption* | 7.31% | 6.73% | 7.37% |

*Renewable Energy Production as per Total Electricity Consumption

In 2024, electricity consumption from the newly installed power generation system began in November resulting in a 20.3% increase in renewable energy production. The electricity consumption increased significantly due to the construction and testing of the refrigeration systems at KCG Logistics Park. As a result, the proportion of renewable energy consumption in 2024 increased to 7.37% from 6.73% in 2023. Solar rooftop electricity generation is expected to increase further in 2025 as it reaches full operational capacity.

## Centralized Chiller System Project

To enhance the efficiency of Theparak Factory's refrigeration system, which was previously installed as separate units within the production building, a backup system and additional production capacity were required based on engineering calculations. The Company implemented a centralized chiller system to have more efficient central control, designed a control system with adequate emergency backup capacity in case of an emergency. This upgrade will reduce electricity and water consumption, leading to an estimated annual savings of approximately 9.8 million Baht in electricity, water, and maintenance costs of the chiller system. The project was completed in December 2024.

## LED Lighting System Project

The Company replaced the lighting systems at Theparak Factory with energy-efficient LED lighting, which replaced the traditional light bulbs that were required to be turned on 24 hours a day in the work areas at Theparak Factory. This upgrade has resulted in an estimated 40% reduction in electricity consumption compared to traditional light bulbs.

## Energy Reduction in the Boiler System

To reduce energy consumption in the boiler system, a high-energy-demanding system for product production, the Company reused condensate in the boiler system. This has reduced the energy required to generate steam, resulting in a decrease of 1,027 kg of cooking gas (LPG) used per year at Theparak Factory. Additionally, the Company has initiated a project to increase the water temperature before it enters the boiler system to further reduce energy consumption.

The Company also implements other energy conservation projects, such as improving transformer efficiency and enhancing the ventilation system to reduce electricity consumption in production processes.

## Overview of the Company's Electricity and Energy Management

In 2024, electricity consumption per unit of production decreased by 0.4% compared to 2023. Meanwhile, fuel consumption per unit of production (including LPG and fuel for transportation) declined by 11.7%, leading to an overall reduction of 6.3% in total energy consumption per unit of production.

Electricity and Energy Intensity (megajoules per ton of production)

| | 2023 | 2024 | Change |
|---|---|---|---|
| Total energy consumption | 4,898.65 | 4,590.78 | 6.3% ↓ |
| Electricity consumption intensity | 2,361.16 | 2,351.40 | 0.4% ↓ |
| Energy intensity | 2,537.49 | 2,239.38 | 11.7% ↓ |
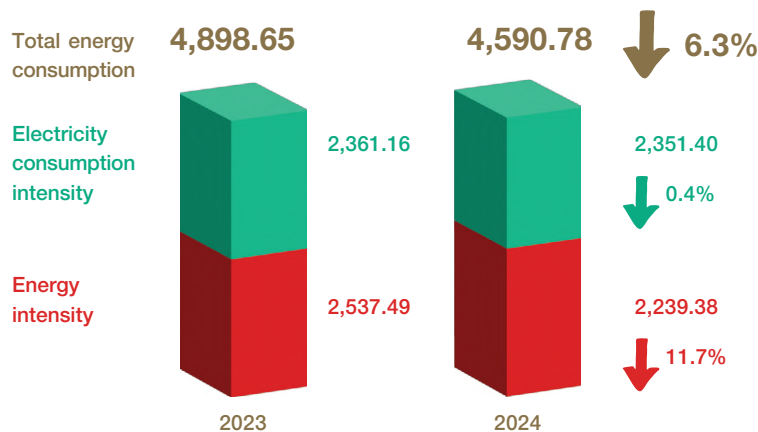
# 1. Water Management

The Company has established water consumption guidelines based on sustainable methods and is committed to continuously improving water management. The Company sources water responsibly, ensuring it does not harm surrounding communities and is mindful of the growing global water challenges. The Company prioritizes environmental impact mitigation through effective water management in its production and service activities, ensuring compliance with the standards, laws, and Notifications of the Ministry of Industry regarding Industrial Effluent Standards B.E. 2560. Additionally, the Company is continuously focused on finding ways to use water recycling within its operations to maximize its utility.

## Water Risk Management Approach

The Company prioritizes water resource management due to the significant water consumption in its operations and production processes. Substantial amounts of water are required for various activities, and wastewater from the production may pollute natural water sources and harm the environment. These impacts may affect the livelihoods of surrounding communities and biodiversity in water sources and contribute to natural disasters such as droughts or seawater surges caused by global warming. Therefore, the Company is committed to improving processes to reduce water consumption and maximize the efficient use of resources while planning for effective wastewater management. The mitigation plan for risk management of water resources is as follows:

### Risk Assessment and Mitigation Plan for Water Resources

| Risk factor | Mitigation Plan |
|---|---|
| Amount of water used in production | • Implement contingency plans for water shortages, such as purchasing tap water by road transport in case of insufficient supply,etc.<br>• Provide a backup water storage system for at least 1.5 days of factory use.<br>• Responsible use of water by focusing on measures to reduce water consumption in production processes, such as improving production efficiency or cleaning processes. |
| Quality of water used in production | • Measure tap water and water quality before starting the production process to prevent impacts on product quality. |
| Regulatory changes related to water | • Monitor changes in water laws and relevant regulations.<br>• Regularly assess compliance with environmental laws and regulations. |
| Conflict with surrounding communities | • Monitor water-related risks, particularly risks that may impact the Company and communities.<br>• Regularly communicate and coordinate with local authorities or water suppliers to follow up with situations and mitigation plans. |
| Financial impact of changes in water costs | • Implement measures to reduce water consumption in the production process. |
| Impacts on biodiversity | • Control wastewater treatment operations to ensure that wastewater from production is processed for internal use without releasing it to public water sources to protect the ecosystem and biodiversity. |
| Suppliers' water resource risks, such as drought, may impact the Company's operations by reducing agricultural production from suppliers | • Prepare a list of alternative suppliers for key raw materials. |

## Overview of Water Consumption

In 2024, the Company had sufficient water resources with no production disruptions or impacts on product quality due to water issues. The Company complied with all water-related laws and received no complaints from surrounding communities. Additionally, the Company achieved a 23.5% reduction in water consumption per production unit compared to 2023, surpassing the target and decreasing water costs.

**Water consumption per production unit***
**(cubic meter/ton of production)**

| | |
|---|---|
| 2023 | 7.12 |
| 2024 | 5.44 |

↓ **23.5%**

Target 2024 : decrease **0.5%**

Remarks : *Water consumption = total water withdrawal - total wastewater volume

# Water Management Projects

## Water Reduction Project in Jelly Production

The Company launched a project to reduce water consumption in jelly production by reusing water recycling to wash molds. This was accomplished by installing a filtration system that recirculates the water into the machines. As a result, the project reduced water consumption by 77 cubic meters per day of production and helped reduce the amount of water entering the treatment pond in the long term.

## Water Recycling

The Company manages wastewater treatment alongside water resource conservation to minimize tap water usage. This involves designing and selecting wastewater treatment systems suitable to the specific characteristics of wastewater generated at each factory, ensuring effective pollution control and treatment. The treated wastewater is then reused within the factory for non-production activities, ensuring no impact on product quality and enhancing overall water management. This was done to maximize water management and improve its efficiency within the factory. Currently, each factory follows the water and wastewater management processes as follows:

**1. Theparak Factory** - Wastewater from the factory enters the treatment system, where it undergoes an initial disposal or treatment process using a grease trap and dissolved air flotation (DAF). It is then sent to the second stage of the treatment, utilizing the activated sludge (AS) biological treatment system and sequence batch reactor (SBR) treatment system until the wastewater meets legal standards. After treatment, the water is of sufficient quality for reuse. The treated wastewater is directed into the softener water system and is used in the cooling tower system and for bathroom toilets.



Primary wastewater treatment system → Secondary wastewater treatment system → Advanced wastewater treatment system

Grease Trap | Dissolved Air Flotation (DAF) Fat Removal System | Aeration Tank | Sedimentation tank | Treated wastewater storage tank | Softener Water | Cooling tower system | Toilet

**Factory** | **Wastewater treatment system** | **Water Recycling**
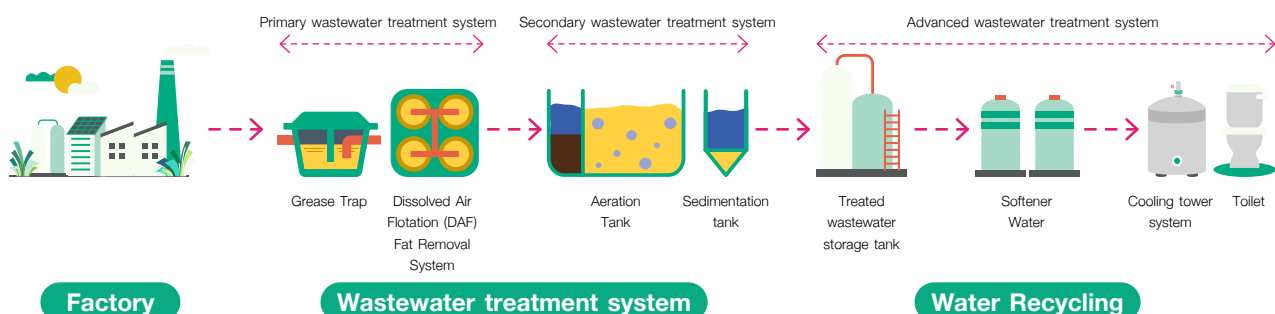
**2. Bang Phli Factory** - Wastewater from the factory enters the treatment system, beginning with the initial removal or treatment process using grease purification and grease trap. It is then sent to the second stage of treatment, where the activated sludge (AS) biological treatment system is used. This system includes three aeration tanks providing sufficient air for wastewater treatment, following the flow direction diagram, until the wastewater meets legal standards. The treated wastewater is stored in the Company's water tank and reused for activities such as watering trees, washing road surfaces, etc.

## Wastewater Quality Control

In addition to installing an efficient wastewater treatment system, the Company has established a monthly monitoring schedule for the quality of treated wastewater. A certified private analytical laboratory, under ISO/IEC 17025 standards, is hired to randomly collect water samples entering and exiting the treatment system for analysis. This ensures the monitoring of wastewater quality and the efficiency of the treatment systems. The monitoring parameters and measurements are based on the Notifications of the Ministry of Industry regarding Industrial Effluent Standards B.E. 2560.

Throughout its operations, the Company has successfully reused **100%** of the treated wastewater in both factories and complied with the standards and laws set by the government to prevent any environmental impacts.
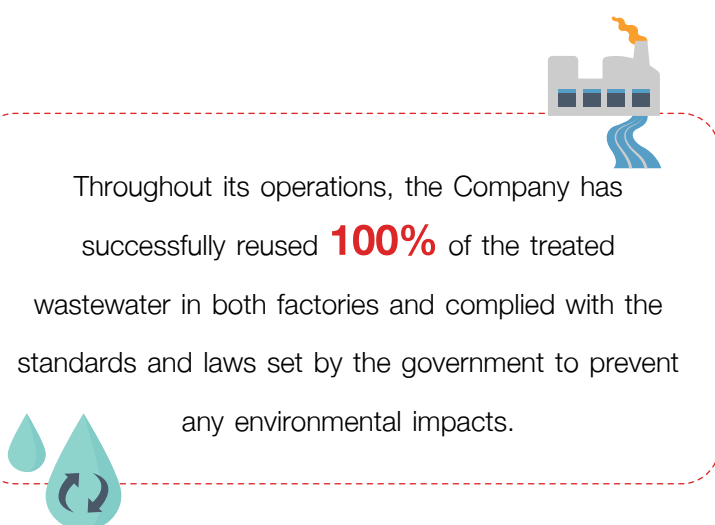
# Waste and Pollution Management

## Management Approach and Relevant Policies

The Company is committed to managing waste and environmental pollution that may have an adverse impact on communities and the environment and drives business with sustainable development principles. The Company adopted the ISO14001:2015 environmental management system to enhance the efficiency and effectiveness of its environmental management. The Company aims to reduce upstream waste and invest in research to recycle waste or degraded raw materials for maximum benefit. Additionally, the Company focuses on managing and controlling environmental impacts in all aspects, such as water, air, and noise pollution, which may arise from its production, transportation, and various support processes in the business value chain. All activities are managed in compliance with legal requirements, stakeholder expectations, and established standards. The Company continuously plans its business development in alignment with environmental goals to achieve the objectives of the environment and sustainability policies.

**Target**

Zero Waste to Landfill **100%** at Thepharak Factory by 2024.

Reduce waste per ton of production by **5%** from 2023.

**Zero** complaints related to violations of laws or environmental impacts.

## 1. Waste management

The Company prioritizes minimizing waste and garbage generated from its production processes by adopting a 3Rs waste management approach: Reduce, Reuse, and Recycle. This approach aims to achieve the Zero Waste to Landfill goal. The waste management process includes segregation, storage, disposal, and documentation of waste, along with reporting to government agencies in compliance with legal requirements. The Company also promotes environmental awareness among employees by providing knowledge and understanding of waste disposal regulations and practices, as well as encouraging the reduction of production waste.

Types of waste and the management methods are as follows:

**1. Hazardous** waste consists of waste or leftover materials that contain or are contaminated with hazardous substances or have dangerous properties as defined by the Ministry of Industry. This includes electrical and electronic equipment, containers and materials contaminated with oil or chemicals, oil, lubricants, and infectious waste from hospital rooms. These are managed by segregating and storing them in designated hazardous waste storage rooms with labeled indications. They are then disposed of by a hazardous waste disposal contractor authorized by a government agency through methods such as mixing with fuels, secure landfill, or incineration. Infectious waste is separated and securely bagged with tight closures. The Company has a contract with the hospital as a service provider to ensure proper disposal of infectious waste in compliance with relevant laws and regulations.

**2. Non-hazardous waste** from the production process includes materials such as sludge, fat sludge, spoiled products, oil (cheese scraps, butter scraps, and flour scraps), raw materials, product packaging (metal buckets, plastic buckets, plastic, cling wrap, plastic bags), general office and cafeteria waste, food scraps, etc. The waste management method involves segregating these wastes into small groups before collecting and discarding them at designated points on a daily basis, according to the labeled indications to be sorted and used for recycling or repurposed into compost, soil conditioner, or animal feed. This waste can be disposed of by a waste disposal contractor authorized by the government agency through methods such as segregating waste for fuel production or sanitary landfills.

**Performance on Waste and Pollution Management**

In 2024, the total amount of waste and garbage was 3,175.5 tons, reflecting a 2.3% increase from 2023. This rise was attributed to the expansion of the butter and cheese production lines, the construction of KCG Logistics Park, and the renovation of Theparak Factory. However, over 99% of the waste consisted of garbage and non-hazardous waste. The Company has reduced waste per ton of production from 87.37 kilograms to 81.09 kilograms per ton, representing a 7.2% decrease. Additionally, 83.7% of the total waste is recycled and reused.

**Total Waste Generated by Category (ton)**

| | 2022 | 2023 | 2024 |
|---|---|---|---|
| Total waste per ton of production (kg./ton) | 91.65 | 87.37 | 81.09 |
| Total Waste Generated (ton) | 3,216.7 | 3,120.7 | 3,193.5 |
| Total hazardous waste (ton) | 5.9 (0.2%) | 7.7 (0.3%) | 6.3 (0.2%) |
| Total non-hazardous waste (ton) | 3,210.8 (99.8%) | 3,113.0 (99.7%) | 3,187.2 (99.8%) |
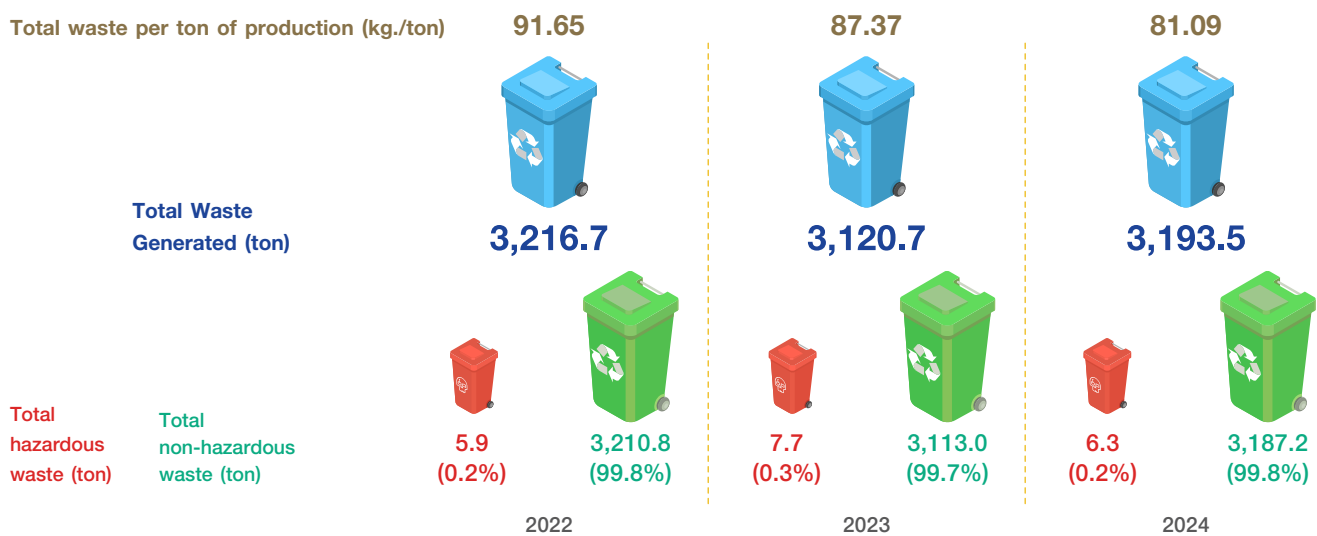
## Total Waste Generated in 2024

| Branch | Total Waste 3,193.5 tons | |
| --- | --- | --- |
| | Hazardous waste 6.3 tons | Non-hazardous waste (Non-Hazardous waste) 3,187.2 tons |
| Head Office | 0.010 | 12.29 |
| Theparak Factory | 2.68 | 2,653.39 |
| Bang Phli Factory | 3.18 | 485.03 |
| Bangna | - | 9.78 |
| Chiang Mai | - | 4.54 |
| Khon Kaen | - | 8.98 |
| Surat Thani | 0.43 | 13.18 |

### Total Waste and Waste Management in 2024

**Total Waste: 3,193.5 Tons**

**Hazardous waste 6.3 Tons (0.02%)**

**Non-Hazardous waste 3,187.2 Tons (99.8%)**

**Diverted from disposal (reuse/ recycle/ repurpose)**
**2,674.63 Tons**
**83.7%**

Hazardous waste:
Separated and sold for recycling
0.98 Tons

Non-Hazardous waste:
Compost 1,600.97 Tons
Animal feed 526.76 Tons
Separated and sold for recycling 0.98 Tons

**Waste Management**

**Waste directed to disposal**
**518.88 Tons**
**16.3%**

Hazardous waste:
Incineration with energy recovery and fuel blending 3.70 Tons
Security landfill 1.62 Tons

Non-Hazardous waste:
Sanitary landfill 84.95 Tons
Incineration with energy recovery and fuel blending 428.60 Tons

Note: Total waste generated by the Company, excluding subsidiaries
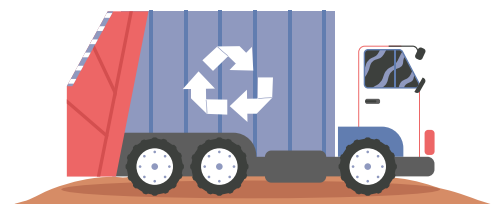
# Food Waste Management

The Company established a food loss and food waste policy with a commitment to comply with food quality and safety standards to create sustainability in operations and reduce environmental impacts by reducing food loss and food waste in every step of the production and operations processes to increase efficiency and maximum benefit from raw materials used in food production in accordance with the Food Safety Certification System (FSSC 22000). The Company plans to reduce food loss and food waste by preventing food waste from the upstream stage, enhancing production efficiency, planning raw material purchases, managing inventory turnover to reduce expired products, and promoting awareness and consciousness among all employees and stakeholders.

For more information available in:

**Food Loss and Food Waste Policy**

The Company's food waste is categorized into two types and managed as follows:

**1. Food waste from production** includes deteriorated products that can be reused, such as cheese scraps, butter scraps, and flour scraps. These are managed by segregating and selling them for further processing, such as turning them into fertilizer, components for agricultural planting materials, or raw materials for animal feed.

**2. General food waste** from the office or cafeteria, such as food scraps, vegetables, and fruits, constitutes a smaller proportion compared to the waste from production. The Company separates this food waste at the cafeterias of both the Bang Phli Factory and Theparak Factory and disposes of it through the municipality for sanitary landfill.

| Total Food Waste by Category (ton) | 2022 | 2023 | 2024 |
|---|---|---|---|
| Food waste from production | 425.77 (91.7%) | 620.09 (93.4%) | 586.52 (93.6%) |
| General Food Waste | 38.6 (8.3%) | 43.83 (6.6%) | 39.8 (6.4%) |
| **Total** | **464.37** | **663.92** | **626.36** |

| Food Waste Disposal by Method (tons) | 2022 | 2023 | 2024 |
|---|---|---|---|
| **Waste Diverted from Disposal** | | | |
| - Animal feed | 342.47 (73.7%) | 543.49 (81.9%) | 524.33 (83.7%) |
| **Waste directed to disposal** | | | |
| - Sanitary Landfill | 31.52 (6.8%) | 18.07 (2.7%) | 3.64 (0.6%) |
| - Incineration (with energy recovery, blending fuel) | 90.39 (19.5%) | 102.37 (15.4%) | 98.38 (15.7%) |

# Waste Management Projects

## Zero Waste to Landfill Project

To achieve the goal of Zero Waste to Landfill 100%, the Company implemented a change in waste disposal methods at Theparak Factory at the end of 2022. The change was made from landfill disposal to incineration using a specially designed waste incinerator. This efficient waste disposal technique is capable of burning large amounts of non-recyclable waste and includes a system to control gases and soot generated during combustion, preventing pollution and environmental disturbances. The result is that the heat energy from burning waste is utilized to produce steam or hot water for generating electricity and segregating waste for recycling. In 2024, Theparak Factory implemented Zero Waste to Landfill. The Company also has plans to expand the Zero Waste to Landfill project to the Bang Phli Factory and across the entire organization in the long term.

## General Waste Reduction Project

The Company has initiated a change in environmental culture for factory workers by encouraging the segregation of plastic bottles, glass bottles, and beverage cans within the factory. This helps reduce the amount of general waste sent for incineration or landfill, and instead, it is directed into recycling management. Production line staff are guided to segregate plastic bags from packaging and raw materials preparation as well as other processes, ensuring that the plastic bags are free from contamination. Additionally, various types of waste are segregated into recyclable waste groups, which are then stored for sale to reduce the amount of general waste sent for incineration or landfill and contribute to recycling management efforts.



Promoting environmental policy on waste segregation through communication activities



Waste Segregation from the production process for recycling.



WASTE SORTING

METALL   PLASTIC   GLASS   PAPER

## 2. Air Pollution Management

The Company prioritizes air quality management in the workplace and surrounding communities, developing a plan to ensure air quality meets standard criteria and exploring ways to improve the system. The Company consistently improves air quality by establishing clear goals and regularly measuring and monitoring air quality to ensure regulatory compliance and stakeholder confidence. This includes implementing eco-friendly measures to ensure that air quality standards are met and continuously improving the Company's air quality control systems.

### Air Pollution Control

The Company has a Preventive Maintenance (PM) plan for hood systems installed in various locations, including the boiler. This includes monitoring and inspecting the laboratory's fume hood systems, as well as the cheese pot and boiler once a year to ensure that they can properly filter the air before it is released outside the factory.



### Air quality monitoring at the factory chimney tip

The Company conducts air quality monitoring parameters to check the released emissions at the tip of the factory's chimney twice a year as required by law. A certified private analytical laboratory under ISO/IEC 17025 standards is hired to conduct air quality monitoring of factory emissions at the tip of the chimney in accordance with the Notification of the Ministry of Industry B.E. 2549 (2006) on the amount of chemical contaminants released from factories. The monitoring parameters include:

1. Total Particulate Matter (TSP)
2. Sulfur Dioxide (SO2) and Nitrogen Oxides (NOx as NO2)

The results of the air quality inspection at the chimney tip for 2023-2024 met all of the required parameters.



Air Quality Monitoring
at the chimney tip

## 3. Environmental Complaints Management

The Company has established a systematic process for receiving and handling complaints in accordance with ISO14001:2015 standards, ensuring proper classification and appropriate management of each type of complaint. Various channels are available for stakeholders affected by environmental pollution to report issues directly, enabling the Company to take prompt corrective action. Additionally, the Company compiles and summarizes complaint resolutions for regular reporting and continuous improvement.

### Key Performance

In 2024, the Company had no incidents of oil or chemical spills affecting the environment and surrounding communities. Additionally, there were no complaints regarding waste management or environmental pollution from surrounding communities or government agencies.

# Climate Change Adaptation and Greenhouse Gas Emissions

The Company is aware of the climate change impact on the environment, society, politics, and the economy. This inevitably impacts its business operations. As a result, the Company conducted a risk and likelihood analysis of climate change and managed its business operations to align with the Company's and Thailand's greenhouse gas emission reduction targets.

## Management Approach

The Company established the Sustainable Development and Innovation Working Team to oversee environmental, social, and governance sustainability management and monitor climate change, greenhouse gas emissions, energy, and resources. The Company establishes targets and strategies for greenhouse gas emissions reduction and drives to manage resource consumption effectively to align with policies and achieve its goals. Each year, a Corporate Carbon Footprint working team prepares the carbon footprint of the organization (CFO) to obtain a certification from the Greenhouse Gas Management Organization (Public Organization).

## Disclosure of Greenhouse Gas Emissions

The Company has prepared data to assess the corporate carbon footprint of Thepharak Factory, Bang Phli Factory, the headquarters, Bang Na Branch, and distribution centers in Chiang Mai, Khon Kaen, and Surat Thani. This assessment covers all 3 scopes of greenhouse gas emissions in accordance with the Greenhouse Gas Emission Accounting and Reporting Standards. Prior to the disclosure of the greenhouse gas emissions, the collected data undergoes a verification process for accuracy, a registered verifier certified by the Thailand Greenhouse Gas Management Organization (Public Organization). This process has been conducted annually for each branch since 2022. The Company received the carbon footprint of the organization: CFO certification from the Thailand Greenhouse Gas Management Organization (TGO). This certification is renewed annually.

In 2024, the Company consolidated greenhouse gas emissions data from all branches into a single corporate-wide emissions account. This approach ensures accurate reporting, reflecting the Company's actual emissions and activities while preventing double counting of inter-branch operations and verified by VGreen KU Company Limited.
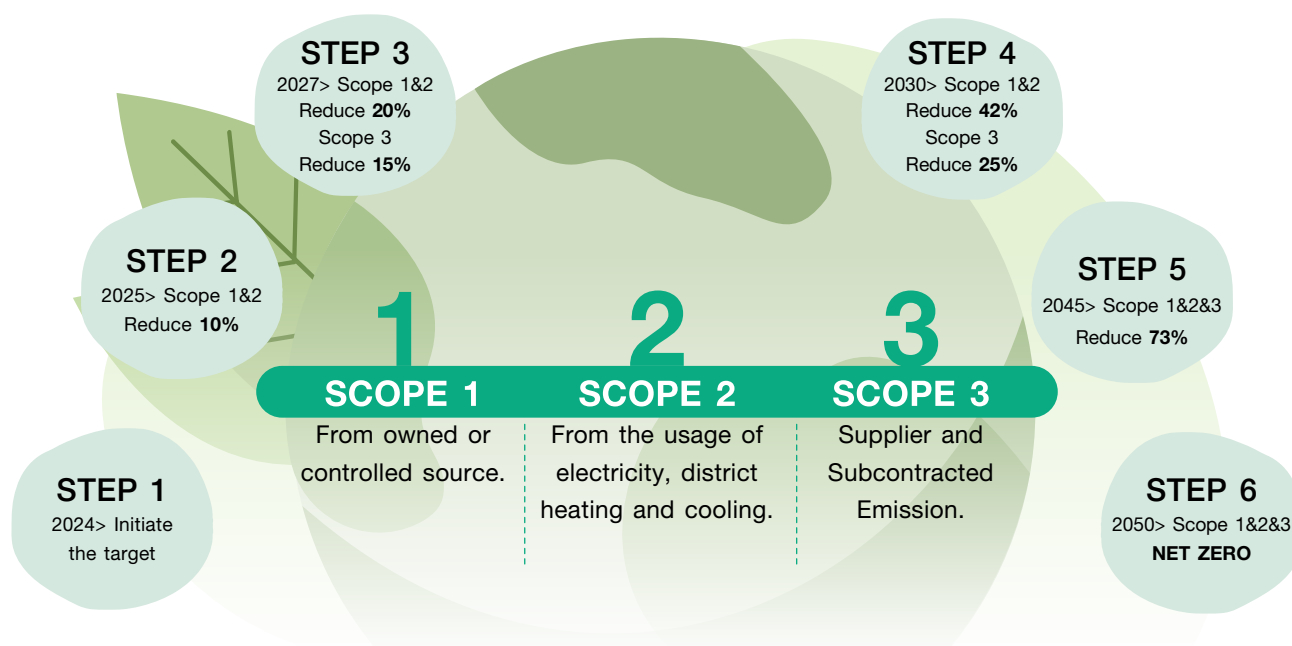
## Greenhouse Gas Emissions Targets

The Company sets a target for the reduction of greenhouse gas emissions from the base year in accordance with the Science Based Targets initiative (SBTi), using the SBTi Tool to set both short- and long-term targets in Scope 1, 2, and 3, and establishing a Net Zero Action plan to support the near-term and long-term targets as follows:

# AIMS FOR NET ZERO BY
# *2050*

**STEP 3**
2027> Scope 1&2
Reduce **20%**
Scope 3
Reduce **15%**

**STEP 4**
2030> Scope 1&2
Reduce **42%**
Scope 3
Reduce **25%**

**STEP 2**
2025> Scope 1&2
Reduce **10%**

**STEP 5**
2045> Scope 1&2&3
Reduce **73%**

**1**
**SCOPE 1**
From owned or controlled source.

**2**
**SCOPE 2**
From the usage of electricity, district heating and cooling.

**3**
**SCOPE 3**
Supplier and Subcontracted Emission.

**STEP 1**
2024> Initiate the target

**STEP 6**
2050> Scope 1&2&3
**NET ZERO**

## Near-Term Targets:

- Reduce Scope 1 and 2 greenhouse gas emissions by 10% by 2025, using 2024 as the base year.
- Reduce Scope 1 and 2 emissions by 20% and Scope 3 emissions by 15% by 2027, using 2024 as the base year.

## Long-Term Target:

- Achieve Net Zero greenhouse gas emissions by 2050, with 2024 as the base year.

The Company is actively planning its transition toward Net Zero emissions in both the short- and long-term, following its Net Zero Target and Roadmap. By 2025, the focus is on energy and waste management to achieve a 10% reduction in Scope 1 & 2 within its own operations from the base year 2024 and find a strategic approach to reduce Scope 3 emissions, which may require strengthened collaboration with suppliers.

## Climate Change Risk Management

The Company has assessed climate change risks based on the Task Force on Climate-Related Financial Disclosures (TCFD) guidelines to identify and evaluate its impacts on operations in all dimensions, analyzing risks and risk likelihood from physical risks, which are natural disasters such as flash floods, storms, infectious diseases in plants and animals, rain bombs, and chronic disasters such as droughts in agricultural or livestock farming areas that may impact key raw materials which affect the Company's performance, business disruption in the production and transportation as well as the tendency of higher production costs of agricultural raw materials. This includes transition risks such as government policies, carbon pricing regulation, and information on climate change impacts, which may lead to reputation risks if targets are not achieved. Additionally, there are opportunities to develop products and packaging with innovations or new technologies. The Company incorporates these risks into its strategic planning to further develop an appropriate mitigation plan.

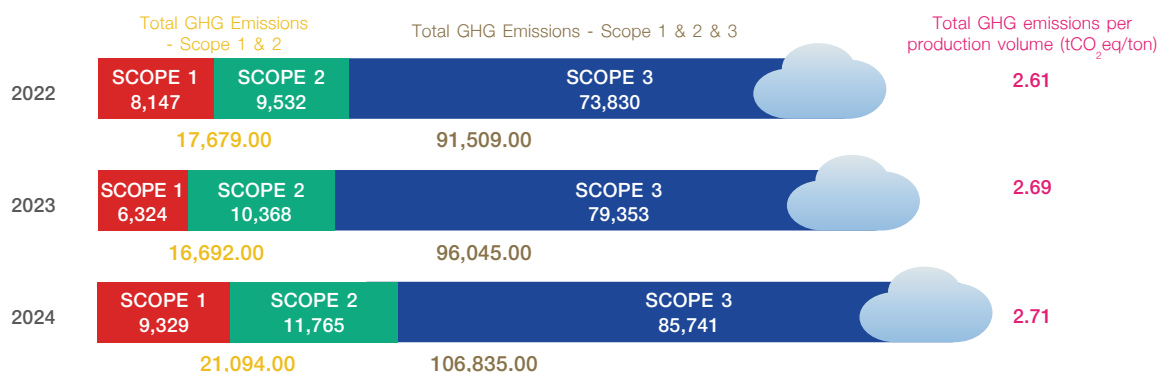**Mitigation Plans for Climate Change Risks**

| Risk | Time Frame | Impact | Mitigation Plan |
|------|-----------|--------|-----------------|
| **1. Physical Risk** | | | |
| 1.1 Acute risks<br>- Flash floods<br>- Storm or rain bombs | short term<br>0 - 1 year | Business Disruption in production and transportation & other related activities | - Establish a business continuity plan for sudden natural disasters<br>- Research insurance options that provide coverage for natural disaster |
| 1.2 Chronic risks<br>- Droughts<br>- Inclement Weather | medium-term<br>2 - 5 years | Shortage of fresh water in agricultural or livestock farming areas, affecting raw materials | - Secure alternative raw material sources across multiple continents<br>- Develop product formulas that use reserved raw materials |
| **2. Transition Risk** | | | |
| 2.1 Government policy and GHG emissions regulations | short term<br>0 - 1 year | Carbon taxes may cause higher production costs and greater difficulty accessing funding sources | - Closely monitor the movements of government policies and new laws |
| 2.2 Information disclosure on climate change impacts | medium-term<br>2 - 5 years | Reputation and credibility risk if failure to disclose according to standards or regulation | - Adopt international standards in disclosing information |
| 2.3 Costs to transition to lower emissions technology | long term<br>6 – 10 years | Necessary to invest in new technology and innovation to achieve the Net Zero Emissions goal, leading to an increase in investment and expense. | - Study guidelines for using machinery or technology that reduces energy, increases work efficiency, and lowers waste generated from production |
| **3. Opportunity** | | | |
| 3.1 Product and packaging development | short term<br>0 - 1 year | Customers and consumers value low-carbon products, presenting a market opportunity | - Develop products and packaging using eco-friendly materials |

## Performance Results

### Performance on Greenhouse Gas Emissions

In 2024, the Company's Scope 1 and 2 greenhouse gas emissions totaled 21,094 $tCO_2eq$, while the total greenhouse gas emissions (Scope 1, 2, and 3) amounted to 106,835 $tCO_2eq$, reflecting an 20.9% and 10.1% increase from 2023, respectively. This rise is attributed to the launching of KCG Logistics Park, which serves as both a distribution center and a warehouse, replacing the previous external warehouse rental, moreover the usage of renovation at Theparak factory. As a result, energy consumption increased compared to the previous year. When comparing to the production capacity, the greenhouse gas emissions per production unit was 2.7,1 an increase of 0.9% from the previous year. The highest percentage of the Company's greenhouse gas emissions are from Scope 3, which represents 80% of the total greenhouse gas emissions.

Greenhouse Gas Emissions

Greenhouse gas emissions (unit: tons of carbon dioxide equivalent, $tCO_2eq$)

| Year | Total GHG Emissions - Scope 1 & 2 | | Total GHG Emissions - Scope 1 & 2 & 3 | Total GHG emissions per production volume ($tCO_2eq$/ton) |
|------|------|------|------|------|
| 2022 | SCOPE 1: 8,147 | SCOPE 2: 9,532 | SCOPE 3: 73,830 | 2.61 |
| | 17,679.00 | | 91,509.00 | |
| 2023 | SCOPE 1: 6,324 | SCOPE 2: 10,368 | SCOPE 3: 79,353 | 2.69 |
| | 16,692.00 | | 96,045.00 | |
| 2024 | SCOPE 1: 9,329 | SCOPE 2: 11,765 | SCOPE 3: 85,741 | 2.71 |
| | 21,094.00 | | 106,835.00 | |

Note: This excludes the greenhouse gas emissions of subsidiaries. There is a plan to calculate greenhouse gas emissions for subsidiaries in 2025.

## Green Logistics

The Company implemented environmental and supply chain management plans aimed at reducing greenhouse gas emissions by increasing the use of renewable energy, particularly solar energy, and improving supply chain management, especially in transportation and storage, under the concept of Green Logistics in order to support environmental strategies and energy management to reduce greenhouse gases. The projects are as follows:

### Increase Energy Management Efficiency

Transition to LED lighting across the KCG Logistics Park, including warehouses and distribution centers in other provinces, to replace traditional light bulbs.

### Increase Renewable Energy Consumption

Installing solar roof panels at KCG Logistics Park and distribution centers in Chiang Mai, Surat Thani, and Khon Kaen

### Increase EV trucks and Electric Forklifts

Gradually transition to electric forklifts, replacing traditional gas-powered models to reduce greenhouse gas emissions. Additionally, electric forklifts do not produce smoke or exhaust fumes which helps reduce air pollution and enhances safety for employees as there is no need to store fuel which is a flammable substance that can cause a fire.

| Overview | Performance 2024 |
|---|---|
| **Increase Energy Management Efficiency**<br><br>Transition to LED lighting across the KCG Logistics Park, including warehouses and distribution centers in other provinces, to replace traditional light bulbs. | Switched to 1,500 LED lights in 5 branches.<br><br>Reduced energy costs by 143,320 Baht per year.<br><br>Reduced electricity consumption by 44,928 kWh per year.<br><br>Reduced greenhouse gas emissions by 22.46 $tCO_2$ eq. |
| **Increase Renewable Energy Consumption**<br><br>Installing solar roof panels at KCG Logistics Park and distribution centers in Chiang Mai, Surat Thani, and Khon Kaen | Installed solar roof at 5 branches with a total installation capacity of 2,358 kW.<br><br>Electricity consumption from the solar roof: 2,850,096 kWh per year.<br><br>Reduced Greenhouse gas emissions by 788.12 $tCO_2$ eq. |
| **Increase EV trucks and Electric Forklifts**<br><br>Tested 6-wheel and 4-wheel electric vehicles for delivering products from the distribution center to customers in Bangkok and Chiang Mai.<br><br>Transitioned to electric forklift with lithium batteries in KCG Logistics Park, warehouses, and provincial distribution centers.<br><br>Installed electric vehicle charging stations in KCG Logistics Park and Theparak distribution center. | Total number of electric trucks: 10 (7 4-wheel vehicles and 3 6-wheel vehicles).<br><br>Reduced greenhouse gas emissions by 39.47 $tCO_2$ eq.<br><br>Number of electric forklifts with Lithium battery: 53.<br><br>Reduced greenhouse gas emissions by 33.70 $tCO_2$ eq<br><br>Number of electric vehicle charging station : 3 |

## Develop Eco-Friendly Packaging.

The Company has taken steps to increase the proportion of environmentally friendly packaging and maintain product quality by changing the type of packaging materials to be more environmentally friendly, such as changing plastic materials that decompose difficulty to biodegradable types that are easier to decompose or materials that can be recycled. Reducing the amount of material used, such as optimizing the size and characteristics of cardboard boxes, protecting the product completely during transportation, and a project to study and reduce the thickness of steel used in canned packaging.

The Company has a plan to adjust the plastic film packaging group to be a single type of plastic (Mono Material) that can be separated and entered into the recycling process more easily. There is a plan to communicate the symbol of recycling through packaging. Currently, more than 61% of all the packaging used for the Company's products can be recycled.

# Social
# Nourish Our Communities

- Product Safety and Responsibility to Customers and Consumers
- Human Capital Management
- Occupational Health and Safety
- Community Involvement and Development

# Product Safety and Responsibility to Customers and Consumers

**"KCG Corporation commits to providing high-quality products, integrating innovation in production and services, exceeding customer expectations, upholding consumer safety to international standards, and fostering environmental sustainability."**

The Company has established a Quality, Environment, and Food Safety Policy to ensure customer satisfaction and confidence, prioritize quality and food safety, maintain product quality to meet international standards, and continuously strive for improvement. To uphold an effective management system for Quality, Environment, and Food Safety, the Company enforces strict control and inspection measures throughout its operations in accordance with laws and international standards from selecting high-quality raw materials and adhering to standardized production processes to delivering products and services to consumers and customers.

Additionally, the Company is committed to conducting business responsibly by providing accurate and transparent nutrition information as well as detailed product and service descriptions to support the decision-making of customers and consumers. This ensures that customers and consumers have the information required to make purchasing decisions with confidence. The Company also prioritizes efficient complaint management, effective issue resolution, and swift responses to product and service concerns. The Company also strives to minimize complaints, address customer needs promptly, and build lasting relationships while fostering trust and confidence in its products and services.

For more information available in:

**Quality, Environment, and Food Safety Policy**

## 🎯 Target

| Indicators | Target 2024 | Performance 2024 |
|---|---|---|
| Customer satisfaction | **75%** | **72%** |
| Number of complaints from customers and consumers* | Decreased by **5%** compared to the previous year, relative to annual production volume (tons) | Decreased **0.9%** |
| Respond to complaints and provide corrective and preventive actions within 2 business days of notification through the Company's system | Not less than **70%** | **73.2%** |

Note * the calculation is based on

$$\text{Number of complaints in units ppm (part per million)} = \frac{\text{Number of complaints from operations}}{\text{Annual production volume (ton)}} \times 1{,}000{,}000$$

## Management Approach

The Company has adopted international food quality and safety standards to foster customer and consumer confidence in its products, mitigate health risks, and respond to the demand for eco-friendly products. The Company is certified with the following certifications:

### 1. FSSC22000
Food Safety System Certification for food production

### 2. GHP
Good Hygiene Practices for food quality and safety standards in the food industry.

### 3. HACCP
Hazard Analysis Critical Control Points in food production processes.

### 4. ISO 9001
is an international quality management system (QMS) standard.

### 5 ISO/IEC 17025
is the international standard for testing and calibration laboratories by the Department of Medical Sciences and the Thai Industrial Standards Institute.

### 6. HALAL
is a symbol for permitted food under Islamic consumption law.

### 7. HAL-Q
is a Halal Assurance and Liability Quality System for Muslim Consumer Protection.

4-1252-20-100-00
### 8. RSPO
is the standard for Roundtable on Sustainable Palm Oil.

### 9. Thailand Trust Mark
is a symbol of excellence and trusted quality that was established to add distinctive value to Thai products and services that are made in Thailand with quality production, environmental and social responsibility, and fair labor practices.
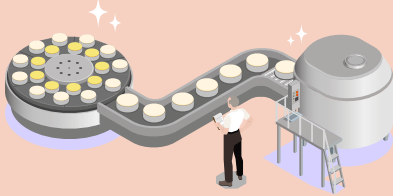
### 10. GIP Plus
is a Good Importing Practice standard for importing health products into Thailand.

# Key Action Plan

## 1. Product Quality and Food Safety



### 1.1 Inspection of Good Hygiene Practices (GHP)

Complying with hygiene standards in the production process to ensure that every work process in the production line is clean and hygienic by the Company's GHP internal audit team.

### 1.2 Process Audit

Conducting monthly process audits to ensure compliance with production process standards. These audits help monitor the production process to ensure it aligns with defined procedures, enabling continuous improvement and quick identification and resolution of issues that may impact the quality and food safety of the product. This process ensures that the production operations are consistently overseen by the Company's quality control department.
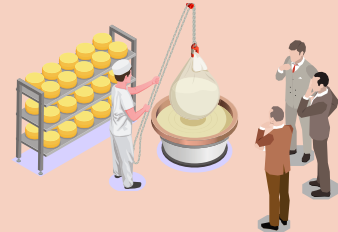




### 1.3 Annual Product Testing for Quality and Safety Monitoring

The Company submits product samples for annual quality and safety monitoring for all product groups to assess and ensure the quality and food safety of the products. This process helps verify that product quality remains efficient and meets the specified standards and compliance with legal requirements. It enables the effective detection of contamination inspected by the Company's quality control department.

### 1.4 Preparation and Development of Food Quality and Safety Systems to Meet International Standards

The Company has continuously improved its quality and food safety management systems, ensuring that food products and exported goods meet international standards. This process is monitored by the Company's quality control department.
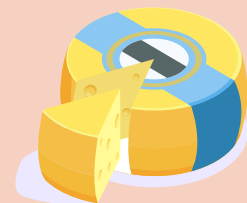
## 1.5 Supplier Audit

Conducting an annual risk assessment for suppliers and a supplier audit. This allows the Company to effectively select and control raw materials and packaging, reducing the risk of using substandard materials that could impact the quality and food safety of the products. This process is managed by the Company's quality control department.

## 1.6 Annual development of Fast and Accurate Testing Methods

The Company emphasizes the development of modern testing techniques to ensure fast and accurate results. This development plays a crucial role in assessing the quality and safety of food and products, managed by the Company's laboratory unit, which is certified by ISO/IEC 17025 standards by the Department of Medical Sciences and the Industrial Standards Institute.

## 1.7 Food Quality and Safety Standards Education

The Company provides knowledge on Food Quality & Safety Standards to employees at all levels and reviews their understanding annually to ensure proficiency. This helps raise awareness and ensures that employees can effectively perform their duties in compliance with Food Quality & Safety standards, with knowledge training provided by the Company's Quality Control department.

## 1.8 Optimizing Raw Material and Substandard Product Management for Greater Efficiency

The Material Review Board (MRB) collaborates in decision-making within the MRB team to reduce the amount of substandard raw materials and products, preventing the recurrence of the same issues. The Material Review Board conducts weekly operational meetings and monthly quality meetings with Management to review food quality and safety performance, including continuous monitoring of the performance.

## 2. Customer Relationship Management

The Company prioritizes customer relationship management to maintain customer confidence and satisfaction through responsible business operations and marketing activities. This includes providing accurate, clear information and services, offering adequate information to help customers and consumers make purchasing decisions, and continuously developing products to meet customer needs. The Company also manages customer relationships and has a complaint handling process in place to resolve product and service issues. This helps build trust in the product brand, creating brand loyalty and fostering sustainable relationships and mutual growth with customers.

## 2.1 Communication of Product and Service Information to Customers

The Company prioritizes clear and easy-to-understand communication with consumers through product labels, emphasizing consumer rights protection , concerning risks related to raw materials and products that may impact consumer health and safety (e.g., food allergies, etc.) and the provision of accurate nutrition information to support informed food choices. The Company supports changes in nutrition information labels according to the Food and Drug Administration (FDA) policy regarding Guideline Daily Amounts: GDA which provides information on energy, fat, sugar, and sodium per package unit, along with allergy information and warnings. This serves as a tool for customers and consumers to compare nutritional values and make healthier, more balanced food choices.

In 2024, a total of 195 products displayed nutrition labels, representing 100% compliance with food laws and regulations for products required to display such information. Additionally, nearly 50% of all products displayed nutrition labels, even though they were not legally required, to provide greater benefits to consumers. Products displaying nutrition labels accounted for 40.4% of the total in-house products.

## Example of Nutritional Label Display



**Main Ingredients and Information for Food Allergens**

**Nutrition Information**

**Energy Value Information**

**Certification Standards and Warnings**

## 2.2 Complaint Management

● **Complaint Handling Process**

The Company has a system to handle complaints regarding product and service quality, as well as other business-related concerns. To ensure accessibility, speed, and convenience for customers, the Company provides multiple complaint channels, both online and offline, to support customer complaints. The Customer Service Department is responsible for coordinating with relevant departments. The quality-related issues are forwarded to the Quality Assurance and Quality Control Department to promptly analyze the cause, provide preventive actions with the relevant department, prepare reports, and respond to customers within two business days regarding the causes and resolution through the customer complaint management system. This system records every complaint and resolution to track product and service defects, as well as operational issues. Follow-up meetings with executives are held monthly to review performance, monitor, and prevent recurring issues, leading to a continuous improvement of product and service quality.

| Receiving Complaints | Recording and Assessing Complaints | Resolving Complaints | Responding to Complaints |
|---|---|---|---|
| Contact through complaint handling channels<br>- Company website<br>- Call center<br>- Social media<br>- Company email<br>- Complaint Handling Departments such Customer Service Department, Sales Department, or Corporate Communication Department | - The complaint handling departments record complaints in the system<br>- Automatically forwarding complaints to relevant departments to enter into a corrective and preventive action and follow-up process | - Relevant departments review the list of complaints and estimate the time required for correction<br>- Implement corrections until the issue is resolved<br>- Treat those affected appropriately<br>- Establish measures to reduce risks and prevent recurrence and follow up regularly | - Summarize complaint resolutions and report to the Management and relevant departments<br>- Disclose complaint management information in the annual sustainability report. |

● **ustomer & Consumer Complaint Management Development**

The Company set a goal to reduce product quality and safety complaints by 5% from the previous year, based on the annual production volume (tons).

In 2024, the number of complaints decreased by 0.9% from 2023. Although the complaint reduction did not meet the target goal, the Company has implemented measures to minimize complaints by increasing the stringency of quality assurance and quality control at every production process in accordance with the established standards. The Quality Assurance and Quality Control Department has analyzed the causes, implemented corrective and protective action, and worked with relevant departments to prevent recurrence. Monthly reviews are conducted to assess the effectiveness of these approaches. Progress reports on corrective actions are prepared and submitted to senior executives on a monthly basis.

● **Response time for complaints, corrective and preventive action**

In 2024, the Company set higher targets for responding to customer complaints, identifying the cause, and implementing corrective and preventive action within 2 business days, aiming for a response rate of at least 70% to enhance customer satisfaction. The success rate in responding to complaints within 2 business days reached 73.2%, surpassing the target. The Company prioritizes improving response times to ensure quick handling of complaints and fosters efficient collaboration, with a focus on resolving quality issues from the upstream to continually reduce customer and consumer complaints.

## 2.3 Enhance Customer Satisfaction

The Company conducts an annual customer satisfaction assessment to analyze feedback on products and services, using the results as guidance for developing products and services, reducing complaints, and creating sustainable brand loyalty. In 2024, the Company improved customer satisfaction evaluation by implementing the Net Promoter Score (NPS) to measure customer loyalty and satisfaction. This evaluation covers five areas: products, transportation, sales and services, complaint handling, and payments. Data is collected from all customer groups and sales channels, complaints and issues are analyzed for improvement, monthly meetings are held, and a summary report of customer complaints is sent to relevant parties monthly. In 2024, the customer satisfaction result was 72%, indicating a fair level. Issues and GAP analysis are being implemented to improve customer satisfaction in all areas. Additionally, the Company incorporates customer feedback, particularly regarding products, to develop products that better meet customer needs.

# Human Capital Management

The Company is committed to fostering sustainable economic growth by promoting equal employment opportunities based on respect for human rights and supporting employees in maximizing the use of their potential. The Company focuses on developing employees at all levels, equipping them with the knowledge and skills necessary for the current and future challenges in order to support sustainable business operations. This includes creating an environment where employees can take the initiative for self-development, share knowledge, and create value for the organization, society, and communities through various learning formats that cater to all groups equally. Additionally, the Company employs new-generation and well-experienced personnel whose skills align with the job description and corporate values to ensure that the organization can adapt to business changes and grow sustainably. The Company has been certified with the Thai Labor Standards (TLS 8001) since 2020 and has consistently adhered to human rights practices in accordance with the sustainable development policy, as well as labor and social responsibility policy.

## Target

| Indicators | Target 2024 | Performance 2024 |
|---|---|---|
| Number of incidents involving human rights and labor violations | Incidents of significant human rights violations and labor exploitation **= 0** | **Zero** incidents of human rights violations and labor exploitation in 2024 |
| Employee engagement Score (%) | No less than **75%** in 2024. No less than **80%** in 2027. | **78.4%** |
| Average training hours per employee per year | Average training hours per employee per year is no less than **12** hours | **16** hours per person per year |
| Digital Transformation Awareness | Number of employees are aware of Digital Transformation **100%** | **100 %** |

## Human Rights

The Company upholds and respects human rights in accordance with the Universal Declaration of Human Rights (UDHR), the UN Guiding Principles on Business and Human Rights (UNGP), and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. These principles are integrated into the Company's operations through responsibilities for rights protection, respect for rights and remedies, policy commitments, and risks to human rights violations in order to establish a framework for the Company's human rights policy.

For more information available in:
**Human Rights Policy**

The Company conducts business with responsibility, upholds fair labor practices, and respects human rights. The Company treats all stakeholders, whether they are employees, community, and society equally with respect for human rights, upholds values of equitable treatment and freedom, refraining from violating fundamental rights or discriminating against individuals based on race, nationality, religion, language, skin color, gender, age, education, physical condition, or social status. The Company ensures that both its own operations and those of its subsidiaries do not contribute, directly or indirectly, to human rights violations, forced labor, or child labor.

Additionally, the Company assesses occupational health and safety risks toward employees and workers and considers potential environmental impacts on surrounding communities. A risk assessment of human rights and fair labor practices for both critical and new suppliers is in place in accordance with the Code of Conduct. Easily accessible complaint channels are provided, along with corrective and preventive action and remedy mechanisms to provide appropriate compensation to those affected by human rights violations. In addition, the Company has carried out a Human Rights Due Diligence (HRDD) process that covers all stakeholders and those involved within the Company's supply chain.

In 2024, there were no incidents or complaints regarding violations of human rights and labor from within or outside the organization.

**Number of incidents and complaints regarding human rights and labor violations**

2022 - 2024 **0** case

## Human Resource Management

The Company recognizes that human resources are the most important factor in achieving its goals and driving competitiveness and sustainable growth. As a result, the Company is committed to developing its human resources and ensuring fair and equitable treatment of employees. A Human Resources Committee was established, with the Chief Executive Officer appointed as the chairman to ensure smooth and consistent human resource management aligned with both short-term and medium-term strategic plans. The Committee scrutinizes compensation and welfare management policies, human resource management plans, and development strategies prior to presenting them to the Nomination and Remuneration Committee for approval. This includes managing employee engagement, fostering career progression, providing opportunities for participation, and managing employee well-being in the organization equally.

### Fair Treatment of Employees

The Company is committed to respecting the rights of employees in accordance with human rights principles and complies with labor laws by ensuring fair hiring process and employment conditions without discrimination against gender, race, religion, or culture, starting from the recruitment process to fair and appropriate compensation payment based on their potential, position, and responsibilities. The Company also conducts performance evaluations fairly to foster career stability and create opportunities for career progression.

## Remuneration and Welfare Management

The Company has established clear, transparent, and appropriate criteria and methods for recruitment and remuneration, comparable to the same industry standards. The Nomination and Remuneration Committee reviews remuneration and presents it to the Board of Directors for approval. Additionally, Welfare Committee, consisting of five employee representatives, was established with a responsibility to discuss, and offer advice and/or suggestions to employers regarding welfare benefits, monitoring and overseeing the welfare benefits provided to employees. The Company has a policy of hiring and paying remuneration to employees based on their duties, responsibilities, experience, and educational qualifications, with no gender-based differences in the consideration process.

In 2024, the Company introduced a new salary structure to adjust the salary base, ensuring it is appropriate and competitive with the same industry standards. The Company has implemented a minimum wage policy, using the minimum wage rate of Bangkok and its vicinity as a benchmark. For provinces with higher wage rates than the Company's criteria, wages are adjusted to match the local rate. Additionally, the Company conducts an annual performance evaluation for all employees, which serves as the basis for considering salary increases and remuneration. Therefore, 100% of all employees undergo an annual performance evaluation.

In addition, the Company emphasizes the importance of personal financial management to ensure employees' stability and quality of life by providing financial knowledge and offers a provident fund for both executives and employees as saving for retirement, job transitions, disabilities, or providing financial security for their families. The Company also provides financial training for employees approaching retirement age. Furthermore, the Company organized a debt restructuring project in collaboration with banks to support employees facing financial difficulties, helping them manage their debts more effectively. This enables employees to better manage their finances, enhancing employee morale and promoting mental health.

## Overview of Human Resource Management

The total number of employees of the Company as of December 31, 2024, is 1,818 people.

**Female 1,131** — 62%
**Male 687** — 38%

| | Female | Male |
|---|---|---|
| Ratio of women in operation positions | 61.9% | 38.1% |
| Ratio of women in management positions | 64.4% | 64.4% |
| Ratio of women in executive positions | 12.5% | 87.5% |
| Ratio of women on Board of Directors | 17% | 83% |

**Total Employee by Location**

- Bangkok 808 Persons — 44.2%
- Samut Prakan 923 Persons — 50.5%
- Chiang Mai 26 Persons — 1.4%
- Khon Kaen 35 Persons — 1.9%
- Surat Thani 34 Persons — 1.9%
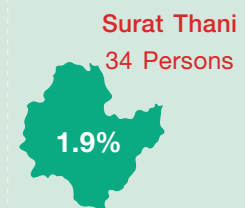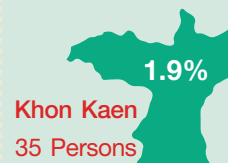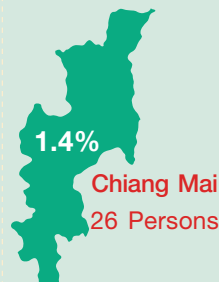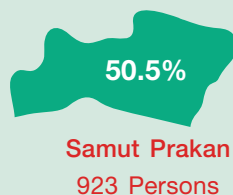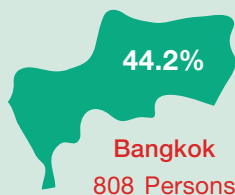
**Total Employee by Age Group**
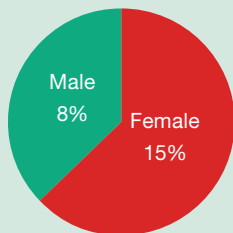
- Age <30 years, 422 Persons: Male 8%, Female 15%
- Age 30-50 years, 1,231 Persons: Male 26%, Female 42%
- Age >50 years, 166 Persons: Male 4%, Female 5%
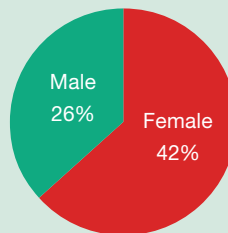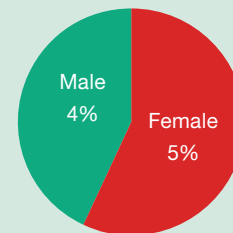
**Total employee by employee category**
Operation 78.1%, Management 21.5%, Executive 0.4%

**New employee** — 331 persons: Male 46.5%, Female 53.5%
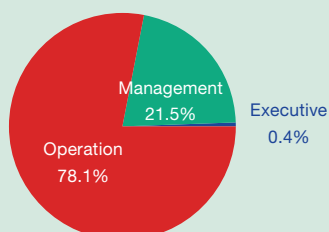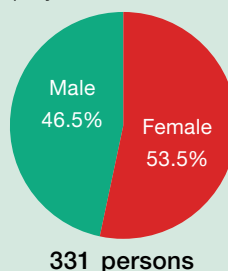
**Employees with Disabilities**
Number of employees with disabilities (Section 33): **2** Persons
Female 1 Person, Male 1 Person

## Employee Relations Management

- ### Employee Engagement Assessment

The Company conducted an Employee Engagement Survey to assess employee satisfaction and engagement, aiming to enhance the work environment and improve work efficiency. The Criteria for assessing organizational engagement and the survey process was refined to be more comprehensive and aligned with the Company's vision, incorporating both qualitative and quantitative data through questionnaires. This approach provided a comprehensive understanding of employee engagement and helped determine the development plans for the following year. The target score for assessing organizational engagement was set at 75% as it was the first time the assessment was conducted based on new criteria and processes. In 2024, the Company's employee engagement score was 78.4%, exceeding the set target.

| Employee Engagement | 2024 | 2025 |
|---|---|---|
| Target* | 80% | 75% |
| Engagement score | 75.31% | 78.40% |

Remarks : * The target for 2024 was adjusted due to changes in the criteria for assessing the Company's employee engagement.

In 2024, the Company launched a project to enhance working conditions, employee welfare, and others based on feedback from the 2023 engagement survey. This included transforming the work area into a Co-Working Space at the Bangna branch, expanding employee parking at the Bang Phli factory, and renovating the headquarters to be modern and support work styles of employees as well as creating more spaces for recreation and activities for employees. These recommendations have been gradually implemented and are expected to be completed by 2025.
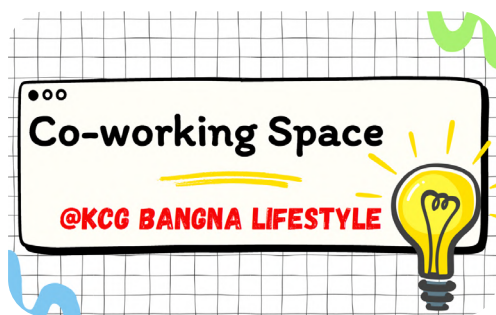


- ### Internal Communication



The Company prioritizes internal communication to ensure that all employees are well-informed about its vision, business strategies, activities, or the Company's updates to create mutual understanding and perform duties in the same direction. The Internal Communications Department serves as a central hub for disseminating information, through both online and offline channels, to employees directly. Additionally, the Company hosts KCG Town Hall events twice a year.

The first KCG Town Hall event of 2024 was the 'Townhall and Staff Party,' held on March 8, 2024, at Tawandang Brewery, Ramindra. The event combined both the Townhall and the Annual Staff Party, with the objective of communicating the Company's annual performance and expressing gratitude to all employees for their dedication in driving the business forward throughout the year.

The second KCG Town Hall was held on August 15, 2024, at Theparak Factory and was broadcast online. It focused on the topic 'Employee Communication: Company Strategic Plan, 2024 Half-Year Performance, KCG Logistics Park, and Digital Transformation'.





## ● Other Engagement Activities

### Staff Party

### Digital Heart Driven Activity

on January 17, 2025





### Heart Working Day

on March 8, 2024
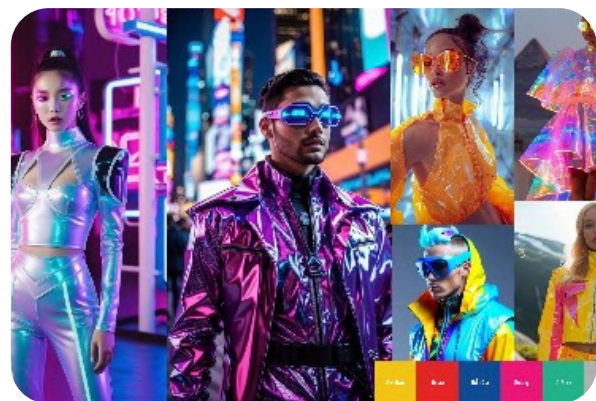




### Provided scholarships in 2024 for the children

of employees to encourage and support them in pursuing further education. These scholarships are awarded annually to children of employees who have outstanding academic performance or special abilities.

**Organized various activities,** such as the 'KCG Market', where employees can sell their products and buy the Company's products at special prices.





**Established workplace clubs**
to encourage employees to participate in various activities, build good relationships among colleagues, and support projects that benefit both society and the environment.

**Kindness for Hospitals Club**
Making Paper Bags from A4 Paper Covers for Samut Prakan Hospital

**Badminton Club**





**KCG Football Club**





Competition Between Bang Phli and Thepharak Branches

External Competition Between Thepharak Branch and Contractors

## Employee Development

The Company recognizes employees as a key factor in driving the organization to success. Therefore, employee development goals were set to enhance employee potential and in alignment with its strategies across four main areas:

**1) Digital Skills**
to support Digital Transformation

**2) Leadership and management skills**
for mid-level management

**3) Function-based Competency Development**
to enhance skills and competency in consistent with employee responsibilities

**4) Promoting Corporate culture and core values**
to instill behaviors that support the sustainable growth of the organization

The Company's performance overview on Employee Development for 2024 is as follows:

- **Annual training plans**

  Aligned with the organization's strategy and the results of training need surveys from each department, these plans support the development of employee competencies in line with the department's goals.

- **Individual Development Plan**

  Provide a framework for identifying individual development plans. This includes competency assessments, development methods, and a road map for the career progression of each employee.

- **Employee Grouping**

  A new classification system was introduced to more effectively manage and develop employees by grouping them into categories, such as high-potential employees and talent pools. This approach also serves as a strategy to retain valuable employee groups.

- **Onboarding program for new executives**

  To help new executives quickly adapt to the company culture and their teams. Employee mentors were assigned to provide information, advice, and follow-up to ensure new executives adjusted well and identified any areas needing improvement for smoother transition and satisfaction with their colleagues and work environment.

- **Employee Awareness**

  The Company provides guidelines to help employees understand and adapt to key matters as a foundation for sustainable development. These include digital transformation, risk management, ESG reporting, corporate governance, the Code of Conduct, anti-corruption, PDPA, etc.

- **Succession Plan**

  The Company established clear criteria for selecting successors for a succession plan by laying a structured framework for consideration and implementation. The plan includes succession planning for the Chief Executive Officer and senior management positions, as well as other critical roles within the organization. The goal is to equip a sufficient number of employees with suitable knowledge, skills, experience, and qualities. The Chief Executive Officer, Managing Director, and senior executives are responsible for preparing a continuous succession plan to ensure the Company's long-term sustainability. The Managing Director reports the progress of the development and succession plans to the Board of Directors at least once a year. In 2024, the criteria for the CEO succession plan were reviewed, and the names of employees eligible for succession to key positions, starting from the director level and above, were identified.

**The benefits of employee development positively impact both the employee and the Company.**

- **Employees**

  gain opportunities to upskill and reskill their potential, enabling them to effectively apply these skills to their work and adapt to changes in the digital age and strengthening their career path to take on roles with greater responsibilities or adapt to a rapidly changing situation.

- **The organization**

  gains opportunities to promote a learning culture and encourage employees to effectively apply new knowledge and skills to their work. The organization obtains employees who have the potential to drive the organization towards strategic success in terms of customer base expansion, sales increase, and innovation or technology integration to enhance the work process and improve efficiency, reduce costs, and contribute to business profitability.

Key Performance

| Employee Development | unit | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| Total number of employees | person | 1,928 | 1,966 | 1,818 |
| Total training hour | hour | 16,176 | 19,416 | 29,229 |
| Average training hour | hour/person/year | 8.4 | 9.9 | 16 |
| **Employee by Gender** | | | | |
| Average training hour - male | hour/person/year | 23.0 | 29.2 | 42.5 |
| Average training hour - female | hour/person/year | 13.2 | 14.9 | 25.8 |
| **Employee by employee category** | | | | |
| Average training hour - operational level | hour/person/year | 10.6 | 12.2 | 20.6 |
| Average training hour - management level and above | hour/person/year | 41.0 | 52.1 | 73.4 |
| Total investment on employee training | Baht | 1,923,634.85 | 4,070,928.20 | 3,249,976.74 |

In 2024, the Company set a target of 12 hours of training per employee per year. The results showed an average of 16 hours of training per employee, with 100% awareness of Digital Transformation across the organization. Based on previous training trends, the Company has consistently focused on increasing training hours for employees each year. Additionally, the organization's talent group has been developed through Mini MBA training courses since 2023, and in 2024, this development continued with a Boost Camp, which focused on a curriculum centered around a competency base.

# Occupational Health and Safety

The Company has acknowledged the occupational health and safety standards and created a safety culture under the occupational health and safety policy. The Company is dedicated to ensuring the well-being of employees and all stakeholders across its supply chain, providing a hygienic and safe working environment. The Company recognizes that every activity carries risks of accidents resulting from unsafe actions and unsafe conditions which could lead to injury, illness, property damage, or disruptions to critical production processes that affect the Company's operation and its competitiveness.

## Management Approach and Relevant Policies

The Company established occupational health and safety policies and guidelines that focus on awareness and potential development among employees and executives, as well as external parties engaging in activities within the Company's premises. In 2024, the Company advanced its occupational health and safety management by obtaining certification for ISO 45001:2018 standards for the Occupational Health and Safety Management System.

As a manufacturer, service provider, and distributor of quality food products, both domestically and internationally, the Company recognizes that occupational health and safety is a crucial element for successful business operations. Therefore, the Company has established the following management guidelines:

1. Complying with laws, regulations, and international standards, as well as having a commitment related to occupational health and safety working environment.

2. Reduce risks and prevent hazards associated with illness, occupational diseases, fires, chemicals, electricity, and accidents that could lead to loss of life, property damage, production disruptions, or transportation issues in alignment with objectives and the time frame. Determine business continuity measures to protect the organization from security threats with strict security protocols.

3. Communicate performance and effectiveness of occupational health and safety operations to both internal and external stakeholders in a transparent manner.

4. Executives at all levels are expected to lead by example, providing support, time, budget, and relevant training. Supervisors must serve as positive role models, ensuring all employees understand and follow safety procedures.

## Target

| Indicator | Target 2024 |
|---|---|
| Lost Time Injury Frequency Rate (LTIFR) per one million working hours for employees at the Theparak and Bangplee branches | LTIFR $\leq$ 3 |

### Operations

#### 1. Occupational Health and Safety Risk Assessment and Mitigation Planning

To ensure comprehensive and efficient occupational health and safety operations, the Company adopts hazard identification and risk assessment to analyze risks and risk likelihood that cover all work activities of employees, contractors, and external parties for normal events and emergency situations, leading to the formation of risk mitigation plans, risk control plans, and continuous improvement plans.

#### 2. Emergency Management

The Company is confident in its preparedness for various emergency situations and ensures that safety equipment is available throughout the organization. Several drills and training programs are conducted annually, including fire evacuation drills, basic fire extinguishing training, chemical or gas pipeline leak drills, and evacuation drills for ammonia leaks in the production process or cooling process. The Company regularly communicates evacuation procedures and ensures that any visitors or outsiders participating in activities or tours within the organization are informed of safety protocols.

## 3.  Work Environment Inspection

Conduct environment and work safety assessments according to the plan. If any standards are not met, improvements and systematic monitoring will be implemented. The process includes:

1. Survey the work environment with active work activities in each area and identify risk factors as follows:

- Chemical environment
- Physical environment
- Biological environment

The risk factors harmful to health include heat stress, Wet Bulb Globe Temperature (WBGT), light, noise, and chemical agents.

2. Measure and assess Indoor air quality: Establish measurement, analysis, and compare the results with legal standards or guidelines from recognized institutions or organizations. Prepare reports, feedback, and recommendations for further control and prevention measures.

## 4.  Promoting and Cultivating a Safety Culture

The Company has consistently promoted safety operations, emphasizing employee participation in creating a safety culture by conducting hazard identification activities through Safety Committee representatives from each work area, who work together to proactively identify risks on a weekly basis, leading to effective safety problem-solving in the workplace. Additionally, other safety promotion activities are organized, such as safety training for employees, Morning Talk sessions, and Safety & Environment Day events. These activities provide safety knowledge in various forms, fostering a safety culture within the organization.

## Performance

Occupational health and safety performance in 2024 are as follows:

### Statistics of accidents, occupational health, and safety of employees

| Performance (indicators) | 2023 | 2024 |
|---|---|---|
| Employee Lost Time Injury Frequency Rate (LTIFR) per one million hours worked | 5.9 | 6.2 |
| Number of Lost Time Accidents (1 day) - employees | 13 | 12 |
| Number of Lost Time Accidents (1 day) - contractors | 1 | 0 |
| Work-related fatalities - employees (person) | 0 | 0 |
| Work-related fatalities - contractors (person) | 0 | 0 |
| Work-related illnesses -employees (person) | 0 | 0 |
| Work-related illnesses -contractors (person) | 0 | 0 |

In regard to the Employee Lost Time Injury Frequency Rate (LTIFR) per one million hours worked, the target 2024 was not met. As a result, the Company has conducted a thorough investigation to identify the root causes and improve work processes for greater safety. This includes implementing measures to strengthen the safety culture and tangible measures to control and lower work-related risks.

# Community Involvement and Development

The Company and its subsidiaries are committed to conducting business that benefits both the economy and society, adhere to being a good corporate citizen, and comply with all relevant laws and regulations. The Company has a policy to promote knowledge and offer job opportunities to the community, aiming to enhance people's quality of life and support the sustainable development of society and the nation. The Company supports concrete corporate social responsibility activities to take part in driving Thai society towards environmental and social sustainability development.

Additionally, the Company provides opportunities for communities, society, or stakeholders who are significantly impacted by the Company's operations to communicate, offer suggestions, or file complaints through designated channels.

## Management Approach and Relevant Policies

Over the years, the Company has been committed to fostering trust and building relationships with the community through direct engagement activities. These efforts aim to develop both society and enhance business potential, reflecting one of the Company's commitments to developing a sustainable organization and communities where it operates. The Company supports activities that focus on strengthening the community and fostering cooperation between the Company and regulatory agencies that care for and develop communities by sharing food knowledge to help elevate the community towards shared values.

### 🎯 Target

| Indicators | Target 2024 | Performance 2024 |
|---|---|---|
| Number of disputes with community / society with corrective measures | Complaints or disputes from the community /society affected by the operations = 0 | Community complaints 0 |
| Projects/activities to develop and engage with communities/societies that may be affected by the operations | Develop at least 1 project or activity to engage with communities/societies that may be affected by the operations | • Light Up Your Passion, Cook Up Your Dream Project, Season 2 <br> • Educational activities <br> • Creating collaboration and donating affiliated products to support agencies caring for society and developing communities |

### Action Plans

● **Community and Society Engagement and Response Process**

The Company is committed to being a responsible member of society and the community, taking into account the potential impacts of its business activities on the surrounding areas and aiming at strengthening relationships and creating shared value between the Company and the community. This includes responding to the needs of the community through various business activities, such as procurement, employment, and income generation for the surrounding community where it operates. The Company provides accessible channels for the community to share opinions, concerns, and expectations while actively monitoring feedback from consumers, communities, and regulatory bodies through both online and offline platforms. This helps ensure that the Company's operations do not have an adverse impact on the community, are able to align its management with the community's expectations, mitigate concerns, and promote sustainable coexistence.

The Company has a process in place to meet community expectations and reduce complaints, mitigate concerns of the community/society, and ensure timely responses. The process is as follows:

1. Study and assess the information related to concerns and complaints.
2. Assess impacts and coordinate with community leaders/complainants for further discussion.
3. Meet and negotiate to find mutually agreeable solutions.
4. Develop corrective and preventive action plans, determine remedies, and provide appropriate compensation based on the estimated value of damages.

In 2024, the Company had no complaints or disputes from communities or society that may have been affected by its operations.

## ● Community Engagement Projects and Activities

The Company contributed to the community through various projects and activities aimed at promoting sustainable growth for society. The Company carried out business operations by taking into account the impact on surrounding communities, actively listening to suggestions, and working to reduce concerns in order to create shared value for all stakeholders. Additionally, all activities were conducted with political neutrality, in compliance with the law, and with respect for all religions. The Company also supported charitable activities in collaboration with government and private sectors, including educational institutions, hospitals, the Thai Red Cross Society, religious institutions, foundations, and various organizations.

In 2024, the Company allocated 2,549,920.41 Baht to support community involvement and development, benefiting over 60 organizations throughout the year. Major projects and activities include:

### ● Light Up Your Passion, Cook Up Your Dream Project, Season 2

The Light up your passion, cook up your dream Project is a corporate social responsibility activity aiming at bringing the Company's expertise and knowledge of raw materials and bakery production to develop society and communities for sustainable growth. In 2024, the Company collaborated with government agencies and the private sector to raise the level of knowledge, develop skills and expertise in cooking, baking, marketing, and digital marketing, as well as accounting and finance for the general public who are group of startup, online merchant to upskill and re-skill their careers and generate income for themselves.

The Company, in collaboration with the Bangkok Metropolitan Administration, Siam Commercial Bank, Peeti PR Company Limited, and Pa-D Digital Marketing Agency Company Limited, organized a hands-on workshop to educate project participants, who are small-scale entrepreneurs selected by the Bangkok Vocational School. Participants will gain knowledge in various areas, including professional menu creation skills from KCG professional chefs, branding, marketing strategies, and basic business financial knowledge. This activity will be held from February to April 2025.



### ● Educational activities

● The first brain-food activity, in collaboration with the Bright Brain Club under the Dementia Care Center, King Chulalongkorn Memorial Hospital, The Thai Red Cross Society.

The Company supported cooking activities by providing ingredients and raw materials to promote brain nourishment, enhance knowledge of brain health care, and raise awareness about dementia. This project was organized for members of the Bright Brain Club, a group of elderly people and retirees aged 60 and above with the Dementia Care Center, King Chulalongkorn Memorial Hospital, The Thai Red Cross Society.

The project was honored by the presence of Ms.Chatchaya Raktakanishta (Chef Bib), Director of the Creating Center and KCG Ambassador Chef, who served as a speaker and actively participated in the activities on July 24, 2024.







### ● Supporting the Forum: "Me-mory – Protecting My Memory to Prevent Alzheimers" with Bright Brain Club under the Dementia Care Center, King Chulalongkorn Memorial Hospital, The Thai Red Cross Society.

For the 4th consecutive year, the Company has remained committed to giving back to society by supporting projects that contribute to sustainable social development.

In 2024, the Company supported the forum "Me-mory – Protecting My Memory to Prevent Alzheimers", organized by the Bright Brain Club, Dementia Care Center, King Chulalongkorn Memorial Hospital, The Thai Red Cross Society in collaboration with the National Health Security Office, Pathumwan District, Bangkok, aimed to raise awareness and provide accurate information about dementia, including Alzheimer's disease.

The event featured discussions led by medical experts and was honored to have Assoc. Prof. Dr. Chanchai Sittipunt, Director of King Chulalongkorn Memorial Hospital, The, presided over the opening ceremony on September 20, 2024.

● **Creating Collaboration and Donating Affiliated Products to Support Agencies Caring for Society and Developing Communities**

The Company recognizes the importance of charitable activities and contribution to society. Therefore, the Company donates affiliated products to consistently support charitable activities. This project aims to provide children, youth, the general public, and vulnerable groups with opportunities to gain knowledge, acquire professional baking skills to promote, and develop sustainable careers.

● **Community Engagement**

In response to the major flooding in 2024, the Company launched a special project, 'United for Flood Relief 2024.' In addition to providing the Company's products and essential consumer goods to flood victims, the Company coordinated relief teams from its branches in the affected areas, acting as a representative to facilitate assistance and donations for those impacted by the floods. Furthermore, the Company welcomed additional donations and prepared relief packages to support flood victims in various regions. These relief packages were delivered through distribution centers in Chiang Mai, Khon Kaen, and Surat Thani provinces.

Mangrove Reforestation Project:
Combating Global Warming & Boosting Oxygen in 2024

● **Good Citizen Awareness Activities**

The Company organized various activities to foster a sense of responsibility towards society, the environment, and natural resource conservation among employees such as mangrove reforestation activities in Samut Prakan Province, where both of the Company's factories are located. In addition, employees participated in blood donations and other charitable activities.

# Appendix

· Sustainability Performance Data

· GRI Content Index

# Sustainability Performance Data
## Governance and Economic Performance

| GRI | Indicator | UNIT | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| **Direct economic value generated and distributed** | | | | | |
| 201-1 | **Direct economic value generated** | | | | |
| | Sales revenue | Million Baht | 6,156.90 | 7,157.00 | 7,743.40 |
| | Total revenue | Million Baht | 6,232.70 | 7,204.70 | 7,790.30 |
| | Net Profit | Million Baht | 241.10 | 305.90 | 405.80 |
| | EBITDA | Million Baht | 551.90 | 647.40 | 777.00 |
| 201-1 | **Economic value distributed** | | | | |
| | Operating cost | Million Baht | 5,865.50 | 6,738.50 | 7,205.00 |
| | Employee wage and benefits | Million Baht | 824.85 | 896.86 | 916.76 |
| | Total amount of investment for community/ social development projects or activities | Million Baht | n/a | 0.84 | 2.55 |
| | Payment to government | Million Baht | 73.60 | 80.30 | 105.40 |
| **Supply Chain Management** | | | | | |
| 308-1, 414-1 | New suppliers tat were screened using ESG criteria (Social and environment) | % | - | - | - |
| 308-2, 414-2 | Critical suppliers tat were screened using ESG criteria (Social and environment) | % | - | - | 100% |
| 414-2 | Proportion of critical suppliers that have signed to comply with the supplier code of conduct | % | - | - | 100% |
| **Compliance with standards, regulations, and laws** | | | | | |
| 416-2, 416-3, 417-2, 417-3 | Number of incidents of non-compliance with standards, regulations, and laws related to products, services, label information, and marketing communications | Case | 0 | 0 | 0 |
| | Number of cases or incidents of violations of laws and regulations - environmental | Case | 0 | 0 | 0 |
| | Number of cases or incidents of violations of laws and regulations - Labor | Case | 0 | 0 | 0 |
| 418-1 | Number of cases of incidents of privacy data breaches or leaks. | Case | 0 | 0 | 0 |
| **Innovation Management** | | | | | |
| - | Research and development and innovation expenses | Million Baht | 37.92 | 39.56 | 47.74 |
| | **Health and Nutrition Promotion Products** | | | | |
| | Revenue from health and nutrition promotion products for consumers in high-risk groups, such as low-sodium products, sugar-free products, and products without trans fats, etc. | Million Baht | 33.51 | 44.31 | 41.72 |
| | Revenue from health and nutrition promotion products for consumers who want to increase their nutrients, such as vitamin supplements, fiber, minerals, etc. | Million Baht | 58.80 | 158.29 | 157.71 |
| | Proportion of revenue from health promotion products to total sales | % to total sale | 1.5% | 2.8% | 2.6% |

# Environmental Performance

| GRI | Indicator | UNIT | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| **Material** | | | | | |
| 301-1 | **Total raw material used** | ton | n/a | 54,171.90 | **55,841.90** |
| | Renewable material | ton | n/a | n/a | **51,946.33** |
| | Non renewable material | ton | n/a | n/a | **3,895.57** |
| **Energy** | | | | | |
| 302-1 | **Energy Consumption within the organization** | | | | |
| | **Total Energy Consumed** | kWh | **46,766,397.49** | **48,605,338.38** | **50,222,848.90** |
| | | MJ | **168,359,030.97** | **174,979,218.18** | **180,802,256.05** |
| | **Total non-renewable energy comsumption** | kWh | **45,195,783.49** | **47,028,789.10** | **48,325,755.07** |
| | | MJ | **162,704,820.57** | **169,303,640.77** | **173,972,718.27** |
| | Total electricity consumption | kWh | 19,900,675.13 | 21,851,359.37 | 23,827,098.28 |
| | | MJ | 71,642,430.46 | 78,664,893.73 | 85,777,553.81 |
| | Total energy consumption | MJ | 91,062,390.10 | 90,638,747.04 | 88,195,164.46 |
| | Diesel | MJ | 31,458,169.43 | 26,442,279.56 | 19,969,936.41 |
| | Gasoline | MJ | 2,534,861.24 | 2,815,757.88 | 3,031,928.83 |
| | LPG | MJ | 57,068,814.50 | 61,379,502.87 | 65,192,914.24 |
| | NGV | MJ | 544.93 | 1,206.73 | 384.98 |
| | **Total renewable energy comsumption** | kWh | 1,570,614.00 | 1,576,549.28 | 1,897,093.83 |
| | | MJ | 5,654,210.40 | 5,675,577.41 | 6,829,537.79 |
| | Solar Energy | kWh | 1,570,614.00 | 1,576,549.28 | 1,897,093.83 |
| | | MJ | 5,654,210.40 | 5,675,577.41 | 6,829,537.79 |
| | **Total energy sold** | MJ | - | - | - |
| 302-3 | **Energy intensity** | | | | |
| | **Total energy intensity** | kWh/ton | 1,332.50 | 1,360.74 | 1,275.22 |
| | | MJ/ ton | 4,797.00 | 4,898.65 | 4,590.78 |
| | Electricity intensity | kWh/ton | 611.78 | 655.88 | 653.17 |
| | | MJ/ ton | 2,202.39 | 2,361.16 | 2,351.40 |
| | Fuel intensity | kWh/ton | 720.73 | 704.86 | 622.05 |
| | | MJ/ ton | 2,594.61 | 2,537.49 | 2,239.38 |
| | Proportion renewable energy per total energy comsuption | % | 12.1% | 11.7% | 13.6% |
| - | Total Production | ton | 35,096,708.32 | 35,719,902.01 | 39,383,812.87 |
| | Total cost of energy consumption | THB | 141,259,599.70 | 158,444,151.88 | 154,057,564.77 |
| | Total electricity expense | THB | 86,203,710.49 | 102,313,572.15 | 102,856,102.86 |
| | Total fuel expense | THB | 55,055,889.21 | 56,130,579.73 | 51,201,461.91 |
| | Total electricity consumption target | kWh | n/a | n/a | 0.5% reduction in intensity |

| GRI | Indicator | UNIT | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| **Water Management** | | | | | |
| 303-3 | **Water withdrawal** | | | | |
| | **Total water withdrawal from all areas by source** | m³ | **254,564.00** | **276,543.30** | **228,015.00** |
| | Third-Party water | m³ | 253,173.00 | 274,840.30 | 224,861.00 |
| | Ground water | m³ | 1,391.00 | 1,703.00 | 3,154.00 |
| | Surface water | m³ | - | - | - |
| | Seawater | m³ | - | - | - |
| | Produced water | m³ | - | - | - |
| | **Total water withdrawal from all areas by categories** | m³ | **254,564.00** | **276,543.30** | **228,015.00** |
| | Freshwater ($\leq$1,000 mg/L Total Dissolved Solids) | m³ | 254,564.00 | 276,543.30 | 228,015.00 |
| | Other water (>1,000 mg/L Total Dissolved Solids) | m³ | - | - | - |
| | **Total water withdrawal from all areas with water stress** | **m³** | **n/a** | **n/a** | **n/a** |
| | Freshwater ($\leq$1,000 mg/L Total Dissolved Solids) | m³ | n/a | n/a | n/a |
| | Other water (>1,000 mg/L Total Dissolved Solids) | m³ | n/a | n/a | n/a |
| 303-4 | **Water Discharge** | | | | |
| | **Water discharge by destination** | m³ | **53,856.80** | **22,262.64** | **13,596.00** |
| | Third-party water sent for use to other organizations | m³ | 53,856.80 | 22,262.64 | 13,596.00 |
| | Surface water | m³ | - | - | - |
| | Ground water | m³ | - | - | - |
| | Seawater | m³ | - | - | - |
| | **Total water withdrawal from all areas with water stress** | | | | |
| | water withdrawal ($\leq$1,000 mg/L Total Dissolved Solids) | m³ | n/a | n/a | n/a |
| | Other water (>1,000 mg/L Total Dissolved Solids) | m³ | n/a | n/a | n/a |

| GRI | Indicator | UNIT | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| 303-4-d | **Water discharge quality**[1] | | | | |
| | Acidity and alkalinity (pH) | - | 8.20 | 7.90 | 7.93 |
| | BOD | mg/l | 3.90 | 4.90 | 3.33 |
| | COD | mg/l | 37.80 | 43.50 | 33.97 |
| | TSS | mg/l | 15.80 | 23.50 | 12.90 |
| | TDS | mg/l | 819.30 | 816.80 | 844.00 |
| | TKN | mg/l | 3.80 | 4.30 | 2.67 |
| | Oil & Grease | mg/l | 2.90 | 3.10 | 3.03 |
| 303-5 | **Water Consumption** | | | | |
| - | **Total Water Consumption for all areas** | m³ | **200,707.20** | **254,286.66** | **214,419.00** |
| | Total Water Consumption for all areas with water stress | m³ | n/a | n/a | n/a |
| | Change in water storage | m³ | n/a | n/a | n/a |
| | Total net water consumption | m³ | 200,707.20 | 254,280.66 | 214,419.00 |
| | Water consumption Intensity | m³ / ton | 5.719 | 7.119 | 5.444 |
| | | | | | |
| | **Water Expense** | THB | 4,410,645.17 | 4,771,129.48 | 3,892,242.71 |
| | Third-Party water expense | THB | 4,407,614.79 | 4,766,791.22 | 3,883,456.00 |
| | Other water expense | THB | 3,030.38 | 4,338.26 | 8,786.71 |

Remarks  [1] The results of the waste water inspection are the results of the treatment ponds of the Thepharak and Bangplee factories which are the annual average values from the monthly water quality analysis. However, both factories do not discharge wastewater into the public.

| GRI | Indicator | UNIT | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| **Waste Management**[1] | | | | | |
| 306-3 | **Total waste generated** | | | | |
| | **Total waste generated by category** | ton | **3,216.7** | **3,120.7** | **3,193.5** |
| | Total hazardous waste | ton | 5.9 | 7.7 | 6.3 |
| | Total non-hazardous waste | ton | 3,210.8 | 3,113.0 | 3,187.2 |
| | Total waste per ton production | | 0.09 | 0.09 | 0.08 |
| 306-4 | **Waste diverted from disposal** | ton | **2,624.76** | **2,617.82** | **2,674.63** |
| | **Hazardous waste diverted from disposal** | ton | **0.73** | **0.76** | **0.98** |
| | **- Preparation for reuse** | ton | | | |
| | Onsite | ton | - | - | - |
| | Offsite | ton | - | - | - |
| | **- Recycling** | ton | | | |
| | Onsite | ton | - | - | - |
| | Offsite | ton | 0.73 | 0.76 | 0.98 |
| | **- Other recovery operations** | ton | | | |
| | Onsite | ton | - | - | - |
| | Offsite | ton | - | - | - |
| | **Non-hazardous waste diverted from disposal** | ton | **2,624.03** | **2,617.06** | **2,673.65** |
| | - Preparation for reuse | ton | - | - | - |
| | Onsite | ton | - | - | - |
| | Offsite | ton | - | - | - |
| | **- Recycling** | ton | 1,224.06 | 1,027.81 | 1,072.68 |
| | Onsite | ton | - | - | - |
| | Offsite | ton | 1,224.06 | 1,027.81 | 1,072.68 |
| | - Recycling | ton | 761.10 | 484.32 | 545.92 |
| | - Feeding | ton | 462.97 | 543.49 | 526.76 |
| | **- Compost** | ton | 1,399.97 | 1,589.25 | 1,600.97 |
| | Onsite | ton | - | - | - |
| | Offsite | ton | 1,399.97 | 1,589.25 | 1,600.97 |
| 306-5 | **Waste directed to disposal** | ton | **591.99** | **502.90** | **518.88** |
| | **Hazardous waste directed to disposal** | ton | **5.17** | **6.97** | **5.33** |
| | Onsite | ton | - | - | - |
| | Offsite | ton | 5.17 | 6.97 | 5.33 |
| | - Incineration (Incineration with energy recovery, blending fuel) | ton | 4.60 | 5.75 | 3.70 |
| | - Incineration (without energy recovery) | ton | - | - | - |
| | - Secure landfill | ton | 0.57 | 1.22 | 1.62 |

| GRI | Indicator | UNIT | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| | **Non-hazardous waste directed to disposal** | ton | **586.81** | **495.93** | **513.55** |
| | Onsite | ton | - | - | - |
| | Offsite | ton | 586.81 | 495.93 | 513.55 |
| | - Incineration (Incineration with energy recovery, blending fuel) | ton | 324.09 | 445.83 | 428.60 |
| | - Incineration (without energy recovery) | ton | - | - | - |
| | - Sanitary landfill | ton | 262.73 | 50.11 | 84.95 |
| | **Food waste[1]** | | | | |
| | **Food waste from source** | ton | **464.37** | **663.92** | **626.36** |
| | Production line | ton | 425.77 | 620.09 | 586.52 |
| | General waste | ton | 38.60 | 43.83 | 39.83 |
| | **Food waste from waste management** | ton | **464.37** | **663.92** | **626.36** |
| | - Compost | ton | 0.00 | 0.00 | 0.00 |
| | - Sanitary landfill | ton | 31.52 | 18.07 | 3.64 |
| | - Incineration (with energy recovery, blending fuel) | ton | 90.39 | 102.37 | 98.38 |
| | - Feeding | ton | 342.47 | 543.49 | 524.33 |
| 306-3 | **Spill[2]** | | | | |
| | Number of significant oil and chemical spills (leading to impacts to external party or environment) | case | 0 | 0 | 0 |
| | Volume of significant oil and chemical spill | Litre | 0 | 0 | 0 |

Remarks  [1]Including the company only

[2]Including the company and its subsidiaries

| GRI | Indicator | UNIT | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| | **Greenhouse Gases Emission (GHG)[1]** | | | | |
| 305-1 | **Total direct GHG emissions (Scope 1)** | | | | |
| | Direct GHG emissions (Scope 1) | $tCO_2eq$ | 8,147.00 | 6,324.00 | 9,329.00 |
| | Total biogenic CO2 emissions (Scope 1) | $tCO_2eq$ | n/a | n/a | 7,537.22 |
| 305-2 | **Indirect GHG emission from energy purchased and comsumes (Scope 2)** | | | | |
| | Market-based energy indirect (Scope 2) GHG emissions | $tCO_2eq$ | 9,532.00 | 10,368.00 | 11,765.00 |
| 305-3 | **Other indirect GHG emissions (Scope 3)** | | | | |
| | Other indirect GHG emissions (Scope 3) | $tCO_2eq$ | 73,830.00 | 79,353.00 | 85,741.00 |
| | Purchases of goods and services | $tCO_2eq$ | n/a | n/a | 77,351.00 |
| | Upstream transportation and distribution | $tCO_2eq$ | n/a | n/a | 3,047.28 |
| | Waste generated in operations | $tCO_2eq$ | n/a | n/a | 150.68 |
| 305-1, 305-2 | **GHG emission Scope 1,2** | $tCO_2eq$ | **17,679.00** | **16,692.00** | **21,094.00** |
| | **GHG emission intensity (Scope 1, 2)** | $tCO_2eq$ | **0.50** | **0.47** | **0.54** |
| 305-4 | **GHG emission Scope 1, 2, 3** | $tCO_2eq$ | **91,509.00** | **96,045.00** | **106,835.00** |
| | **GHG emission intensity (Scope 1, 2, 3)** | $tCO_2eq$ | 2.61 | 2.69 | 2.71 |

Remarks  [1]Including the company only

## Social Performance

| GRI | Indicator | UNIT | 2022 Female | 2022 Male | 2023 Female | 2023 Male | 2024 Female | 2024 Male |
|---|---|---|---|---|---|---|---|---|
| **Employment** | | | | | | | | |
| 2-7 | **Total employee** | person | **1928** | | **1966** | | **1818** | |
| | | person | **1225** | **703** | **1301** | **666** | **1131** | **687** |
| | | % | 64% | 36% | 66% | 34% | 62% | 38% |
| | **Total employee by Plant** | | | | | | | |
| | Head office | person | 478 | 292 | 556 | 234 | 505 | 291 |
| | Bang Na | person | 32 | 20 | 5 | 6 | 3 | 4 |
| | Bang Phli | person | 428 | 170 | 457 | 201 | 368 | 183 |
| | Theparak | person | 237 | 135 | 232 | 148 | 213 | 149 |
| | Chiang Mai | person | 15 | 28 | 14 | 23 | 12 | 13 |
| | Khon Kaen | person | 14 | 26 | 14 | 24 | 13 | 22 |
| | Surat Thani | person | 12 | 24 | 14 | 23 | 11 | 22 |
| | Indoguna | person | 9 | 8 | 9 | 7 | 6 | 3 |
| 2-7 | **Total employee by area** | | | | | | | |
| | Bangkok Metropolitan Region | person | **1809** | | **1854** | | **1725** | |
| | | person | 1184 | 625 | 1259 | 595 | 1095 | 630 |
| | North | person | **43** | | **37** | | **25** | |
| | | person | 15 | 28 | 14 | 23 | 12 | 13 |
| | Northeastern | person | **40** | | **38** | | **35** | |
| | | person | 14 | 26 | 14 | 24 | 13 | 22 |
| | South | person | **36** | | **37** | | **33** | |
| | | person | 12 | 24 | 14 | 23 | 11 | 22 |
| 405-1 | **Total employee by age group** | | | | | | | |
| | <30 years | person | **529** | | **532** | | **422** | |
| | | person | 340 | 189 | 356 | 176 | 268 | 154 |
| | | % | 18% | 10% | 18% | 9% | 15% | 8% |
| | 30-50 years | person | **1254** | | **1281** | | **1230** | |
| | | person | 801 | 454 | 851 | 430 | 765 | 465 |
| | | % | 42% | 24% | 43% | 22% | 42% | 26% |
| | >50 years | person | **145** | | **153** | | **166** | |
| | | person | 84 | 61 | 94 | 59 | 98 | 68 |
| | | % | 4% | 3% | 5% | 3% | 5% | 4% |
| | **Total employee by employee category (level)** | | | | | | | |
| | Operation | person | **1533** | | **1593** | | **1420** | |
| | | person | 951 | 582 | 1040 | 553 | 879 | 541 |
| | | % | 49% | 30% | 53% | 28% | 48% | 30% |
| | Management | person | **387** | | **367** | | **390** | |
| | | person | 273 | 114 | 260 | 107 | 251 | 139 |
| | | % | 14% | 6% | 13% | 5% | 14% | 8% |
| | Executive | person | **8** | | **6** | | **8** | |
| | | person | 1 | 7 | 1 | 5 | 1 | 7 |
| | | % | 0.1% | 0.4% | 0.1% | 0.3% | 0.1% | 0.4% |
| | **Total employee by nationality** | | | | | | | |
| | Thai | person | 1225 | 687 | 1301 | 649 | 1131 | 671 |
| | Other | person | 0 | 8 | 0 | 8 | 0 | 8 |
| | - Singaporian | person | 0 | 1 | 0 | 1 | 0 | 1 |
| | - Myanmar | person | 0 | 7 | 0 | 7 | 0 | 7 |
| | **People with Disability** | | | | | | | |
| | People with disability | person | **2** | | **2** | | **2** | |
| | | person | 1 | 1 | 1 | 1 | 1 | 1 |
| | The ratio of people with disability to the total number of employees | % to total employees | **0.10%** | | **0.10%** | | **0.11%** | |
| 404-1 | **New Employee** | | | | | | | |
| | **New Employee** | person | **928** | | **681** | | **331** | |
| | | person | 614 | 314 | 433 | 248 | 177 | 154 |

| GRI | Indicator | UNIT | 2022 Female | 2022 Male | 2023 Female | 2023 Male | 2024 Female | 2024 Male |
|---|---|---|---|---|---|---|---|---|
| | **New hire rate** | % to total employees | **48.1%** | | **34.6%** | | **18.2%** | |
| | | % to total employees | 31.8% | 16.3% | 22.5% | 12.9% | 9.2% | 8.0% |
| 401-1 | **Employee Turnover** | | | | | | | |
| | **Total employee turnover** | person | **779** | | **650** | | **462** | |
| | | person | 515 | 264 | 416 | 234 | 273 | 189 |
| | Employee turnover rate | % to total employees | **40.4%** | | **33.1%** | | **25.4%** | |
| | | % to total employees | 26.7% | 13.7% | 21.2% | 11.9% | 15.0% | 10.4% |
| | Voluntary employee turnover rate | % to total employee | **40.4%** | | **33.1%** | | **25.4%** | |
| | | % to total employee | 26.7% | 13.7% | 21.2% | 11.9% | 15.0% | 10.4% |
| 401-3 | **Parental Leave** | | | | | | | |
| | Number of emplotees entitled to parental leave | person | 1225 | | 1301 | | 1131 | |
| | Number of employees taking parental leave | person | 37 | | 28 | | 19 | |
| | Number of employees returning to work after parental leave | person | 36 | | 22 | | 16 | |
| | Employee retuning to work retention rate | % | 97% | | 79% | | 84% | |
| **Diversity and equal opportunity** | | | | | | | | |
| 405 | Ratio of women in workforce | % of total employees | 63.5% | | 66.2% | | 62.2% | |
| | Ratio of women in operation positions | % of total operation | 62.0% | | 65.3% | | 61.9% | |
| | Ratio of women in management positions | % of total management | 70.5% | | 70.8% | | 64.4% | |
| | Ratio of women in executive positions | % of total executives | 12.5% | | 16.7% | | 12.5% | |
| | Number of women on Board of Directors | person | 2 | | 2 | | 2 | |
| | Ratio of women on Board of Directors | % | 17% | | 17% | | 17% | |
| 405-2 | **Ratio salary and remuneration** | | | | | | | |
| | **Total salary and remuneration** | Million Baht | **824.85** | | **896.86** | | **916.76** | |
| | | Million Baht | 458.42 | 366.43 | 489.82 | 407.05 | 496.12 | 420.63 |
| | Ratio of salary and remuneration of female to male | Female : Male | | 0.72 | | 0.62 | | 0.72 |
| | Ratio of salary and remuneration of executive to total expense | % | 6.5% | | 6.7% | | 7.3% | |
| - | **Employee Provident Fund** | | | | | | | |
| | Number of employees who are members of the Employee Provident Fund | person | 1,669 | | 1,678 | | 1,605 | |
| | The proportion of employees who are members of the Employee provident fund to total employees | % | 86.6 | | 85.4 | | 88.3 | |
| | The amount of money the company contributes to the provident fund (baht) | Bath | 29,431,418.42 | | 31,270,000.28 | | 32,045,163.32 | |
| 404-1 | **Training and development** | | | | | | | |
| | Total training hour | hour | | 16,176 | | 19,416 | | 29,229 |
| | Average training hour per person | hour/person/ year | | 8.4 | | 9.9 | | 16.1 |
| | Training hour by gender | hour/person/ year | 13.2 | 23.0 | 14.9 | 29.2 | 25.8 | 42.5 |
| | Average training hour by employee category | | | | | | | |
| | Operation | hour/person/ year | | 10.6 | | 12.2 | | 20.6 |
| | Management up | hour/person/ year | | 41.0 | | 52.1 | | 73.4 |
| | Total investment on employee training | THB | | 1,923,634.85 | | 4,070,928.20 | | 3,249,976.74 |

| GRI | Indicator | UNIT | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| | Average spent of training | hour/person/year | 997.74 | 2,070.67 | 1,787.67 |
| | **Employee Engagement** | | | | |
| | Employee engagement result | % | - | 75.31% | 78.40% |
| | Coverage | % | - | 85.35% | 94.06% |
| | Employee engagement target [1] | % | - | 80% | 75% |
| | **Number of violations/complaints** | | | | |
| | Number of incidents related to human rights violations | case | 0 | 0 | 0 |
| | Number of significant labor disputes | case | 0 | 0 | 0 |
| **GRI** | **Indicator** | **UNIT** | **2022** | **2023** | **2024** |
| **Occupational Health and Safety** | | | | | |
| 403-9 | **Total Working Hour** | hour | | | |
| | Employee | hour | n/a | 5,555,996.00 | 5,504,929.00 |
| | Contractor | hour | n/a | n/a | n/a |
| | Fatalies as a result of work-related injury | | | | |
| | Employee | person | 0 | 0 | 0 |
| | Contractor | person | 0 | 0 | 0 |
| | Lost-time injury frequency rate: LTIFR | | | | |
| | Employee | person | 0 | 26 | 23 |
| | | case/ 1 million manhours | n/a | 5.9 | 6.19 |
| | Contractor | person | 0 | 0 | 0 |
| | | case/ 1 million manhours | n/a | n/a | n/a |
| | **Work-Related Illnesses** | | | | |
| | Occupational Illness Frequency Rate: OIFR | | | | |
| | Employee | person | 0 | 0 | 0 |
| | Contractor | person | 0 | 0 | 0 |
| **GRI** | **Indicator** | **UNIT** | **2022** | **2023** | **2024** |
| **Customer Responsibility** | | | | | |
| 416 | **Customer health and safety** | | | | |
| | Customer satisfaction target [2] | % | n/a | 80% | 75% |
| | Customer satisfaction result | % | n/a | 85% | 72% |
| | **Marketing and Labling** | | | | |
| 417-1 | Percentage of products with nutrition labeling | % | 100% | 100% | 100% |
| **Corporate Social Responsibility** | | | | | |
| 413-1 | **Local Communities** | | | | |
| | Number of disputes with communities/society | case | 0 | 0 | 0 |
| | Total amount of investment for community/ social development projects or activities | million Baht | n/a | 0.84 | 2.55 |

Remarks : [1] The target of employee engagement 2024 was adjusted due to changes in the criteria for assessing the Company's employee engagement.

[2] Customer satisfaction has been conducted with new criteria and methods in 2024.

## GRI Content Index

| Statement of use | KCG Corporation Public Company Limited has reported in accordance with the GRI Standards for the period of 1 January 2024 to 31 December 2024. |
|---|---|
| GRI 1 used | GRI 1: Foundation 2021 |
| Applicable GRI Sector Standard(s) | None |

| GRI STANDARD/ OTHER SOURCE | DISCLOSURE | LOCATION | OMISSION | | | GRI SECTOR STANDARD REF. NO. |
|---|---|---|---|---|---|---|
| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION | |
| **General disclosures** | | | | | | |
| **GRI 2: General Disclosures 2021** | 2-1 Organizational details | 6-10 | A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available. | | | |
| | 2-2 Entities included in the organization's sustainability reporting | 5 | | | | |
| | 2-3 Reporting period, frequency and contact point | 5 | | | | |
| | 2-4 Restatements of information | There are no restatements of information in this report. | | | | |
| | 2-5 External assurance | External assurance was not sought for this report as a whole. KCG sought and received external assurance from a third party with respect to certain emissions. | | | | |
| | 2-6 Activities, value chain and other business relationships | 14 | | | | |
| | 2-7 Employees | 83 - 90, 102 -104 | | | | |
| | 2-8 Workers who are not employees | - | a, b, c | Information unavailable/ incomplete | The company hires temperary workers from the outsourcing company which the number of workers are vary by period. | |
| | 2-9 Governance structure and composition | 30 | | | | |
| | 2-10 Nomination and selection of the highest governance body | 56-1 One Report 81 - 82, 119 - 121 | | | | |
| | 2-11 Chair of the highest governance body | 30 | | | | |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | 12 - 13 | | | | |
| | 2-13 Delegation of responsibility for managing impacts | 12 - 13, 20 | | | | |
| | 2-14 Role of the highest governance body in sustainability reporting | 12 - 13, 20 | | | | |
| | 2-15 Conflicts of interest | 56-1 One Report: 86 | | | | |
| | 2-16 Communication of critical concerns | 56-1 One Report: 91, 94 | | | | |
| | 2-17 Collective knowledge of the highest governance body | 56-1 One Report: 81 - 83, 99 - 100 | | | | |
| | 2-18 Evaluation of the performance of the highest governance body | 56-1 One Report: 119 - 120 | | | | |
| | 2-19 Remuneration policies | 56-1 One Report: 82 - 83 | | | | |
| | 2-20 Process to determine remuneration | 56-1 One Report: 123 - 129 | | | | |
| | 2-21 Annual total compensation ratio | 56-1 One Report: 128 - 129 | | | | |
| | 2-22 Statement on sustainable development strategy | 1 - 2 | | | | |
| | 2-23 Policy commitments | 83 - 84 | a | Not applicable | the company has not complied to Responsible business conduct yet. | |
| | 2-24 Embedding policy commitments | - | | Not applicable | | |

| GRI STANDARD/ OTHER SOURCE | DISCLOSURE | LOCATION | OMISSION | | | GRI SECTOR STANDARD REF. NO. |
|---|---|---|---|---|---|---|
| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION | |
| | 2-25 Processes to remediate negative impacts | - | | | | |
| | 2-26 Mechanisms for seeking advice and raising concerns | - | | | | |
| | 2-27 Compliance with laws and regulations | - | | | | |
| | 2-28 Membership associations | - | | | | |
| | 2-29 Approach to stakeholder engagement | - | | | | |
| | 2-30 Collective bargaining agreements | - | a, b | Not applicable | None of our employees are covered by collective bargaining agreements | |
| **Material topics** | | | | | | |
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | 19 - 20 | A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available. | | | |
| | 3-2 List of material topics | 21 - 24 | | | | |
| **Economic performance** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 9, 25 - 27 | | | | |
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | 4, 97 | | | | |
| | 201-2 Financial implications and other risks and opportunities due to climate change | 71 - 72 | a-iii, a-v | Information unavailable/ incomplete | | |
| | 201-3 Defined benefit plan obligations and other retirement plans | 84, 103 | | | | |
| | 201-4 Financial assistance received from government | 56-1 One Report: 35 | | | | |
| **Anti-corruption** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 29, 32 | | | | |
| GRI 205: Anti-corruption 2016 | 205-1 Operations assessed for risks related to corruption | 32 - 33 | | | | |
| | 205-2 Communication and training about anti-corruption policies and procedures | 32 - 33 | | | | |
| | 205-3 Confirmed incidents of corruption and actions taken | 33 | | | | |
| **Tax** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 9 | | | | |
| GRI 207: Tax 2019 | 207-1 Approach to tax | 9 | | | | |
| | 207-2 Tax governance, control, and risk management | 9 | | | | |
| | 207-3 Stakeholder engagement and management of concerns related to tax | 9 | | | | |
| | 207-4 Country-by-country reporting | - | | Not applicable | | |
| **Materials** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 50 | | | | |
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | 98 | | | | |
| | 301-2 Recycled input materials used | - | | Information unavailable/ incomplete | | |
| | 301-3 Reclaimed products and their packaging materials | - | | Information unavailable/ incomplete | | |

| GRI STANDARD/ OTHER SOURCE | DISCLOSURE | LOCATION | OMISSION | | | GRI SECTOR STANDARD REF. NO. |
|---|---|---|---|---|---|---|
| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION | |
| **Energy** | | | | | | |
| **GRI 3: Material Topics 2021** | 3-3 Management of material topics | 58 - 60 | | | | |
| **GRI 302: Energy 2016** | 302-1 Energy consumption within the organization | 60, 99 | | | | |
| | 302-2 Energy consumption outside of the organization | - | a,b,c | Not applicable | | |
| | 302-3 Energy intensity | 99 | | | | |
| | 302-4 Reduction of energy consumption | 58 - 60 | | | | |
| | 302-5 Reductions in energy requirements of products and services | - | | Information unavailable/ incomplete | | |
| **Water and effluents** | | | | | | |
| **GRI 3: Material Topics 2021** | 3-3 Management of material topics | 61 | | | | |
| **GRI 303: Water and Effluents 2018** | 303-1 Interactions with water as a shared resource | 61-63, 99-100 | | | | |
| | 303-2 Management of water discharge-related impacts | 61 - 63 | | | | |
| | 303-3 Water withdrawal | 99-100 | | | | |
| | 303-4 Water discharge | 99 | | | | |
| | 303-5 Water consumption | 100 | | | | |
| **Emissions** | | | | | | |
| **GRI 3: Material Topics 2021** | 3-3 Management of material topics | 70 - 74 | | | | |
| **GRI 305: Emissions 2016** | 305-1 Direct (Scope 1) GHG emissions | 72, 101 | | | | |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 72, 101 | | | | |
| | 305-3 Other indirect (Scope 3) GHG emissions | 72, 101 | | | | |
| | 305-4 GHG emissions intensity | 72, 101 | | | | |
| | 305-5 Reduction of GHG emissions | 71 - 74 | | | | |
| | 305-6 Emissions of ozone-depleting substances (ODS) | - | | Information unavailable/ incomplete | | |
| | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | - | | Information unavailable/ incomplete | | |
| **Spills** | | | | | | |
| **GRI 3: Material Topics 2021** | 3-3 Management of material topics | 64 - 69 | | | | |
| **GRI 306: Effluents and Waste 2016** | 306-3 Significant spills | 101 | | | | |
| **Waste** | | | | | | |
| **GRI 3: Material Topics 2021** | 3-3 Management of material topics | 64 - 69 | | | | |
| **GRI 306: Waste 2020** | 306-1 Waste generation and significant waste-related impacts | 64 - 67, 100-101 | | | | |
| | 306-2 Management of significant waste-related impacts | 64 - 69 | | | | |
| | 306-3 Waste generated | 100 | | | | |
| | 306-4 Waste diverted from disposal | 100 | | | | |
| | 306-5 Waste directed to disposal | 100-101 | | | | |
| **Supplier environmental assessment** | | | | | | |
| **GRI 3: Material Topics 2021** | 3-3 Management of material topics | 47 - 52 | | | | |
| **GRI 308: Supplier Environmental Assessment 2016** | 308-1 New suppliers that were screened using environmental criteria | 47 - 49 | | | | |
| | 308-2 Negative environmental impacts in the supply chain and actions taken | 49 - 52 | | | | |

| GRI STANDARD/ OTHER SOURCE | DISCLOSURE | LOCATION | OMISSION | | | GRI SECTOR STANDARD REF. NO. |
|---|---|---|---|---|---|---|
| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION | |
| **Employment** [The material topics and the disclosures included under the material topics are examples. See guidance under row 39] | | | | | | |
| **GRI 3: Material Topics 2021** | 3-3 Management of material topics | 83 - 85 | | | | |
| **GRI 401: Employment 2016** | 401-1 New employee hires and employee turnover | 102 - 103 | | | | |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 103 | | | | |
| | 401-3 Parental leave | 103 | | | | |
| **Labor/management relations** | | | | | | |
| **GRI 3: Material Topics 2021** | 3-3 Management of material topics | 84 - 88 | | | | |
| **GRI 402: Labor/ Management Relations 2016** | 402-1 Minimum notice periods regarding operational changes | 86 | | | | |
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| **GRI 403: Occupational Health and Safety 2018** | 403-1 Occupational health and safety management system | 91 - 92 | | | | |
| | 403-2 Hazard identification, risk assessment, and incident investigation | 91 - 92 | | | | |
| | 403-3 Occupational health services | 92 - 93 | | | | |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | 92 - 93 | | | | |
| | 403-5 Worker training on occupational health and safety | 92 | | | | |
| | 403-6 Promotion of worker health | 92 | | | | |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 91 - 92 | | | | |
| | 403-8 Workers covered by an occupational health and safety management system | 91 - 93, 102 | | | | |
| | 403-9 Work-related injuries | 104 | | | | |
| | 403-10 Work-related ill health | 104 | | | | |
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| **GRI 404: Training and Education 2016** | 404-1 Average hours of training per year per employee | 103 | | | | |
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| **Diversity and equal opportunity** | | | | | | |
| **GRI 3: Material Topics 2021** | 3-3 Management of material topics | 83 - 85 | | | | |
| **GRI 405: Diversity and Equal Opportunity 2016** | 405-1 Diversity of governance bodies and employees | 103 | | | | |
| | 405-2 Ratio of basic salary and remuneration of women to men | 103 | | | | |

| GRI STANDARD/ OTHER SOURCE | DISCLOSURE | LOCATION | OMISSION | | | GRI SECTOR STANDARD REF. NO. |
|---|---|---|---|---|---|---|
| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION | |
| **Child labor** | | | | | | |
| **GRI 3: Material Topics 2021** | 3-3 Management of material topics | 83 - 84 | | | | |
| **GRI 408: Child Labor 2016** | 408-1 Operations and suppliers at significant risk for incidents of child labor | 83 - 84 | | | | |
| **Forced or compulsory labor** | | | | | | |
| **GRI 3: Material Topics 2021** | 3-3 Management of material topics | 83 - 84 | | | | |
| **GRI 409: Forced or Compulsory Labor 2016** | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | 83 - 84 | | | | |
| **Local communities** | | | | | | |
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| **GRI 414: Supplier Social Assessment 2016** | 414-1 New suppliers that were screened using social criteria | 47 - 49 | | | | |
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