



Supalai Public Company Limited Policy on Sustainable Environment

Background and Rationale

The Company recognizes its environmental responsibility and the potential impacts of its business activities in all aspects. It has therefore compiled policies related to good corporate governance in accordance with international standards, FTSE and GRI, to establish a comprehensive and sustainable framework for its environmental operations. This policy aims to oversee, promote knowledge and understanding among personnel at all levels, and to drive proper practices concerning biodiversity, climate change, resource consumption, waste, pollution, and systematic environmental management. This is to enhance the Company's image and credibility, both domestically and internationally, as well as to meet the expectations of stakeholders from all sectors. The details are presented as follows:

Scope of this policy

The "Policy on Sustainable Environment" is established to govern and promote a corporate culture of environmental responsibility. Its significant purpose is to build knowledge, foster understanding, and oversee environmental responsibilities among personnel to ensure the implementation of correct practices that extend throughout the supply chain.

Policy Statement

The "Policy on Sustainable Environment" requires the organization and its personnel to comprehensively consider the environmental impacts arising from its activities in all dimensions. It comprises four policy implementation plans as follows: 1) Biodiversity, 2) Climate Change, 3) Pollution and Resource Consumption, and 4) Environmental Management.

Policy Implementation Plan

Policy Implementation Plan 1: Plan on Biodiversity

The implementation of the policy on biodiversity consists of the following:

| No. | Details |
|------------|---|
| 1.1 | The Company shall establish a unit to assess biodiversity potential, identify key activities that impact the ecosystem in its operational areas, identify the types of reserved and protected wild animals found therein, and protect and restore the habitats of affected flora and fauna. |
| 1.2 | The Company shall conduct a biodiversity potential assessment for the land and/or construction sites of new projects, as well as for its existing projects. This includes identifying key activities that impact the ecosystem in operational areas with high connectivity to nature and a significant potential to affect nature and biodiversity. |
| 1.3 | The Company shall identify the habitats of flora and fauna affected by its operations and establish guidelines for their protection and restoration. |
| 1.4 | The Company shall support the reduction of biodiversity loss, both proactively and reactively. |
| 1.5 | The Company shall continuously monitor and evaluate the performance of its biodiversity initiatives. |

Policy Implementation Plan 2: Plan on Climate Change

The implementation of the policy on climate change consists of the following:

| No. | Details |
|------|--|
| 2.1 | The Company shall require the Risk Management Committee to establish policies and a risk management unit to manage risks in collaboration with relevant departments by collecting data, monitoring, tracking, and continuously reporting the performance of climate change-related initiatives to the Risk Management Committee. |
| 2.2 | The Company shall collect data, monitor, track, and report on the performance of its initiatives to reduce greenhouse gas (GHG) emissions from its activities, covering Scope 1, 2, and 3, as well as its Carbon Intensity. |
| 2.3 | The Company sets a target to achieve Carbon Neutrality for Scope 1 and 2 emissions by 2050. |
| 2.4 | The Company shall have its greenhouse gas emissions data independently verified by a third party to ensure transparency and credibility. |
| 2.5 | The Company shall segregate the collection of greenhouse gas emissions data by internal business units and establish a system for internal carbon credit trading by 2030. |
| 2.6 | The Company shall formulate a strategy to reduce greenhouse gas emissions to achieve its short-term and long-term goals. |
| 2.7 | The Company shall continuously collect data, monitor, evaluate, and report on the performance of its initiatives to reduce energy consumption, including its Energy Intensity, from its activities. |
| 2.8 | The Company shall set a target to reduce energy consumption per product unit and specify the methods for achieving it. |
| 2.9 | The Company shall have its energy consumption data independently verified by a third party to ensure transparency and credibility. |
| 2.10 | The Company shall assess its risks and opportunities related to climate change and develop plans for various climate change scenarios. |
| 2.11 | The Company shall integrate the climate change risk management process as part of its overall corporate risk management. |
| 2.12 | The Company shall support or participate in climate change organizations whose objectives or policies are consistent with the Company's policies and operational direction. |
| 2.13 | The Company shall require the committee and/or responsible persons of the relevant departments involved in climate change operations to formulate strategies for the continuous reduction of capital expenditures. |

Policy Implementation Plan 3: Plan on Resource Consumption, Waste, and Pollution

The implementation of the policy on resource consumption, waste, and pollution consists of the following:

| No. | Details |
|-----|--|
| 3.1 | The Company shall establish a framework for key types of resources consumed in its activities, along with guidelines and targets for the management of such resources. |
| 3.2 | The Company shall establish a framework for the types of waste and pollution covering its activities, along with guidelines and targets for their management. |
| 3.3 | The Company shall establish a committee and/or working group to continuously collect data, monitor, track, and report on performance in reducing and/or avoiding the negative impacts arising from resource consumption and the generation of waste and pollution, in accordance with the Company's established targets. |
| 3.4 | The Company shall report financial figures related to resource consumption, waste, and pollution, including costs from environmental fines and penalties. |
| 3.5 | The Company shall continuously collect data, monitor, evaluate, and report on the performance of its initiatives to reduce emissions of Nitrogen oxides (NOx), Sulfur |

| No. | Details |
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| | oxides (SOx), Persistent Organic Pollutants (POPs), Volatile Organic Compounds (VOCs), Hazardous Air Pollutants (HAPs), Particulate Matter (PM), and other air pollutants from its activities. |
| 3.6 | The Company shall have its data on resource consumption, waste, and pollution independently verified by a third party to ensure transparency and credibility. |
| 3.7 | The Company shall support or participate in organizations addressing resource consumption, waste, and pollution, provided that their stance/policy is consistent with the Company's stance/policy. |
| 3.8 | The Company shall establish a framework for key types of water consumption in its activities, along with guidelines and targets to reduce or improve the efficiency of water use within its operations. |
| 3.9 | The Company shall assess water stress and/or water scarcity in its main operational areas, identifying assets and revenue generation in water-stressed areas, the volume of water withdrawn, and establishing guidelines for collaboration with stakeholders to alleviate water scarcity issues. |
| 3.10 | The Company shall assess the financial figures related to water management in areas experiencing water stress and/or water scarcity. |
| 3.11 | The Company shall establish a committee and/or working group to continuously collect data, monitor, and track water withdrawal, discharge, and incidents of non-compliance with water quality/quantity regulations. |
| 3.12 | The Company shall have its water consumption data independently verified by a third party to ensure transparency and credibility. |

Policy Implementation Plan 4: Plan on Environmental Management

The implementation of the policy on environmental management consists of the following:

| No. | Details |
|------|--|
| 4.1 | The Company shall establish a sustainable purchasing mechanism and process to differentiate sustainable suppliers from regular suppliers. |
| 4.2 | The Company shall require the disclosure of data on energy consumption and/or greenhouse gas emissions as a condition for participation in the sustainable procurement mechanism. |
| 4.3 | The Company shall require the disclosure of data on water consumption as a condition for participation in the sustainable procurement mechanism. |
| 4.4 | The Company shall require the disclosure of data on the emission and management of pollution and waste as a condition for participation in the sustainable procurement mechanism. |
| 4.5 | The Company shall assess new suppliers using environmental indicators (energy consumption, greenhouse gas emissions, water consumption, and pollution and waste emissions), in conjunction with social indicators and other capabilities, during the annual supplier evaluation. |
| 4.6 | The Company shall randomly monitor and report on the performance of suppliers operating under the sustainable procurement mechanism. |
| 4.7 | The Company shall provide communication and training programs to promote and develop its suppliers on social aspects. |
| 4.8 | The Company shall establish programs to promote and support suppliers in properly managing their environmental impacts. |
| 4.9 | The Company encourages participation in programs and/or membership in organizations related to the management of environmental impacts within the industry and the supply chain. |
| 4.10 | The Company supports the implementation of an internationally recognized environmental management system. |

Expectation

All directors, executives, and employees, including employees of subsidiary companies, shall comply with the Policy on Sustainable Environment and all related policies.

Please be informed for your acknowledgement

Notified on this 14th day of October 2025

Prateep Tangmatitham

(Dr. Prateep Tangmatitham)
Chairman of the Board of Directors