S&P Syndicate Public Company Limited

Climate Action, Sustainable Future

Climate Impact Report 2025

(Alignment with TCFD and IFRS S2 requirement)

Contents

Introducing S&P's Climate Impact Report 2025

As a leader in Thailand's food and bakery industry, S&P Syndicate Public Company Limited recognizes that climate change is a critical factor for long-term business resilience. In 2023, we took a decisive step forward by becoming an early adopter the IFRS S2 Climate-related Disclosures standard. This transition marks an evolution of our reporting journey, moving from the TCFD recommendations toward a more integrated and transparent global standard. By doing so, we aim to provide our stakeholders with clear, comprehensive information regarding how we manage climate risks and leverage sustainable opportunities to drive our corporate strategy. Today, we are proud to present our third Climale Impact Report (2025).

Our implementation of IFRS S2 has been comprehensive, involving the embedding of climate-centric principles into the heart of our operations nationwide. Through the application of climate scenario modeling, we have gained a more nuanced understanding of the environmental impacts on our business. This report highlights our proactive risk management, which now features climate risk as a fundamental component of our annual operational assessments. Additionally, we have expanded our climate reporting to include a full Scope 3 emissions inventory aligned with the GHG Protocol. This underscores our dedication to transparency and our mission to grow S&P alongside a healthier, more sustainable planet.

Governance

Governing Responsibly

S&P's oversight of climate-related risks and opportunities is integrated at the highest levels of the organization.

Our corporate governance structure is continually evolving as a result of our growing awareness of the significance of acting on climate change and its impact on our business.

The Board of Directors of S&P Syndicate Public Company Limited holds ultimate responsibility for all ESG related matters, including the governance frameworks for climate change and natural resources. To ensure the effective management of these critical issues, the Board has established two specialized committees to support its policies, the **Corporate Governance and Sustainability Committee** and the **Risk Management Committee**.

While these committees maintain distinct mandates, they share a unified objective in managing climate and nature-related risks as follows:

Risk Management Committee (RMC)

Acts as an independent advisory body that supports the Board in overseeing enterprise risk, developing policies, and establishing comprehensive risk management frameworks that encompass all operational dimensions.

Corporate Governance and Sustainability Committee

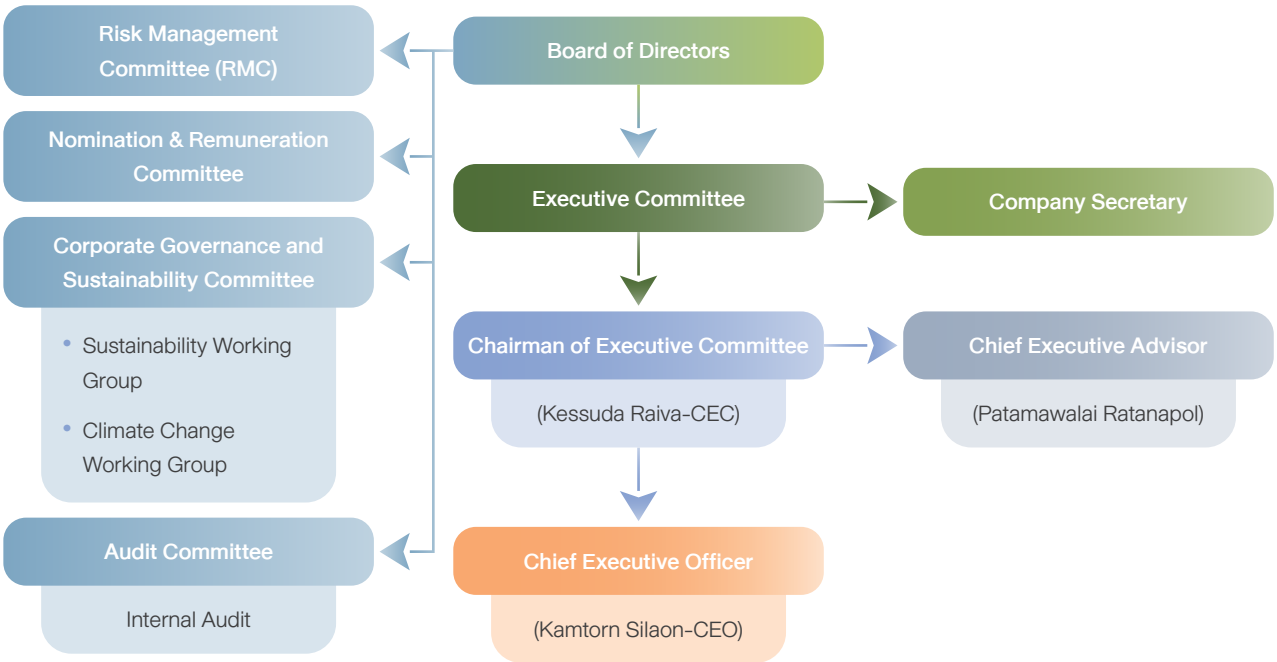
Focuses on strategic planning, the assessment of sustainability related risks and opportunities, and the integrity of public disclosures.

Under the Corporate Governance and Sustainability Committee, S&P has established a robust governance framework to address climate-related challenges. This includes the formation of two key groups, **Sustainability Working Group** and **Climate Change Working Group** to ensure the effective governance, monitoring, and advancement of climate action initiatives across the organization.

The Sustainability Working Group functions as a cross-functional team that collaborates with various departments to gather sustainability related data and insights. It is responsible for monitoring and evaluating the governance of climate-related risks and opportunities, ensuring that strategies are effectively implemented.

The Climate Change Working Group is responsible for overseeing the collection and monitoring of greenhouse gas (GHG) emissions data across all of S&P's operations. It plays a key role in developing strategies to reduce emissions and identifying factors that contribute to climate change.

Corporate Governance Structure for Sustainability and Climate Change



Roles and Responsibilities

Governing body	Role and Responsibilities	Frequency
Board of Director (BOD)	• Supervise and direct the organization's operations covering climate change issues. • Review and approve S&P's climate change strategies and targets based on Sustainable Development and Corporate Governance Committee's report.	Quarterly
Risk Management Committee (RMC)	• Monitoring, analyzed and reviewing on climate-related risks and opportunities to be aligned with the current trend including preparing risk management plans and reporting the risk management result or guidelines to the Board of Director. • Develop a risk assessment system and create a risk assessment culture, as well as prepare a plan to cope with risks that may affect the organization.	Quarterly
Corporate Governance and Sustainability Committee (CG&SD Committee)	• Present policies and practices on corporate governance and sustainability development, including issues related to climate change, to the Board of Directors. • Supervise the operation of the working group in accordance with the principles of good corporate governance and sustainable development. • Formulate and review the operational guidelines and sustainable development goals covering climate change management by comparing them with international standards and proposing them to the Board of Directors for continuous modernization and responding to stakeholder expectations. Climate-related issues that affect the whole company, including alternative raw material sourcing, energy efficiency and GHG reduction target are evaluated and reviewed by CG&SD Committee.	Quarterly

Governing body	Role and Responsibilities	Frequency
Sustainability Working Group	• Collaborates with representatives from various departments to gather data and coordinate efforts related to climate initiatives. • Monitors and evaluates the effectiveness of climate-related governance, focusing on the management of risks and opportunities. • Develops comprehensive action plans to support the company's transition toward achieving net-zero greenhouse gas emissions.	Quarterly
Climate Change Working Group	• The management level of each department is monitored, measured, calculated greenhouse gas emissions data of the S&P's units from operations activities throughout the value chain for effective planning. • Identifies and explores ways to reduce GHG emissions and mitigate factors contributing to climate change. The data will be reported to the Corporate Governance and Sustainability Working Group, which collaborates on unified strategies to reduce the company's overall greenhouse gas emissions. • Develop a climate change action plan with the goal of achieving net-zero greenhouse gas emissions. • Support and drive innovation or emerging technologies aimed to reducing greenhouse gas emissions. • Monitor global and local climate change situations, including evolving laws and regulations that impact sustainability. • Assess climate-related risks and opportunities that affect financial reports and business operations, in alignment with the International Financial Reporting Standards (IFRS S2) disclosure guidelines.	Quarterly

Skill and Competencies

S&P leverages the specialized expertise of two key board members to drive our climate and environmental agenda. Under the leadership of **Mr. Teeranun Srihong, Chairman of the Corporate Governance and Sustainability Committee**, the company benefits from high level strategic insights gained through his advanced training in Energy Science for Senior Executives and ESG (Environmental, Social, and Governance).

Complementing this strategic oversight is **Mr. Kamtorn Sila-on, Chief Executive Officer** whose academic background in Chemical Engineering provides the technical foundation necessary for sophisticated environmental management. Together, their combined expertise ensures that our approach to environmental stewardship is both scientifically sound and strategically aligned effectively integrating climate change mitigation and sustainability into the core of our corporate governance and nationwide operations.

Management's Role in Assessing and Managing Climate-Related Risks and Opportunities

To ensure business resilience across our entire food and bakery value chain, S&P has established a collaborative governance structure. The Enterprise Risk Management (ERM) and Sustainable Development (SD) departments share joint responsibility for identifying and assessing climate-related risks ranging from the volatility of agricultural raw material prices to the energy efficiency of our production plants and retail outlets.

These departments work in close coordination with key business units including Procurement and Operations to evaluate how shifting climate patterns impact our sourcing and distribution. The consolidated results of these ESG risk and opportunity assessments are reported to the Board of Directors on a quarterly basis, ensuring that our strategic oversight is deeply informed by operational reality.

Strategic Oversight and Operational Execution

To effectively manage climate change challenges, the Board of Directors (BOD) has delegated decision making authority for operational matters to the Executive Committee. This structure ensures that S&P can swiftly drive climate-related initiatives from the factory floor to the dining table. The Executive Committee's role includes:

Translating Strategy into Action

Converting high-level sustainability policies into practical execution plans, such as implementing energy-saving technologies in our central kitchens and reducing food waste or deliver food surplus to sensitive communities across our restaurant network.

Fostering a Risk-Aware Culture

Ensuring that climate risk management is embedded across all departments from bakery production and logistics to front end services promoting awareness of how climate issues affect food quality and business continuity.

Monitoring and Coordination

Overseeing the effectiveness of climate risk mitigation measures, such as the adoption of renewable energy (Solar Rooftops) and the transition to eco-friendly packaging.

Cross-functional Alignment

Facilitating coordination between the supply chain and marketing teams to ensure that our sustainability initiatives are not only compliant with regulatory requirements but also aligned with the evolving preferences of our environmentally conscious consumers.

Climate Strategy

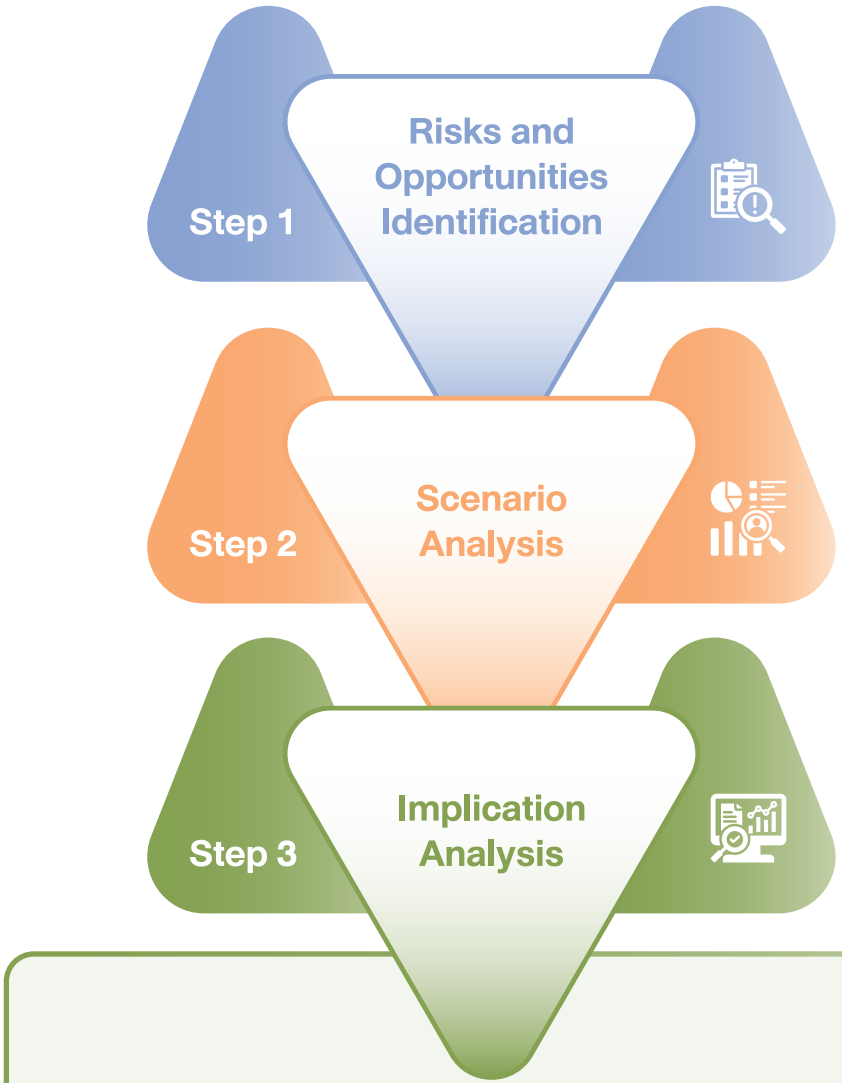
Climate Strategy Framework

**To enable users of general-purpose financial reports to understand.
An entity's strategy for managing climate-related and opportunities.**

Climate risk is assessed and managed through the S&P's annual risk assessment. S&P has developed an environmentally conscious risk taxonomy to classify risks according to strategic risks, operational risks, financial risks and compliance risks. It integrates climate-related issues into various categories so that S&P can identify different types of climate-related risks that may affect S&P's business.

Climate Change Risk Assessment

In 2025, S&P further enhanced its climate risk and opportunity assessment by integrating it more deeply with Corporate Risk Management. This improvement aimed to strengthen the identification, evaluation, and management of potential climate-related impacts. The refined assessment involved a structured three-step approach, including the review and categorization of climate-related risk scenarios based on distinct patterns. This rigorous methodology provides a more nuanced understanding of climate-related exposures across the value chain and enhances our ability to respond effectively.



Once drivers and their materiality were identified and assessed, S&P reviewed and identified the implications of each driver on various aspects from the upstream supply chain to downstream customers.

S&P also discussed the mitigation measures currently in place or planned in the future among internal stakeholders. The key findings of this discussion enabled S&P to formulate a climate strategy framework and action plan.

S&P will continuously disclose about information about climate resilience at each reporting year and in line with strategic planning cycle. Including a multi-year strategic planning cycle (e.g. every 3-5 years)

In some reporting periods the S&P's disclosures in accordance with climate scenario analysis's scope of work could remain unchanged from the previous reporting period if S&P does not conduct a scenario analysis annually.

Risks and Opportunities Identification

For **S&P Syndicate Public Company Limited**, as a leader in Thailand's fully integrated food and bakery industry with an extensive retail network nationwide, climate change is no longer just an environmental concern, it is a material financial and operational reality. In alignment with the IFRS S2 standard, **Risks and Opportunities Identification** process serves as the vital foundation for our climate strategy. It enables us to systematically map out vulnerabilities and capture strategic advantages across our entire business ecosystem, ensuring long-term corporate resilience and value protection.

Given S&P's unique end-to-end business model, our identification framework adopts a holistic "**Farm-to-Fork**" approach. This ensures that climate factors are evaluated across three interconnected dimensions of our nationwide operations:

Upstream (Supply Chain)

Identifying structural risks driven by climate volatility that affect the agricultural yields, quality, and price stability of our core raw materials, such as wheat, dairy, sugar, and seasonal ingredients.

Midstream (Manufacturing & Logistics)

Assessing the operational continuity of our central kitchens, bakery production plants, and temperature controlled logistics network, which are responsible for distributing fresh products across the country daily and face potential disruptions from acute physical risks like severe flooding or extreme heatwaves.

Downstream (Restaurant & Operations)

Evaluating resource efficiency, energy consumption, and refrigeration demands across our restaurant outlets nationwide, while simultaneously exploring Climate Opportunities arising from shifting consumer preferences toward low-carbon dining experiences and eco-friendly packaging.

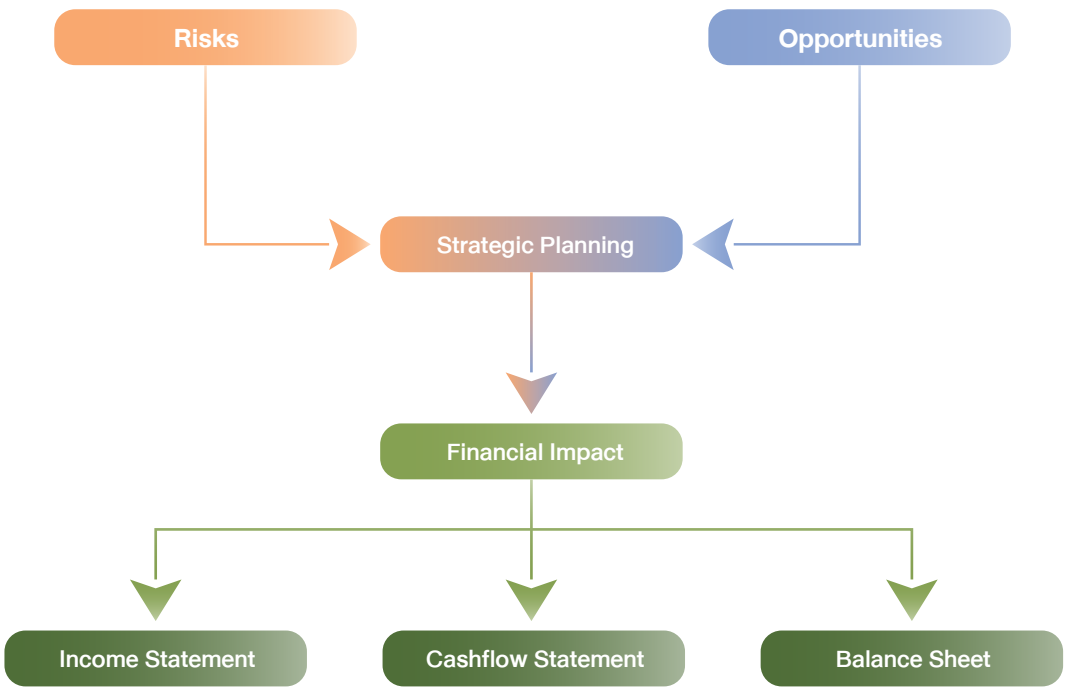
By integrating both **Physical Risks** (acute and chronic), **Transition Risks** (market, policy, technology and reputational) and **Systematic Risks** (ecosystem collapse, aggregate risk) into our core governance, S&P does not merely react to climate challenges. Instead, we transform these operational insights into strategic foresight, driving green food innovation, optimizing costs, and securing our competitive edge as a sustainable household brand for Thai consumers.

At present, issues regarding climate change and natural ecosystem degradation have consistently ranked among the top material concerns with significant financial implications (Financial Materiality) for S&P. Because our "Farm-to-Fork" business model relies directly on natural resources and agricultural yields, both physical and transition risks pose a direct impact on our supply chain stability, production costs, and business continuity across our retail and restaurant outlets nationwide.

To address these challenges, S&P has integrated climate and nature-related risks into our Enterprise Risk Management (ERM) framework. This approach enables the organization to drive Strategic Planning & Financial Management systematically. The core identified components are outlined below:

Risks	
Transition risk 	Policy and Legal Regulatory mandates on food packaging (such as restrictions on single-use plastics or extended producer responsibility fee) and evolving environmental regulations aligned with Nationally Determined Contributions (NDCs) could increase compliance and operational costs across our production and restaurant outlets.
	Technology The capital costs and challenges associated with transitioning to lower-emission technologies, such as upgrading to high-efficiency refrigeration systems to reduce fluorinated greenhouse gases in retail stores, or the competitive risks of lagging in climate-tech adoption.
	Market Shifts and uncertainty in consumer demand and market trends, where modern consumers increasingly favor low-carbon brands, alongside a growing demand for sustainable product alternatives.
	Reputation Potential loss of brand equity if the organization fails to meet stakeholder expectations for climate action, or faces public scrutiny regarding sustainability and environmental claims lacking robust empirical verification (Greenwashing).
Physical Risks 	Acute Increasing severity and frequency of extreme weather events, such as flooding and heatwaves in Thailand, which disrupt cold-chain logistics responsible for distributing fresh bakery and food products nationwide, while causing physical damage to retail restaurant assets.
	Chronic Long-term droughts and shifting rainfall patterns leading to chronic raw material scarcity (e.g., wheat, dairy, sugar, and seasonal agricultural ingredients), causing high price volatility and supply chain instability.
Systematic Risks 	Ecosystem Collapse Biodiversity decline and global ecosystem degradation that threaten deep-rooted food supply chain stability, impacting overall food security.
	Aggregate Risk Escalating clean water scarcity, which is a critical factor for agricultural sourcing, food preparation, and sanitation within our central kitchens and outlets, combined with stricter stakeholder standards that make regulatory compliance more difficult and costly.

Opportunities	
Resource Efficiency	Implementing circular economy solutions across our production and retail operations, focusing on food waste mitigation targets in central kitchens and outlets, upcycling organic waste into bio-fertilizers, and extending product lifecycles to reduce operating expenditures (OpEx).
Products and Services	Opportunities in research and development to introduce low-carbon, biodiversity-friendly products and services, such as organic bakeries or 100% biodegradable and compostable packaging to capture the growing green consumer market.
Access to Finance	Increased access to green finance, including sustainability-linked loans or green bonds, which offer lower cost of capital and favorable interest rates to support investments in solar rooftops and energy-efficient kitchen innovations.



Scenario Analysis

Following the identification of key climate-related drivers, S&P conducted internal consultations through dedicated workshops. These sessions were designed to gather expert perspectives on the potential magnitude and likelihood of impacts associated with each driver across short, medium, and long term time horizons. This process enabled S&P to strategically position the identified drivers on a risk matrix, providing a comparative understanding of their significance to S&P's business under both a baseline (high-emissions) scenario and a low-emissions scenario.

Each driver was subsequently assigned an indicator derived from external climate scenarios. Scenario data were incorporated into S&P's assessment to integrate an objective, science-based perspective. In accordance with IFRS S2 recommendations, the scenario analysis was conducted using selected future-looking climate-related scenarios, as described below.

Scope

- For transition scenario analysis, group-wide impacts were assessed.
- Considered the impacts of climate change on of the S&P's business operations: business operation, and value chain. (including upstream and downstream impacts).

Transition Scenarios

- The Stated Policies Scenario (IEA STEPS): a scenario which is more conservative benchmark to explore existing and announced policies without assuming full achievement. Global energy-related and industrial process GHG emissions rise to 36 Gt CO_2eq in 2030.
- Net Zero Emissions by 2050 Scenario (NZE): a scenario which is a pathway to achieve net-zero GHG emission by 2050. GHG emissions fall to 21 Gt CO_2eq in 2030, marking a decisive achievement in global climate action.

Physical Scenarios

- Baseline: based on historical data at S&P's assets locations
- IPCC SSP 1-2.6: A low emissions scenario that shows global efforts in alignment to current commitments under the Paris Agreement. Estimated increased in temperature 1.8°C by 2100
- IPCC SSP 5-8.5: A high emissions scenario following a 'business as usual' trajectory, assuming no additional climate policy and seeing GHG emissions triple by 2100. Estimated increased in temperature 4.4°C by 2100

Time Horizons

- Short-term: <3 years (2025-2027)
- Medium-term: 3-10 years (2028-2038) to estimate impacts and prioritize mitigation actions, while considering the expected lifetime of assets.
- Long-term: over 10 years and represented by 2050 to align with S&P's Net Zero target

The operating locations and business units used in the analysis included

1. Head Office

2. Bangna-trad KM. 23.5 bakery factory
3. Sukhumvit 62 bakery factory
4. Lamphun bakery factory
5. Latkrabang food factory

6. S&P Distribution Center

7. S&P outlet covering 404 branches with operating full year of 2025.

Having the scenario assessment, S&P can move forward to implement the climate resilience to adjust or adapt its strategy and business model to climate change over the short, medium, and long term. Including the effect of the S&P's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience.

Transition Scenario Analysis

Following previous TCFD recommendations, and having considered these drivers in this transition period of the IFRS S2 report, S&P categorized transition drivers into 4 types through internal stakeholder consultation: POLICY AND LEGAL, MARKET, TECHNOLOGY, and REPUTATION. Before conducting a semi-quantitative assessment and prioritization of transition drivers for S&P's business and value chain, S&P sought to ensure that it takes into consideration the factors linked to the transition towards a low-carbon economy, potentially impacting the corporate entity. Additionally, measures aimed at addressing identified transition risks and seizing emerging opportunities were considered.

S&P QUANTIFIED THE FINANCIAL IMPACTS OF CLIMATE and THE LOW-CARBON TRANSITION, subsequently developing strategies to mitigate risks and leverage opportunities, was conducted in three steps.

1 Identification of Transition Drivers

2 Relative Materiality of Each Driver Based on The Assessment

3 Potential Financial Implications

It should be noted that the relative materiality was determined by incorporating S&P's internal perspective on the magnitude and likelihood of impact from each driver and the external perspective informed by the International Energy Agency (IEA)'s World Energy Outlook 2023. Here, the S&P focuses on the comparative significance of each driver between the base case and the low-carbon case, as it assumes that most transition drivers can be influenced by various factors not related to climate change or low-carbon economy transition. For example, the global energy crisis since 2023 was mainly driven by geopolitical conflicts rather than the low-carbon transition. By focusing on the comparative significance (or difference) between the base case (i.e., where low-carbon transition is lagged) and the low-carbon case (i.e., where the progress of low-carbon transition aligns with international climate commitments), S&P can capture the precise impact of climate-related risks and opportunities have on its business.

S&P firmly acknowledges the critical significance of comprehensively evaluating the potential financial implications arising from fluctuations in carbon pricing, evolving consumer perspectives, and investments in low-carbon technologies, and a thorough assessment of these pivotal issues is currently underway.

Transition Risks Assessment

Transition Drivers		Potential Impacts: Time Horizon – Baseline (2023–2025)	Potential Impacts: Time Horizon – 2030	Potential Impacts: Time Horizon – 2050	Potential Financial Impacts	Impact on S&P's business	Adaptation or Mitigation plan (current period – next 5 years)
POLICY AND LEGAL	Carbon pricing mechanism Increase cost of fuel due to carbon pricing.	High	High	High	0.43% of EBIT.[1/]	• Higher production cost	• Assess the impact of carbon tax on the business in both the present and future, and develop strategies to reduce CO_2 emissions. • Review and improve production processes to increase efficiency. • Closely monitor trends in the enforcement of related laws and regulations. • Train employees on the importance of reducing CO_2 emissions and encourage their involvement in energy-saving practices and increasing work efficiency. • Implement financial strategies focused on reducing carbon emissions such as using carbon credits to offset emissions. • Reduce GHG on scope 1+2 by 24.6% in 2030 as compared to 2023 (base year).

Remark: [1/] The calculation involved multiplying the S&P's 2025 GHG emissions associated with fuel consumption by Thailand's carbon tax. This carbon tax, integrated into the existing excise tax system on fuels, was set at 200 THB/tonCO_2e.

Transition Drivers		Potential Impacts: Time Horizon – Baseline (2023–2025)	Potential Impacts: Time Horizon – 2030	Potential Impacts: Time Horizon – 2050	Potential Financial Impacts	Impact on S&P's business	Adaptation or Mitigation plan (current period – next 5 years)
TECHNOLOGY	**Low-carbon technology** Implementation of new technologies in low carbon for products and services.	Med	High	High	Not yet calculated	• Increase the investment cost for low-carbon technologies, such renewable energy infrastructure, energy efficient equipment, electric vehicles, and carbon capture and storage systems, often require significant initial capital expenditure. • Increase the investment cost of research and development of products and services.	• Select raw materials and products with lower CO_2 emissions. • Life cycle assessment to evaluate the total GHG emissions associated with the entire lifecycle of the technology, from raw material extraction and manufacturing to operation and disposal. • Collaborate with S&P's business partners who are the experts in technology development. • Invest in more efficient technologies to improve energy use efficiency.
MARKET	**Changing Consumer Behaviors** with customers expecting more sustainable solutions.	Med	High	High	Not yet calculated	• Competitiveness and sustainability in future business operations. • Conduct research and development for new products based on statistical data and contemporary consumer behavior studies. • Utilize innovative technologies, such as Artificial Intelligence, to analyze consumer behavior and preferences along with tracking emerging trends that influence consumer lifestyles.	• Develop business strategies and plans based on customer demand and preference analysis using company statistical data, such as product sales, sales per transaction, and daily sales. • Monitor and report operational performance according to the plan by presenting results in the weekly marketing department meetings and monthly management meetings. • Collect and analyze competitor data to create annual reports tracking businesses in the same or similar industries, including trends affecting products, pricing and distribution channels both domestically and internationally (Competitor Benchmarking).

Transition Drivers		Potential Impacts			Potential Financial Impacts	Impact on S&P's business	Adaptation or Mitigation plan (current period – next 5 years)
		Time Horizon					
		Baseline (2023–2025)	2030	2050			
REPUTATION	**Shareholder and Stakeholder sentiment** Increase external stakeholder pressure to disclose climate-related activities.	Low	Med	High	Not yet calculated	• Loss of market share from distrust of the S&P's operations. • Decrease of profit due to the decrease of customer retention.	• Disclosing information on the environmental impact of products transparently, potentially through clear labeling, marketing campaigns, and highlighting long-term ambitions. • Develop engagement with stakeholder groups to build a good image of S&P.

Transition Opportunities Assessment

Transition Drivers		Potential Impacts – Time Horizon: Baseline (2023–2025)	Potential Impacts – Time Horizon: 2030	Potential Impacts – Time Horizon: 2050	Potential Financial Impacts	Impact on S&P's business	Adaptation or Mitigation plan (current period – next 5 years)
MARKET	Low-carbon product Increase the implementation of green market/ low-carbon product	Low	High	High	5.19% of revenue	• Initiate market competitive opportunities such as low-carbon products. • New environmentally friendly innovations production processes. • Increased sales of low environmental impact products are driven by the rising popularity among customers. • Financial accessibility for enables the implementation of mitigation and adaptation strategies.	• Increase the proportion of production of a wider range of low-carbon products to meet the needs of customers. • Formulate innovation strategies to meet the needs of consumers and investors in the future. • Study the feasibility of low-carbon technologies, as well as invent and develop new products that are socially and environmentally friendly. • Strengthening the methods used to demonstrate low environmental impact.
TECHNOLOGY	Energy source Clean energy provision e.g. solar rooftop and EV transportation	Low	High	High	Not yet calculated	• Opportunities from the use of clean energy in the production process to reduce environmental impact. • Adjust energy consumption in the transportation process to reduce environmental impact.	• S&P installed solar roofs at 3 bakery factories, 1 food factory and 1 distribution center to reduce the electricity cost in the production process. • Utilizing data to identify and implement energy efficiency improvements.

Physical Scenario Analysis

To enhance the strategic resilience evaluation, S&P integrates empirical data from real-world natural disruptions into our physical risk modeling. In 2025, S&P experienced substantial financial and operational impacts from two distinct **acute physical risk** events.

This actual physical climate event directly impacted our end-to-end operations as follows:

Case Study 1: Southern Thailand Flooding (Songkhla Province)

Risk Nature

Acute climate-driven physical risk characterized by intensifying rainfall and flash floods.

Operational Disruption

S&P was forced to temporarily suspend operations at 10 restaurant and bakery outlets within the affected areas due to severe inundation and regional infrastructure failures.

Financial Impact

The crisis resulted in a total financial impact of 4,988,782 Baht, encompassing lost business opportunities, store restoration and rehabilitation expenditures, and compassionate financial assistance for affected frontline employees.

Case Study 2: Earthquake Event in Thailand

Risk Nature

Although earthquakes are geological perils rather than climate-induced events, they present acute physical risks that directly threaten infrastructure safety and retail store operations in seismic zones.

Operational Disruption

Seismic tremors directly impacted 7 S&P outlets, forcing immediate emergency shutdowns to ensure customer and employee safety.
The events caused inventory damage (shattered glass and spoiled fresh food items), required immediate shut-offs of kitchen gas and power lines, and prolonged store closures for structural integrity assessments.

Financial Impact

The earthquake caused a combined loss of 776,703 Baht, driven by lost sales opportunities during store closures, high expenses for repairing internal store structures, furniture, and kitchen equipment, alongside healthcare and emotional support compensation for on-site staff.

Integration into Scenario Analysis & Financial Implications

The lessons learned from the 2025 Southern Thailand flood and Earthquake has been capitalized to stress-test our business model under a high-emission climate scenario (Global warming >2°C), where extreme weather events in Thailand are projected to escalate in both frequency and severity. S&P has quantified these financial implications and formulated proactive strategic adaptations:

Financial Quantification

- Income Statement: This event underscores how recurring acute physical risks can directly impair our Gross Profit Margin due to volatile operational restoration expenses (OpEx) and localized revenue drops.
- Balance Sheet: S&P has cross-referenced the GIS locations of our nationwide retail footprint with national Flood Hazard Maps to assess potential asset impairment risks for vulnerable outlets in the future.

Strategic Adaptation & Responses

Utilizing the loss metrics from the Songkhla flood case study, S&P has upgraded its physical risk mitigation measures nationwide through our Climate-Related Investment Plan:

- Business Continuity Plan (BCP) Enhancement: Upgrading our early-warning protocols in partnership with meteorological services to allow high-risk stores to secure premium equipment and raw materials ahead of severe weather.
- Logistics & Cold-Chain Resilience: Implementing adaptive supply chain routing to ensure that manufacturing plants can reroute and secure fresh bakery deliveries across adjacent regions during localized logistical cut-offs.
- Climate-Resilient Store Design: Modifying engineering standards for future store layouts in low-lying or high-risk topographies-incorporating elevated store floors and deployable flood barriers to prevent long-term capital loss and reduce rehabilitation costs.

S&P has conducted an initial physical risk assessment, evaluating both acute and chronic climate change risks arising from conditions such as flooding, drought, and extreme heat as key physical drivers. This assessment prioritized **14 assets**, reviewing each asset's location to evaluate relevant regional and country-level physical risks. A **"hot spot"** site-level risk analysis was performed, and S&P intend to expand this analysis in upcoming years.

In this preliminary stage, S&P has also quantified the potential financial impact on its business under both physical and transition scenarios, based on assumptions made by the S&P. This analysis has informed the development of group-level strategic responses to address and mitigate these identified risks.

Potential Financial Impact Calculation Method for Physical Risks

S&P initially estimated a potential financial impact of **178.23 million Baht** from Physical Climate Risks, based on the following:

1 Impact on Sales Revenue

- Aggregated monthly sales of branches historically/projected to be affected by climate events (flooding, drought, extreme heat).
- Timeframe based on typical disruption duration per event type.
- Assumption: Direct correlation between event and temporary sales cessation/reduction.

2 Contingency for Damages to Buildings and Infrastructure

- Additional 5% of affected branches' aggregated monthly sales.
- Assumption: Accounts for initial estimate of repair/replacement costs and short-term business interruption due to asset damage.

No.	Asset	Risk
1	S&P Head Office	Flood
2	Sukhumvit 62 Bakery Factory	Flood
3	Bangna-trad KM. 23.5 Bakery Factory	Flood
4	Lamphun Bakery Factory	Flood, Drought, Extreme Heat
5	Latkrabang Food Factory	Flood
6	S&P Distribution Center	Flood
7	S&P Restaurant, Suvarnaphum Airport Branch	Flood
8	S&P Restaurant, Don Muang Airport Branch	Flood
9	S&P Restaurant, Future Park Rangsit Branch	Flood
10	S&P Restaurant, Bangkok Hospital Pattaya Branch	Flood
11	S&P Restaurant, Central Khon Kaen Branch	Flood
12	S&P Restaurant, Central Phuket Branch	Flood
13	S&P Restaurant, Rim Ping Branch	Flood, Drought, Extreme Heat
14	S&P Restaurant, Robinson Saraburi Branch	Flood, Drought, Extreme Heat

In the upcoming years, S&P seeks to develop a deeper understanding of the risks posed to sites through site-specific physical risk assessments focusing on key assets and key hazards. As part of on-going efforts to mitigate and adapt to physical risk, S&P considers appropriate insurance products to cover damages and losses due to potential natural hazards at given locations and have set up asset/site-based mitigation plans.

Physical Risk Assessment

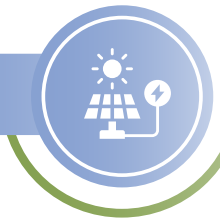
Categories	Risk	Description of risks	S&P's description of risks	Impact on S&P's business	Adaptation or Mitigation plan (current period – next 5 years)	Potential Impact
Acute	Flood	Climate change refers to the increased likelihood and severity of flooding events resulting from climate-related factors such as intense rainfall.	Flooding results in disruption to operations, which directly affects the loss of S&P's revenue. It also delays the delivery of raw materials by suppliers.	• Raw materials may be damaged or contaminated, leading to supply chain shortages in food and bakery production. • Production facilities and equipment can sustain damage. • Logistical disruption can cause delays and potential shortages. • Revenue may decrease because customers are unable to access products for purchase. • Flood-resistant construction leads to increased costs.	• Develop the Business Continuity Plan (BCP Plan) to assess and address potential risks, specifying the severity level, the person responsible if such an event occurs, and the steps to be taken. • Continuously monitor up-to-date information and news, and prepare plans in case of the need to comply with government orders that involve multiaple parties. • Communicate or provide knowledge to employees and executives through online systems or Town Hall meetings to ensure that all employees and executives understand and are informed. • Secure a safe location for storing important company documents and establish a data backup system to ensure that all necessary data is properly stored and accessible in emergencies.	It is estimated that the cost of the shutdown of the production line of the factory is approximately 178.23 million baht per month.
	Drought	Extended period of dry weather characterized by significantly below-average rainfall or lack of precipitation, resulting in a shortage of water supply in a specific region.	Water shortages that disrupt production processes can affect the S&P by causing higher costs, reduced availability, potential quality issues, and threats to food security.	• A shortage of raw materials for food production. • Low-quality agricultural products and raw materials can negatively impact the final product. • Low product quality can damage brand reputation and reduce customer trust.	• Continuously monitor and assess risks arising from drought conditions, and develop response plans and business continuity management plans to address potential drought events. • Support investments in technology and improvements to production processes; explore alternative water sources; and implement wastewater reuse strategies from wastewater treatment systems. • Identify alternative raw materials or substitute products. • Develop substitute formulas for core products by using alternative raw ingredients in case of supply disruptions.	Not yet calculated

Categories	Risk	Description of risks	S&P's description of risks	Impact on S&P's business	Adaptation or Mitigation plan (current period – next 5 years)	Potential Impact
Acute (continued)	Drought (continued)			• The cost of raw materials is a significant risk due to the highly volatile prices of key ingredients like butter, flour, and eggs, which are essential for bakery products. For example, a drought can lead to an increase in the cost of flour because production is affected by a lack of water (impact).	• To manage raw material costs, S&P should establish future contracts, defining the price and quantity of key ingredients. Additionally, consider adjusting some menu items to substitute ingredients	
Chronic	Extreme heat	Accumulation of GHG in atmosphere, trapping heat and leading to a global warming trend. This rise in temperature disrupts weather patterns.	Change in the temperature may result in a decrease in agricultural output throughout the supply chain.	• Damage to raw materials during production and quality control leads to disruptions in the production process. • Higher procurement costs. • Loss of sales revenue due to insufficient product availability for customer needs.	• Capacity building for farmers in resource conservation will allow them to prepare for natural disasters and apply technology to increase production efficiency. • Secure second/multiple suppliers and alternative materials to mitigate risks.	Not yet calculated

Climate Resilience

Energy Management Approaches

Renewable electricity



2 Bakery Factories, 1 Food Factory and Distribution Center

S&P has set a target for renewable energy consumption to account for 20% of its total energy consumption by 2030. This plays a crucial role in reducing greenhouse gas emissions, particularly Scope 2 emissions, which refer to indirect emissions from the consumption of purchased electricity and energy by the factories.

In 2025, the full implementation of the solar rooftop project generated 3,244,153.26 kWh of renewable electricity. This accounted for **7.47%** of S&P's total electricity consumption for the year and contributed to a reduction in GHG emissions by approximately 1,540.97 tCO_2e.

Detail	Lat krabang Food Factory	Bangna-Trad KM. 23.5 Bakery Factory			Lumphun Bakery Factory	S&P Distribution Center	Total
	Solar Roof-Phase1	Solar Roof-Phase1	Solar Roof-Phase2	Solar Roof-Phase3	Solar Roof-Phase1	Solar Roof-Phase1	
Installation date	March 2023	October 2016	January 2021	October 2023	October 2023	October 2023	-
Installation capacity (kWh)	532.56	538	459	313	293	594	**2,729.56**
Investment budget (million baht)	13.91		39.7		7.27	12.43	**73.31**
Electricity production from solar energy (kWh/year)	687,161.14		1,398,126.50		369,800	789,066.62	**3,244,153.26**
Greenhouse gas reduction ($TonCO_2e$)	326.40		664.11		175.66	374.81	**1,540.97**
Cost savings (million baht)	3.11		5.80		1.47	3.1	**12.01**
Total Electricity Consumption* (kWh/year)			43,413,404.60				
Proportion of Alternative Energy (%RE)			7.47%				

Remark: *Covers electricity consumption across 3 bakery factories (Sukhumvit 62, Bangna-Trad KM. 23.5 and Lamphun), Lat krabang Food Factories, S&P Distribution Center, Head Office and S&P outlets 404 branches.

Green logistics → EV Truck

S&P has strategically planned and is actively implementing environmentally friendly transportation and distribution methods for goods moving from its distribution center to S&P outlets. This initiative underscores the company's commitment to reducing carbon dioxide emissions generated from fuel combustion and fostering sustainability throughout its value chain operations.

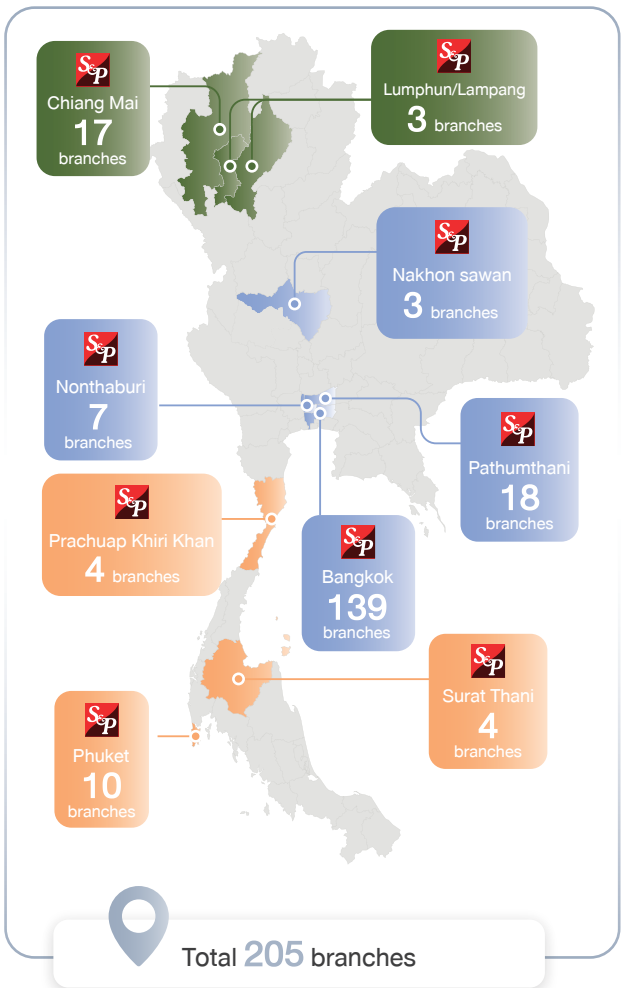
A key component of this strategy is the S&P EV Truck project. Commencing its operational phase in December 2023, the project introduced 100% electric-powered 4-wheel trucks to pilot the transportation of finish goods from the S&P DC to S&P outlet locations. This initial phase has already yielded significant positive outcomes, resulting in a reduction of diesel consumption by **5,449 liters/year**. The adoption of electric vehicles has demonstrably contributed to environmental preservation by reducing greenhouse gas emissions by approximately **14.5 tonsCO_2e/year**.

Waste Management Approaches

Food Waste Management

A key sustainable development goal for the food production business of S&P is to minimize excess food. This aligns with the United Nations Sustainable Development Goals (SDGs), particularly Goal 12 to ensure sustainable consumption and production patterns.

In 2025, S&P expanded the project by increasing the number of participating outlets from 88 to 205 outlets, which can delivered **88,154 kilograms** of bakery surplus from S&P restaurant and bakery shop, equivalent to 370,249 meals and also Reduced greenhouse gas emissions by **233.03 tons CO_2 equivalent**.



Reduce food waste

88,154 kilograms

Deliver food to the community

370,249 meals

Reducing GHG emission

223,028 $kgCO_2e$

Circular Economy Project

S&P is collaborating with partners to establish a circular economy-based material or waste management system. The objective is the utilization and circulation of natural resources within the value chain to maximize benefits and enhance the efficiency of raw material management in production, thereby reducing waste and expired products through appropriate processes. These efforts contribute to easing the negative impacts of waste management via landfill, which emits greenhouse gases into the atmosphere.

Fried to Fly

Contributor of used cooking oil for the production of Sustainable Aviation Fuel (SAF)

Transfer used cooking oil **71** ton

GHG reduction **100.30** tonCO_2e

Please Give Me…Your Plastic Bottles

Delivering post-consumer bottles to the recycling system for circular transformation into new items.

PET to recycling system **4.16** ton

GHG reduction **4.29** tonCO_2e

Sustainable Packaging development

S&P is actively engaged in Research and Development (R&D) department on sustainable packaging, focusing on reducing plastic usage and exploring the feasibility of transitioning to fully recyclable packaging which achieved 97.14% of entire packaging. This initiative is driven by the target that 100% of packaging for products at S&P outlets must be recyclable or biodegradable.

Volume	2018	2019	2020	2021	2022	2023	2024	2025
Plastic packaging reduction (tons)	100	82	117	41.80	8.13	3.08	0	0
Total (tons)	352							

While the 2025 shift to mono-material cookie sachets enhanced recyclability without reducing plastic, S&P actively collaborates with packaging manufacturers on R&D to achieve its 100% recyclable or biodegradable packaging target.

Water Management Approaches

In 2025, S&P conducted an annual water risk assessment covering all areas of our business operations using the Aqueduct Water Risk Atlas tool. The assessment results showed that 50% of S&P operating areas, namely Lamphun Bakery Factory and Latkrabang Food Factory, are located in areas of extremely high risk. Meanwhile, the other 50% of S&P operating areas, namely Sukhumvit 62 Bakery Factory and Bangna-Trad Km. 23.5 Bakery Factory, are located in areas of to high risk.

Nonetheless, S&P factories in areas of extremely high risk are found to be located in industrial estates, which require that wastewater discharge quality must comply with general wastewater discharge standards for factories in industrial estates. In addition, industrial estates have their own central wastewater treatment system to receive and treat wastewater from factories to meet legal wastewater quality prior to release into public water sources.

- Total water consumption is **9.90 cubic meters per ton of production**, a **decrease of 2.47%** compared to water consumption per unit of production.
- Treated and recycled wastewater volume is **50,979 cubic meters**, accounting for **21%** of total treated wastewater.

- Manage water risks by monitoring the amount of water available at the local level.
- Evaluate the quality of water sources used in production processes by conducting sensitivity analysis annually.
- Monitor water usage volume throughout the organization, including the financial impact of changing water prices.
- Control the quality of wastewater from production processes according to legal standards.
- Invest in a wastewater recovery project using Sequencing Batch Reactor (SBR).
- Install a grease trap at all S&P outlets to trap grease.
- Promote awareness and understanding of water resource conservation among employees and relevant stakeholders.

Sustainable value chain

Business Model

S&P values our all groups of stakeholder, whether internal stakeholders such as executives, shareholders, employees and external stakeholders such as customers, government agencies, business partners and community.

Climate-related risk and opportunity is a factor that causes the change of business operations and adapt to the current climate situation. Stakeholder groups are becoming more complex and have higher expectations of unprejudiced also participation in decision-making on matters of impact. Therefore, S&P has established climate-related risk and opportunity guidelines for stakeholder engagement to build a trust among all groups of stakeholders in the responsible to climate change.

Business risk assessment

S&P has a business risk assessment process related to vendors, prioritizing them based on product categories, trading value, and the economic risks they pose. This assessment aims to mitigate risks associated with dependency on a limited number of vendors or the receipt of substandard products, which could disrupt the supply chain and impact S&P's revenue, covering Business Continuity Management (BCM), sustainable supply chain management policies, environmentally friendly procurement, and anti-corruption policies and preventive measures. According to the 2025 ESG risk assessment of **266 vendors** (Archieved 100% of the supplier ESG evaluation target), no significant risks were identified.

S&P has prepared some mitigation actions to respond and minimize the impacts pose significant risks to S&P operation;

- Multiple Supplier Procurement: Backup suppliers are pre-identified to ensure supply continuity when primary suppliers face disruptions. This approach minimizes business impact and ensures a stable supply chain.
- Single Supplier Procurement: For S&P specific or exclusive raw materials, forecasting is conducted in coordination with production planning teams and the Data Information Center (S&P Outlets). Forecasts are shared with exclusive suppliers to ensure adequate stock levels and prevent short supply issues (when primary suppliers cannot fulfill demand).

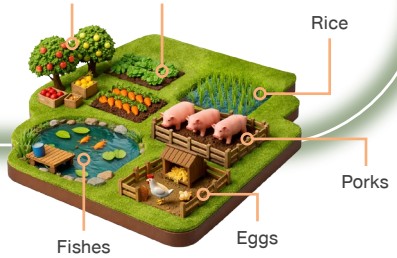
1 Research & Product Development

2 Procurement & Raw Material

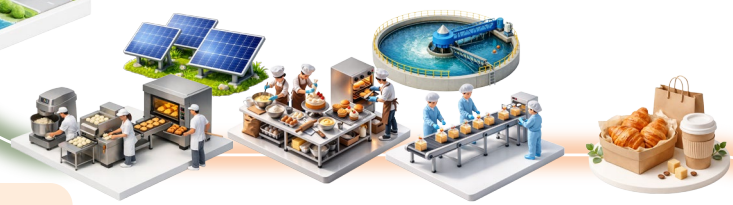
Imported Raw Materials

Seasoning

Fruits Vegetable Rice Porks Eggs Fishes



3 Bakery & Food Manufacturing Process



Food Bekery Frozen Food Sustainable Packaging

4 Warehouse & Logistics

5 S&P Restaurants & Bakery Shops/ 1344 Delivery

S&P Delivery

S&P Restaurants & Bakery Shops

- Separate waste collection system

Product: Healthy Bakery & Nutrition Menu

Customer:

- Sustainable Consumption for reduce food waste
- Reduce to single use plastic

Community:

- S&P Food Rescue Project

Responsible Organization

Low-carbon products

In 2025, **5 products** were certified for renewal Carbon Footprint for Products (CFP) Label:

1. Chocolate Marble Cake
2. Butter Vanilla Cake
3. Banana Cake
4. Banana Cake (pack)
5. Chocolate Marble Cake (pack)

The project is an estimation of the amount of GHG emissions over the life cycle of products from the acquisition of raw materials, production process, product distribution and waste management.

S&P has continuously implemented the carbon footprint product labeling initiative since 2018. To dates, accumulative of 24 products have been certified with the Carbon Footprint Product (CFP) label, and accumulative 9 products have been certified with the Carbon Footprint Reduction (CFR) label.

Carbon Profile Across Manufacturing Operations:

- S&P will increase the proportion of production of a wider range of low-carbon products to meet the needs of customers.
- S&P will formulate innovation strategies to meet the needs of consumers and investors in the future.
- S&P will study the feasibility of low-carbon technologies, as well as invent and develop new products that are socially and environmentally friendly.


Certificate Number: TGO CFO FY26-05-600
THAILAND GREENHOUSE GAS MANAGEMENT ORGANIZATION (Public Organization) TGO
CERTIFICATE
Awarded to
S&P Syndicate Public Co.,Ltd.
Company address verified: 2034/100-103, 23rd Floor, Ittathai Tower, New Petchburi Rd., Bangkapi, Huaykwang, Bangkok, Thailand 10310
Thailand Greenhouse Gas Management Organization certifies that the quantity of Greenhouse Gas of the above organization has been verified by Bureau Veritas Certification (Thailand) Ltd. and found to be in accordance with the requirements of the standard detailed below.
Standard
TGO Guidance of the Carbon Footprint for Organization
Verification Period: [01/01/2025 - 31/12/2025]
Total Greenhouse Gas Emission (Scope 1&2): 18,027 tonCO2e/year
Direct GHG emissions 4,445 tonCO2e/year
Energy Indirect GHG emissions 13,582 tonCO2e/year
Other Indirect GHG emissions 13,829 tonCO2e/year
The agreed level of assurance is: Limited, at materiality of 5%
Registration Date: 22 April 2026
Mr.Nakorn Tangavirapat
Executive Director
Thailand Greenhouse Gas Management Organization (Public Organization)


Certificate Number: TGO CFO FY26-07-623
THAILAND GREENHOUSE GAS MANAGEMENT ORGANIZATION (Public Organization) TGO
CERTIFICATE
Awarded to
S&P Syndicate Public Co., Ltd.
Company address verified: 86 Moo 4 Bang na-Trad km 23.5 Bangsaothong Samutprakarn 10540
Thailand Greenhouse Gas Management Organization certifies that the quantity of Greenhouse Gas of the above organization has been verified by Bureau Veritas Certification (Thailand) Ltd. and found to be in accordance with the requirements of the standard detailed below.
Standard
TGO Guidance of the Carbon Footprint for Organization
Verification Period: [01/01/2025 - 31/12/2025]
Total Greenhouse Gas Emission (Scope 1&2): 1,781 tonCO2e/year
Direct GHG emissions 621 tonCO2e/year
Energy Indirect GHG emissions 1,160 tonCO2e/year
Other Indirect GHG emissions 8,339 tonCO2e/year
The agreed level of assurance is: Limited, at materiality of 5%
Registration Date: 22 April 2026
Mr.Nakorn Tangavirapat
Executive Director
Thailand Greenhouse Gas Management Organization (Public Organization)


Certificate Number: TGO CFO FY26-07-599
THAILAND GREENHOUSE GAS MANAGEMENT ORGANIZATION (Public Organization) TGO
CERTIFICATE
Awarded to
S&P Syndicate Public Co., Ltd.
Company address verified: 2,2/1 Soi Sukhumvit 62 (yak 3) Sukhumvit Rd. Bangjak Phrakanong Bangkok 10260
Thailand Greenhouse Gas Management Organization certifies that the quantity of Greenhouse Gas of the above organization has been verified by Bureau Veritas Certification (Thailand) Ltd. and found to be in accordance with the requirements of the standard detailed below.
Standard
TGO Guidance of the Carbon Footprint for Organization
Verification Period: [01/01/2025 - 31/12/2025]
Total Greenhouse Gas Emission (Scope 1&2): 1,870 tonCO2e/year
Direct GHG emissions 435 tonCO2e/year
Energy Indirect GHG emissions 1,435 tonCO2e/year
Other Indirect GHG emissions 8,241 tonCO2e/year
The agreed level of assurance is: Limited, at materiality of 5%
Registration Date: 22 April 2026
Mr.Nakorn Tangavirapat
Executive Director
Thailand Greenhouse Gas Management Organization (Public Organization)


Certificate Number: TGO CFO FY26-04-587
THAILAND GREENHOUSE GAS MANAGEMENT ORGANIZATION (Public Organization) TGO
CERTIFICATE
Awarded to
S&P Syndicate Public Co., Ltd.
Company address verified: 81 Mu 4 Tambon Bannklang Amphur Muang Lamphoon 51000
Thailand Greenhouse Gas Management Organization certifies that the quantity of Greenhouse Gas of the above organization has been verified by Bureau Veritas Certification (Thailand) Ltd. and found to be in accordance with the requirements of the standard detailed below.
Standard
TGO Guidance of the Carbon Footprint for Organization
Verification Period: [01/01/2025 - 31/12/2025]
Total Greenhouse Gas Emission (Scope 1&2): 733 tonCO2e/year
Direct GHG emissions 336 tonCO2e/year
Energy Indirect GHG emissions 397 tonCO2e/year
Other Indirect GHG emissions 3,316 tonCO2e/year
The agreed level of assurance is: Limited, at materiality of 5%
Registration Date: 22 April 2026
Mr.Nakorn Tangavirapat
Executive Director
Thailand Greenhouse Gas Management Organization (Public Organization)

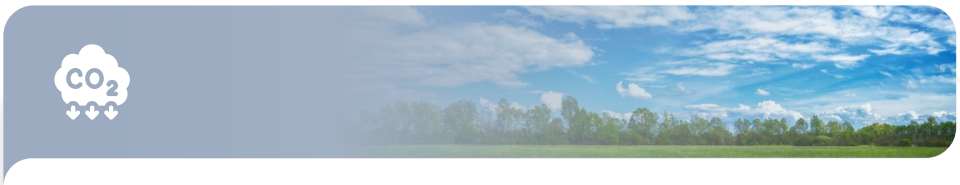

Certificate Number: TGO CFO FY26-06-750
THAILAND GREENHOUSE GAS MANAGEMENT ORGANIZATION (Public Organization) TGO
CERTIFICATE
Awarded to
S&P Syndicate Public Co.,Ltd.
Company address verified: 29,36 Soi Chalongkrung 31 , Chalongkrung Road , Lumplatew, Ladkrabang, Bangkok 10520
Thailand Greenhouse Gas Management Organization certifies that the quantity of Greenhouse Gas of the above organization has been verified by SGS (Thailand) Limited and found to be in accordance with the requirements of the standard detailed below.
Standard
TGO Guidance of the Carbon Footprint for Organization
Verification Period: [01/01/2025 - 31/12/2025]
Total Greenhouse Gas Emission (Scope 1&2): 5,053 tonCO2e/year
Direct GHG emissions 3,623 tonCO2e/year
Energy Indirect GHG emissions 1,430 tonCO2e/year
Other Indirect GHG emissions 5,497 tonCO2e/year
The agreed level of assurance is: Limited, at materiality of 5%
Registration Date: 22 April 2026
Mr.Nakorn Tangavirapat
Executive Director
Thailand Greenhouse Gas Management Organization (Public Organization)


Certificate Number: TGO CFO FY26-03-612
THAILAND GREENHOUSE GAS MANAGEMENT ORGANIZATION (Public Organization) TGO
CERTIFICATE
Awarded to
S&P Syndicate Public Co., Ltd.
Company address verified: 31/4 Mu3, Bang Sao Thong , Bang Sao Thong , SamutPrakan 10540
Thailand Greenhouse Gas Management Organization certifies that the quantity of Greenhouse Gas of the above organization has been verified by Bureau Veritas Certification (Thailand) Ltd. and found to be in accordance with the requirements of the standard detailed below.
Standard
TGO Guidance of the Carbon Footprint for Organization
Verification Period: [01/01/2025 - 31/12/2025]
Total Greenhouse Gas Emission (Scope 1&2): 2,398 tonCO2e/year
Direct GHG emissions 1,318 tonCO2e/year
Energy Indirect GHG emissions 1,080 tonCO2e/year
Other Indirect GHG emissions 2,554 tonCO2e/year
The agreed level of assurance is: Limited, at materiality of 5%
Registration Date: 22 April 2026
Mr.Nakorn Tangavirapat
Executive Director
Thailand Greenhouse Gas Management Organization (Public Organization)

S&P has a policy to compile a database on greenhouse gas emissions across the entire organization, including the Head Office, Sukhumvit 62 Bakery Factory, Bangna-Trad Km. 23.5 Bakery Factory, Lamphun Bakery Factory, Latkrabang Food Factory, S&P Distribution Center, and S&P outlets 404 branches. This initiative supports climate change response planning and has been established as part of the corporate strategy. The Carbon Footprint Organization (CFO) 2025 has been certified by the Thailand Greenhouse Gas Management Organization (TGO).

Carbon Credit

S&P has set a goal to achieve Net Zero by 2050 and has therefore implemented projects to reduce greenhouse gas emissions, such as solar power installation projects, low-carbon product projects, projects to increase the efficiency of electrical equipment in food and bakery plants, as well as using carbon credits to ultimately offset the organization's greenhouse gas emissions from operations.



S&P purchased carbon credits from a renewable energy project, generation by **TPCH Power 2 Company Limited**. S&P acquired **15,000 tons of CO_2 equivalent carbon credits** from the **9.9 MW Biomass Electricity Generation** by TPCH Power 2 Company Limited, which is certified by the Thailand Greenhouse Gas Management Organization (TGO). In total, the company has accumulated **38,400 tons of CO_2 equivalent in carbon credits** to date.

The S&P is committed to conducting business while reducing greenhouse gas emissions that impact the world. It has planned to purchase carbon credits to offset the organization's emissions, after implementing greenhouse gas reduction projects. The amount of carbon credits purchased is considered based on the current net emissions. For the future, it plans to purchase additional credits, considering the net greenhouse gas emissions each year, aiming for the emissions rate to decrease according to the S&P's emissions reduction plan and technologies adopted to achieve this goal.

In considering purchasing carbon credits from sellers, the S&P selects credible organizations that clearly disclose the origin of the credits, and have been certified by a reliable external agency, namely the TGO.

S&P's Pathway to Climate Resilience

S&P established its Sustainability Development and Public Communications Department in 2018, marking the first time the S&P has formally prioritized responsible business practices. Key initiatives include developing the organization's climate change action plan, and achieving Net Zero greenhouse gas emissions by 2050. Significant greenhouse gas reduction strategies involve energy sourcing, sustainable raw material procurement, and waste and water management, all aimed at minimizing environmental impact.

2016
- Solar rooftop Phase#1 installed at Bangna-Trad Km. 23.5 Bakery Factory.

2018
- **Establish Sustainability and Corporate Communications Department**
- Conduct research and development for sustainability packaging (to reduce plastic or transition to recyclable packaging)

2019
- Carbon Footprint Organization certificate for Bakery Factory (Bangna-Trad Km. 23.5 and Sukhumvit 62).

2020
- Carbon Footprint Organization certificate for Latkrabang Food Factory.
- Circular economy project : S&P Food rescue, Please give me…your plastic bottle, WON

2021
- Carbon Footprint Organization certificate for Head office.
- Solar rooftop Phase#2 installed at Bangna-Trad Km. 23.5 Bakery Factory.

2022
- **Carbon Footprint Organization certificate** for Lamphun Bakery Factory.

2023
- Carbon footprint organization certificate for Smart DC& Outlets 375 branches to Set base year for decarbonization pathway.
- Solar rooftop Phase#3 installed at Bangna-Trad Km. 23.5 Bakery Factory.
- Solar rooftop installed at Latkrabang Food factory, Lumphun Bakery Factory and Smart DC
- Launched EV Truck
- Circular economy project: Fried to fly by transforming used cooking oil (UCO) into Sustainable Aviation Fuel (SAF)

2024
- Full operation of solar rooftops across all factories.
- EV Truck deployment.
- Circular economy project
- Adoption of alternative sustainable packaging

2025
- Flagship green outlet (Eco-friendly concept)
- Circular economy project
- Carbon Credit purchased

2027
- Collect primary GHG scope 3 database
- Reduce packaging &raw material usage (scope 3)
- Reduce plastic sticker usage

2029
- Zero waste to landfill (All factory)
- Low carbon refrigerant replacement
- Purchase Carbon Credit or RECs (Renewable Energy Certificates) to offset GHG emissions or support renewable energy.

2030
- High efficiency technology
- Waste to energy (Biogas)
- Waste heat recovery

Target
- Reduce 24.6% of GHG in Scope 1&2
- 20% by renewable energy

2050
- Become Net Zero Emissions

S&P has established a target to reduce 24.6% of Scope 1&2 GHG emissions by 2030 (2023 as the base year). This target only encompasses GHG emissions reduction on Thailand's S&P business only.

To achieve its GHG emission reduction target, S&P has developed climate strategies to effectively reduce GHG emissions from Thailand business, while also aiming to expand its coverage in the following year. The main climate projects under the climate action plan by 2030, as follows:

Solar Rooftop Installation

S&P has implemented substantial investments in renewable energy through installing solar rooftops at its food factory and bakery factories in Thailand. The solar rooftops will harness sunlight to generate electricity, reducing reliance on conventional power sources and contributing to a more sustainable energy mix.

Low GHG Refrigerant

S&P plans to implement the low refrigerant project by replacing substances with lower Global Warming Potential (GWP).

Renewable Energy Certificates

RECs is the instrument that allow company to lower Scope 2 emission from purchase electricity, RECs represent attributes of 1 MWh renewable electricity generation.

For the long-term climate projects, S&P has developed a comprehensive strategies as follows.

Produce biogas energy from anaerobic digestion of organic fertilizer	Capture and purify biogas, and use as a renewable energy source including heating, electricity generation and transportation fuel.
Carbon Credit Project	There is a plan to accumulate purchases annually, considering the amount of net greenhouse gas emissions.
Low-Carbon Product Development Project	Approximately 5 items per year across food, bakery, and beverage products, considering operational suitability each year. For certification of the Corporate Carbon Footprint Project, Product Carbon Footprint Project, and Carbon Footprint Reduction Label Project (CFR) for products.
Circular economy	Concept will continue to be implemented. Any new projects with partners and self-initiated S&P projects will be considered in line with current pain points, as well as forecasting future risks and opportunities.
Single-Use Plastic Reduction Project	Campaigning for consumers to bring their own reusable bags instead of asking for plastic bags, and a bring-your-own-tumbler campaign for a 10 Baht discount. There are also recycling projects with various partners for plastic bottles, bags and used paper.
Environmentally-friendly packaging project	Explore food boxes made from natural pulp, paper straws, mono-material plastics that can be recycled. In the future, there are plans to develop R-PET for the S&P's packaging as well.

Climate Risk Management

Climate Risk Management

To enable users of general-purpose financial reports to understand S&P's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.

Climate risk is assessed and managed through the S&P's annual risk assessment. S&P has developed an environmentally conscious risk taxonomy to classify risks according to strategic risks, operational risks, financial risks and compliance risks. It integrates climate-related issues into various categories so that S&P can identify different types of climate-related risks that may affect S&P's business.

Climate Change Risk Management Framework

Having completed the Climate Change Risk Management, S&P adopts the Committee of Sponsoring Organizations of Treadway Commission (COSO) international standard to guide its risk policies, objectives, management frameworks and management structure. See Figure below for how climate change risk management is integrated in the S&P's adoption of the COSO ERM framework

The processes and related policies S&P uses to identify, assess, priorities and monitor climate-related risks

Climate Change Risk Management in the COSO ERM Framework

Scope

The inputs and parameters S&P uses

Physical Risk Parameter

- Flood: Latkrabang

Transition Risk Parameter

- Carbon price: business operation

Transition Opportunity Parameter

- Low carbon product

Process

Climate change as a cross-cutting theme is well embedded in this COSO ERM Framework. S&P has established robust climate governance, as described in the Governance section of the report. Under the Strategy Setting pillar, a comprehensive climate change risk assessment was conducted and introduced above. Based on the findings of the climate change risk assessment, the climate strategy framework which outlines the S&P's climate-related targets, and key initiatives has been formulated by the Climate Change Committee and endorsed by the Sustainability Development Committee. Meanwhile, under Performance, S&P has made climate-related risk and opportunities assessment and the climate strategy framework, to prioritize the risk items. Key climate-related risks are identified and prioritized based on qualitative factors 1) Likelihood of occurrence and 2) Impact of risks, and Response measures that it will focus on in the short, medium, and long term. Climate performance has been and will continue to be regularly tracked by key performance indicators (KPIs) and will be Reviewed annually by the Sustainable Development Working Group and Climate Change Working Group, while revisions of the climate strategy, targets and KPIs will be conducted on an as needed basis. Finally, S&P is committed to constantly updating and communicating its climate strategy and performance in the Annual Report/ SR and the IFRS S2 Report.

Monitoring

How S&P monitors climate-related risks
(Track and assess actions)

- Risks identified are monitored using appropriate indicators, with data collection coordinated across all functions.
- Climate risks are reported to the Board of Directors, the Risk Management Committee, and the Audit Committee.
- All functions report, on an ad hoc basis, to the Corporate Governance and Sustainability Committee.

Identification of Climate-related Opportunities

Climate change is a huge threat to the food business, but this gap is an opportunity to develop agriculture society and its raw materials, including nutritional value and the transportation to maintain the product quality.

Climate-related opportunities from scenario analysis refers to the process of finding and exploiting potential benefits and advantages that arise from understanding and responding to climate change. According to the S&P's climate scenario analysis, it involved analyzing climate data, projections, and impacts to identify areas where action can be taken to mitigate the negative effects of climate change or capitalize on emerging opportunities.

Identifying asset that are particularly vulnerable to climate change and developing strategies to reduce their exposure and build resilience.

Exploring opportunities for developing new technologies, products, or services that address climate change challenges, such as renewable energy, energy efficiency, or climate-resilient agriculture.

Analyzing market trends and consumer preferences to identify opportunities for businesses to capitalize on the growing demand for sustainable products and services.

Conducting risk assessments and scenario planning to help organizations and BoD make informed decisions about how to adapt to and mitigate climate change.

Overall, the identification of climate-related opportunities is a proactive approach to addressing climate change by seeking out positive outcomes and benefits that can be derived from understanding and responding to its impacts.

How the climate-related risks and opportunities risk management processes are integrated into and inform, S&P's overall risk management process

Integration Climate into S&P Enterprise Risk Management

Our risk management process is an ongoing systematic approach present in corporate and operational business unit. It based on internal best practices from Business Continuity Plan. S&P have disclosed our most material climate-related risks and opportunities result from our business operation, value chain/ retail customers/suppliers including reputational losses incurred as a result of customer acquisition.

S&P continue to develop an organization culture that encourages regular discussion and consideration of emerging climate-related risks. Our risk team is working with our value chain and our stakeholder, encouraging them to talk about managing the risks and opportunities associated with climate change, assisting us to progress our low carbon transition target focused on our major emitting sources.

The S&P's Climate-related integration to Risk Management Process

Identification risk

Climate related risks and opportunities identification and screening in Physical risks, Transition risks and Opportunities (Described in Strategy section)

Prioritize of Risk

Identified risks and opportunities in term of level of impact and likelihood including both financial and non-financial impact, and then, risks and opportunities prioritization and analysis

Report and Communication

Results from the prioritization are integrated into the corporate risk/ opportunity management process and reported to relevant executive-levels

S&P Consolidate Management Process

The consolidation of the corporate risks and opportunities results as input parts of executive strategic thinking session and contribution to Business Strategy Executive-level has own sponsorship on the scenario analysis

Metrics and Targets

Metrics and Targets

To enable users of general-purpose financial reports to understand S&P 's performance in relation to climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.

S&P track progress towards the GHG targets and key performance indicators in different time horizons for the focused climate topics of the S&P.

S&P believes that setting annual performance targets as its interim progress is supportive to the success of our 2030 targets.

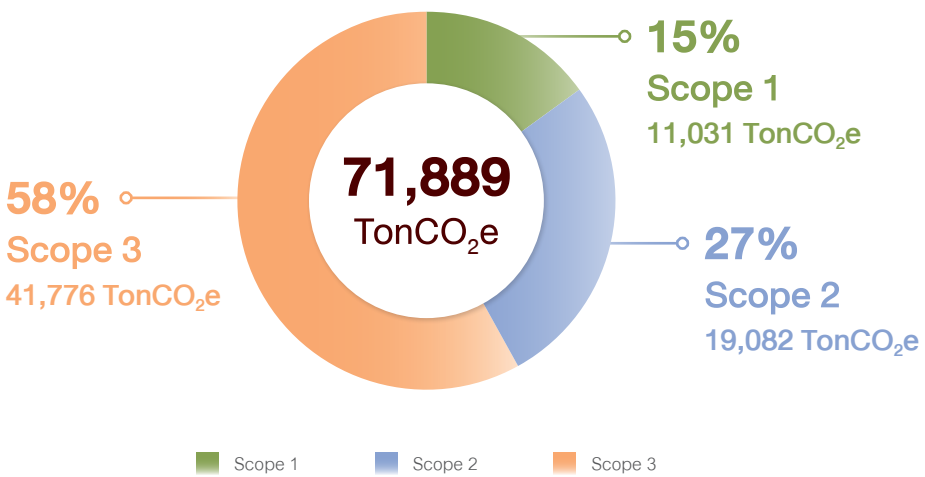
In term of climate-related targets, S&P prioritized one area across climate risk identified is in GHG emissions mitigation and due to their direct impact on S&P's operations.

GHG Emission Metrics and Targets

To continuously monitor progress, S&P regularly measures and reports its greenhouse gas (GHG) emissions across all business operations. The GHG emissions data are collected and calculated in accordance with the methodologies of the GHG Protocol, ISO 14064:2018, the Intergovernmental Panel on Climate Change (IPCC), and the Thailand Greenhouse Gas Management Organization (TGO), following the National Guideline on Carbon Footprint for Organization (CFO).

S&P conducts annual third-party verification of its GHG emissions data by Bureau Veritas Certification (Thailand) and SGS (Thailand). The GHG emissions data reported in the table cover the Sukhumvit 62 Bakery Factory, Bangna-Trad Km. 23.5 Bakery Factory, Lamphun Bakery Factory, S&P Distribution Center (DC), Latkrabang Food Factory, Head Office, and 404 S&P outlets. These account for approximately 100% of business units or about 42% of total GHG emissions. Compared to the 2023 (base year), GHG emissions in Scope 1 and Scope 2 **increased from 29,568 to 30,112 tonCO$_2$e in 2025 (1.84% increased)**, due to an accidental refrigerant leak at the Smart DC. However, S&P has already analyzed the incident and developed a contingency response plan.

Total GHG 2025 (TonCO$_2$e)



S&P GHG Scope 1 and 2 Metrics (tonne CO$_2$e)

GHG Emissions	2023 (Base year)	2024	2025
Scope 1	11,131	12,533	11,031
Scope 2	18,437	18,662	19,081
Total	29,568	31,195	30,112
Scope 1 and Scope 2 Emission Intensity (tonne CO$_2$e eq/tonne production unit)	3.70	3.51	3.28

S&P GHG Scope 3 Metrics (tonne CO_2e)			
GHG Emissions	2023 (Base year)	2024	2025
Total Scope 3	93,512	66,736	55,403.84
Category 1	37,602	38,918	33,404
Category 2	6	0	83
Category 3	1,742	4,589	4,303
Category 4	776.52	3,206	5,696
Category 5	2,650	3,115	2,596
Category 6	107	285	380
Category 7	2,872	6,800	3,503
Category 8	387	276	242
Category 9	1,987	2,560	2,582
Category 10	27,473	0	0
Category 11	17,898	4,721	925
Category 12	11	2,210	1,690
Category 13	0	0	0
Category 14	0	0	0
Category 15	0	0	0

S&P GHG Reduction Targets

Near-Term Target 2025-2030

- **24.6%** Reduction in absolute Scope 1 and 2 GHG emission **by 2030**.
- Renewable energy to account for **20%** of total energy consumption.

Mid-Term Target 2031-2040

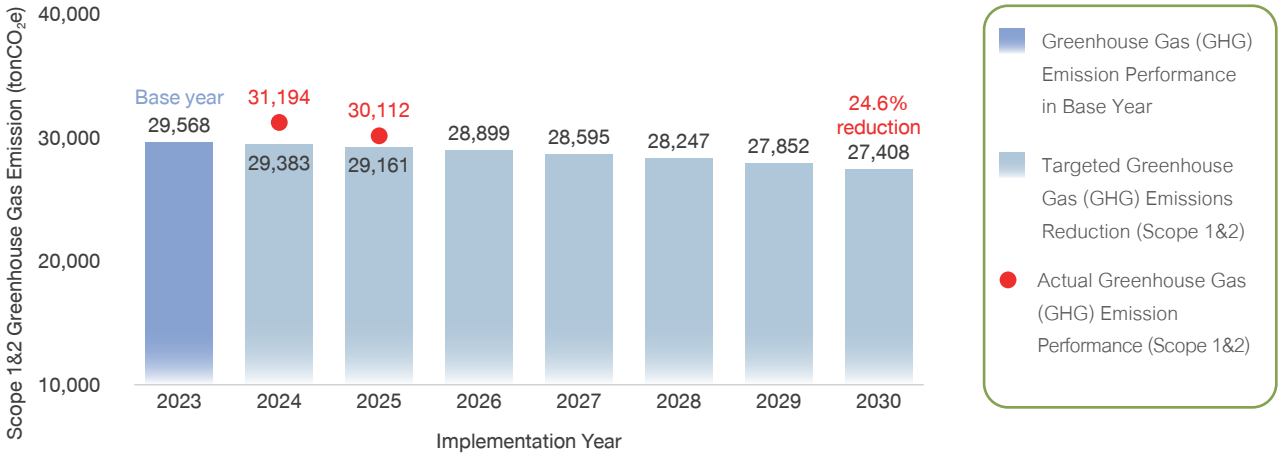
- To collect **100%** GHG Scope 1,2 coverage by 2025 and Scope 3 **by 2031**.

Long-Term Target 2041-2050

- **90%** Reduction in absolute Scope 1, 2 and 3 GHG emission **by 2050**.
- Net Zero GHG Emission achieve reduction GHG emission **by 2050**.

S&P will continuously monitor the organization's greenhouse gas emissions data, with a particular focus on Scope 3 emissions, which fall outside the organization's direct operational control. These emissions present a challenge but also offer an opportunity for the company to identify concrete approaches to drive sustainability throughout the value chain, in alignment with the goal of achieving Net Zero GHG Emissions 2050.

GHG Emission performance in 2025



The total greenhouse gas Scope 1 and Scope 2 emission across S&P amounted to 30,112 tonCO_2e (representing an increase of 1.84% compared to the base year)

Other Climate-Related Metrics and Targets

ENERGY MANAGEMENT

Total electricity consumption

2023	51,517.00 GJ
2024	134,371.56 GJ
2025	144,609.30 GJ

Total renewable energy generated

2023	7,350.00 GJ
2024	11,713.63 GJ
2025	11,678.95 GJ

Share of renewable energy generation compared to total energy consumption

2023	14.00%
2024	8.72%
2025	7.47%

S&P has set an energy management target by using 20% renewable energy from total consumption within 2030

REMUNERATION CONSIDERATION FROM CLIMATE-RELATED MANAGEMENT

N/A

Appendix

Supply Chain Management

Quantitative in Percentage by Cost Percentage of food purchased that

1 Meets environmental and social sourcing standards

S&P has policies covering environmental and social such as Waste Management Policy, Human rights policy

More details
www.snpfood.com

2 Certified by third-party environmental or social standards

Good Agriculture Practices : GAP, SDGsPGS for Organic Agriculture, and various certifications and licenses such as aquatic animal import permits and the ASC CoC Certificate.

Discussion and Analysis

3 Discussion of strategy to manage environmental and social risks within the supply chain, to help vendors meet S&P's quality standards and enhance their sustainability practices.

Environmental

- The environmental policy is announced
- Natural resource conservation
- Activities to promote the employee's engagement in the environment
- Sustainable purchasing and procurement
- No complaints on the environmental issues
- Animal welfare

Social

- Human rights and labor use
- Occupational health and safety
- Neither complaints nor prosecution on labor cases
- Engagement in the community sustainable development

Governance

- The insider information access is protected
- The business is operated with transparency, integrity, and fairness
- The appropriate risk management is provided
- The operation is correspondent with the international standards

Activities Metrics

Quantitative number

Number of operational businesses

1 Entity-owned

2 Franchise restaurants

Domestic Restaurants		Number of stores		
		Bangkok and Perimeter	Other Provinces	Total
S&P Brand	S&P Restaurant and Bakery	59	63	122
	S&P Bakery Shop	73	190	263
	S&P DelTA	12	7	19
Affiliated Brands	Patara	1	-	1
	Patio	1	-	1
	Nais / SNP Cake Studio	2	-	2
	Baan Suriyon	-	1	1
	Maisen	5	-	5
	Umenohana	1	-	1
	Wingstop	1	-	1
Total		155	261	416

Number of employees

1 Entity-owned 4,009 persons

2 Franchise restaurants 8 persons

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