

Food Safety

Target in 2025

All S&P outlets have achieved a **100%** QSC evaluation score at all branches.

2 bakery and food factories

have received ISO 14001 certification.

Traceability has been conducted on **3 products** to ensure product safety and confirm that there are no ESG issues with the raw materials.



QSC Evaluation



ISO 14001
Certification



Traceability

Performance Against Targets

All S&P outlets have achieved a **100%** QSC evaluation score (450 branches) and the results of the examination of scores that passed the criteria were **76%**

1 factory is in the process of obtaining ISO 14001 certification.

3 products are currently undergoing the certification process.

Background and Relevance

Consumers' awareness on food safety is paramount, from the selection of raw materials to the production process and ultimately delivery to consumers. For S&P, prioritizing the health and safety of consumers from consuming our products is of utmost importance. We focus on sourcing high-quality raw materials directly from farmers, free from chemicals, and promote sustainable farming practices. This does not only protect the health of producers, consumers, and the environment but it also preserves biodiversity. We adhere to biodiversity and natural resource policies that cover all areas of our operations and business activities. Additionally, we collaborate with external partners to carry out projects related to restoration, conservation of natural resources, and diverse environments. We also select production factors from reliable suppliers to reduce and prevent risks that may impact consumer health, as well as mitigating losses and damages to income for stakeholders throughout the value chain caused by a lack of confidence in the quality and safety of food from our operations.

Commitment

As the leader in the food and bakery business, S&P sets rigorous standards that align with international norms and closely monitors operations to instill confidence, safety, and traceability. We maintain a capable quality control system for food and transportation to deliver high-quality and safest products to consumers.

S&P remain committed to the importance of producing high-quality, nutritious, and safest food. We are certified for food quality and safety by external agencies. Additionally, we have quality assurance and service standards for our outlets to monitor, track, and utilize feedback for continuous improvement, efficiency, and utmost consumer confidence. Furthermore, we aim to enhance product traceability systems to provide employees and consumers access to food safety information.



Environment



Social



Governance and Economy

Good Quality for Customers and Consumers

- Our food, bakery items, and beverages are delicious, nutritious, clean, and safe.
- Our products and services offer quality and reasonable prices, providing value for consumers.
- There are no risks to both consumers and the environment.
- We have easily accessible channels for quality complaints and provide quick responses.
- We strive to maximize customer satisfaction for those purchasing our products and using our services.

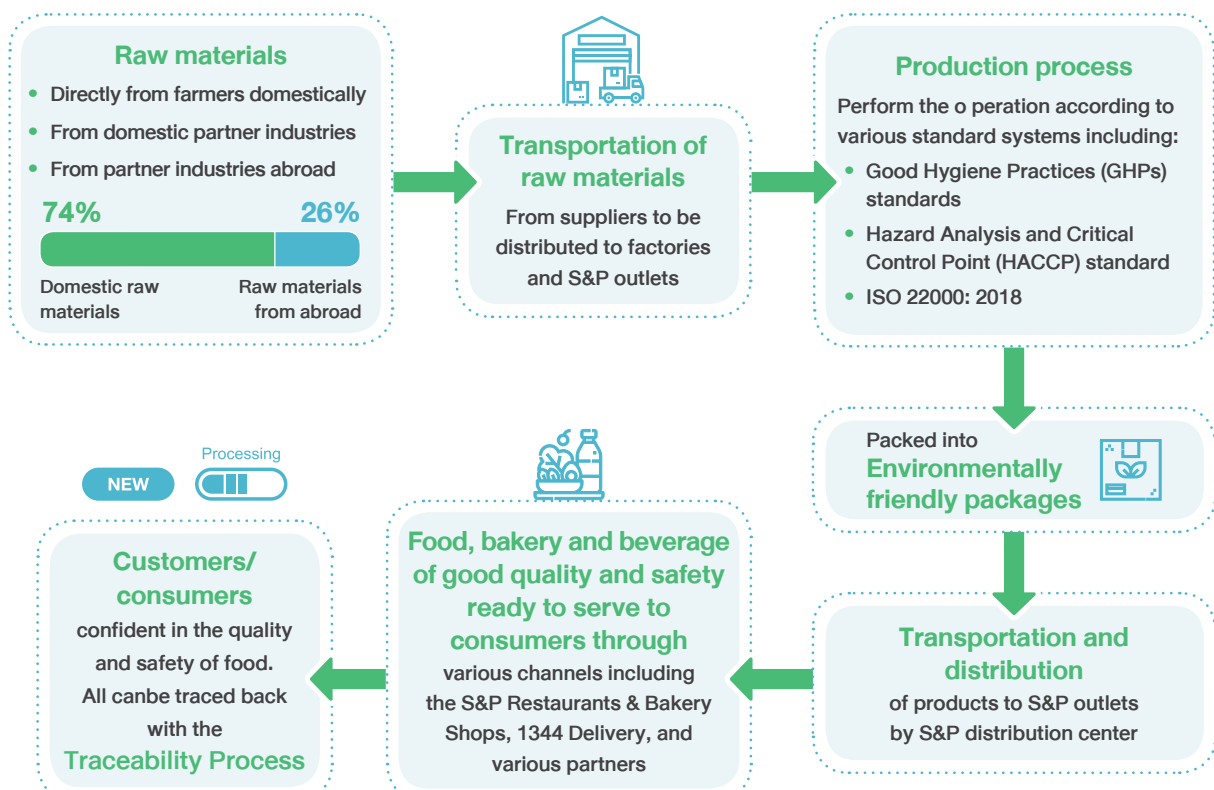
Good Quality for S&P

- Our production processes adhere to standards from start to finish, including delivery of products and services.
- We employ a zero defects concept in our production process, ensuring defects remain within standard limits.
- Our production processes adhere strictly to defined standards and can produce accurate results as required.
- Our production costs are reasonable, allowing customers to purchase products at acceptable prices.

Operational approaches

S&P aims to develop products and services by being customer-centric, especially focusing on nutritional value and safety, to support access to high-quality and safe food for consumers. Safety measures are also implemented to the maximum extent for employees and partners, both at the storefront and in the production process, to ensure continuous business operations. In addition, we aim to build consumer confidence in accessing food and beverages safely and maintaining good health. Through a Traceability System, S&P can track product histories from production to distribution.

Food safety and quality management plan for products and services during 2024–2030



Management Process for “Product and Service Quality” of S&P

S&P sets goals for food quality, safety, and nutrition to build consumer confidence. This is achieved through a safe production process, ensuring that the food is of high quality and nutrition. Both storefronts and food production factories continue to focus on quality, cleanliness, and safety consistently, following preventive measures to the highest level of safety continuously, making it the New Normal. This ensures that everyone involved in the production process, including every product, meets quality standards and cleanliness before being delivered to consumers. Moreover, products are packaged in environmentally friendly packaging to ensure safety for consumers and the environment. Further details will be provided in the next section on product development and packaging design.



S&P operates with business to delivering “the highest quality products and services” continuously, with a dedication to quality development and technology that aligns with consumer needs. In 2023, S&P selected key areas of interest for development planning and established goals/indicators for relevant departments to ensure alignment and maximum effectiveness.



PLANNING: Analyzing the impacts, risks, and opportunities related to key issues of the business on product and service quality

	Environmental aspect	Social aspect	Good governance aspect
Risks	Uncontrolled waste generation from food and packaging.	Lack of stringent quality control over products and production systems.	Lack of transparency, profit-oriented without considering social and environmental impacts.
Opportunities	Waste reduction throughout the process and selection of environmentally friendly packaging.	Participation in community and social development through projects promoting livelihoods for S&P's vendors.	Risk management related to climate change.
Management approaches	<ul style="list-style-type: none"> Continuously develop products and services consistently with customer centric approach, especially in terms of nutritional value and food safety. Nutritional and health aspects for customers will be discussed further in the next section. Ensure access to safe products and promote good health at affordable prices, which will be addressed in the section on affordable access to food. 		
Challenging goals of the issues	<ul style="list-style-type: none"> Dedicate efforts to developing high-nutritional-quality products that adhere to international standards to meet customer demands and contribute to social well-being. Foster satisfaction and trust, building brand loyalty for S&P, encouraging repeat purchases and word-of-mouth referrals by creating positive customer experiences. 		

SET UP: Risk management and opportunity finding

S&P manages and plans operations to align with organizational approaches and international standards, considering issues that impact food safety management. We identify strategies to address risks and opportunities in accordance with legal requirements, customer needs, and stakeholder expectations.

Beyond managing food quality and safety, S&P emphasizes managing production processes to maximize benefits. We minimize waste generation by following the principles of the 3Rs; Reuse, Reduction, and Recycling, in line with the Circular Economy concept. Further explanations on waste and food scraps management will be provided in the next section.



Quality Assurance and Safety System

The S&P bakery production process controls critical points at each step, especially at critical points (Critical Control Point: CCP), to efficiently prevent hazards from various contaminants, including physical, chemical, biological, and allergenic substances. This includes reviewing raw materials and final products at the product testing laboratory of the factory. The system has been certified to ISO/IEC 17025:2017 standards by the Department of Medical Sciences, Ministry of Public Health. This certification is recognized globally as a testing system that provides accurate and reliable test results. The bakery and food production factories have been certified.

The certified bakery production factories and food production factory include:

- GHPs (GOOD HYGIENE PRACTICES) standard from the National Bureau of Agricultural Commodity and Food Standards, certified by SGS Thailand.
- HACCP (Hazard Analysis and Critical Control Point) standard from the National Bureau of Agricultural Commodity and Food Standards, certified by SGS Thailand.
- ISO 22000: 2018 (Food Safety Management System) from United Kingdom Accreditation Service (UKAS), certified by SGS Thailand.

Additionally, the food production factories have been certified as follows:

- GMP (Good Manufacturing Practice) standard for frozen egg-based food export factories from the Department of Livestock Development, Ministry of Agriculture and Cooperatives, Thailand.
- HALAL standard for jelly and salad dressing products from the Central Islamic Council of Thailand.

Consumers can therefore be confident that S&P products undergo quality production processes and inspections, ensuring their safety and contributing to the health and well-being of consumers.

DEPLOY: Quality inspection system in the operational processes

Production quality

Food Safety Management System

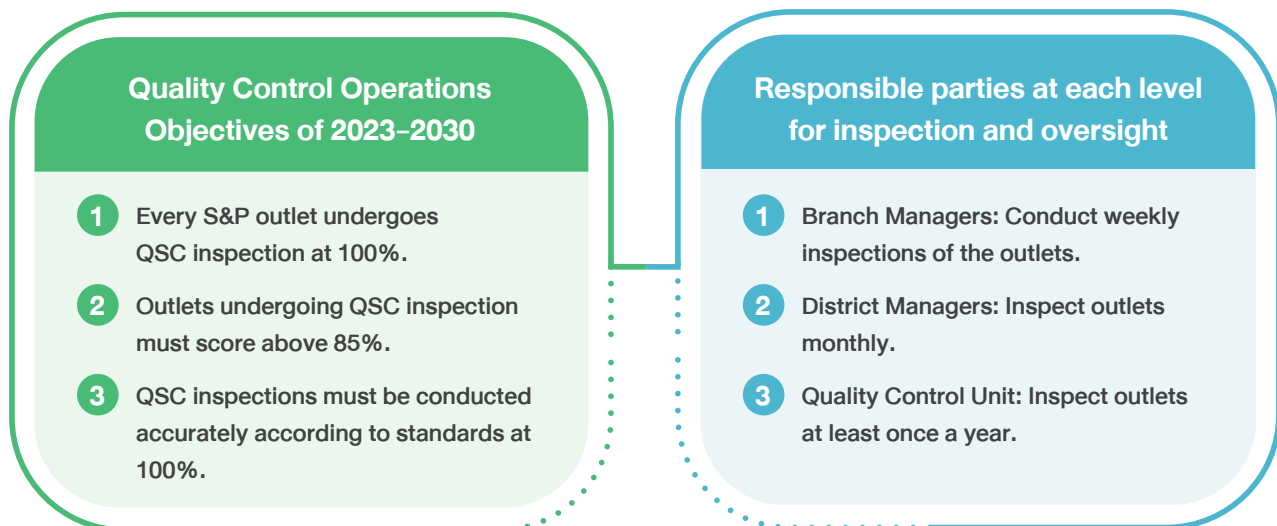
- S&P Syndicate Public Company Limited has established a management system by creating a corporate identity to be implemented, maintained, and continuously improved. The points outline the framework use product types as the main reference.
- The quality management team must identify risks, evaluation methods, and control measures for products to prevent hazards to consumers both directly and indirectly.
- S&P has established a communication system for product safety information in the organization concerned with the food supply chain. Details are shown in the table illustrating the format of external communication contacts.
- The quality management team ensures internal communication within the Company regarding food safety management as necessary according to the specified standards. Details are shown in the table illustrating the format of internal communication within the company.
- The quality management team conducts evaluations and improvements of the safety management system to keep it up to date at least annually.
- If external companies are hired, which may impact product safety, the quality management team ensures there is a system for controlling and recording such activities.
- S&P sets standards for raw materials and packaging as criteria for inspecting their quality. Control values are established in the production process to ensure product consistency. Standards for finished products are used as criteria for quality inspection before release to ensure product quality and consumer safety, focusing on upgrading production processes to meet international standards.



S&P's quality management system performs the operation according to the ISO 22000:2018 standard, an internationally recognized system for food safety and quality. It focuses on adding value to consumers throughout the value chain. This system encompasses both GHPs & HACCP and organizational management system requirements. Emphasis is placed on communication, management systems, and hazard control to ensure accurate and appropriate inspection details for food safety. Efficient control and inspection processes are in place at every stage, certified and audited by independent agencies. Thus, S&P's management system complies with international standards, regulations, and relevant laws, ensuring safety and meeting standards at every step until reaching the consumer.

Service Quality

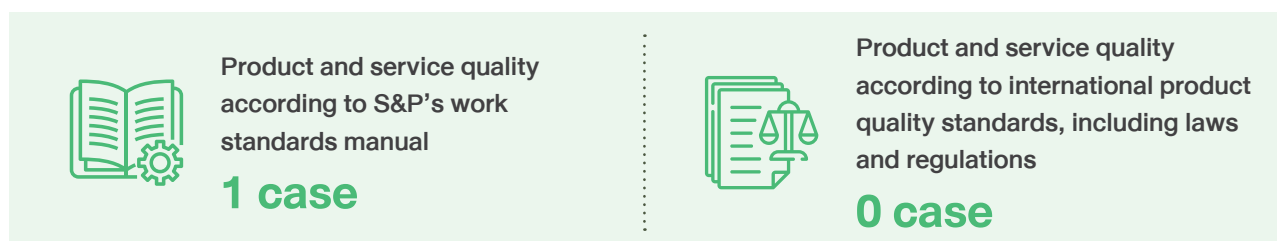
S&P employs the QSC (Quality, Service and Cleanliness) system, which covers quality, service, and cleanliness aspects. This system is used to efficiently manage front-end operations. It involves clear evaluation processes and performance metrics with the objective of ensuring that customers of S&P receive food and service of consistent quality nationwide. If any non-compliance with critical regulations is found, it immediately results in failure in that evaluation category. This is to ensure that every outlet is aware and prioritizes quality, service, and cleanliness to our highest standards.



Traceability System

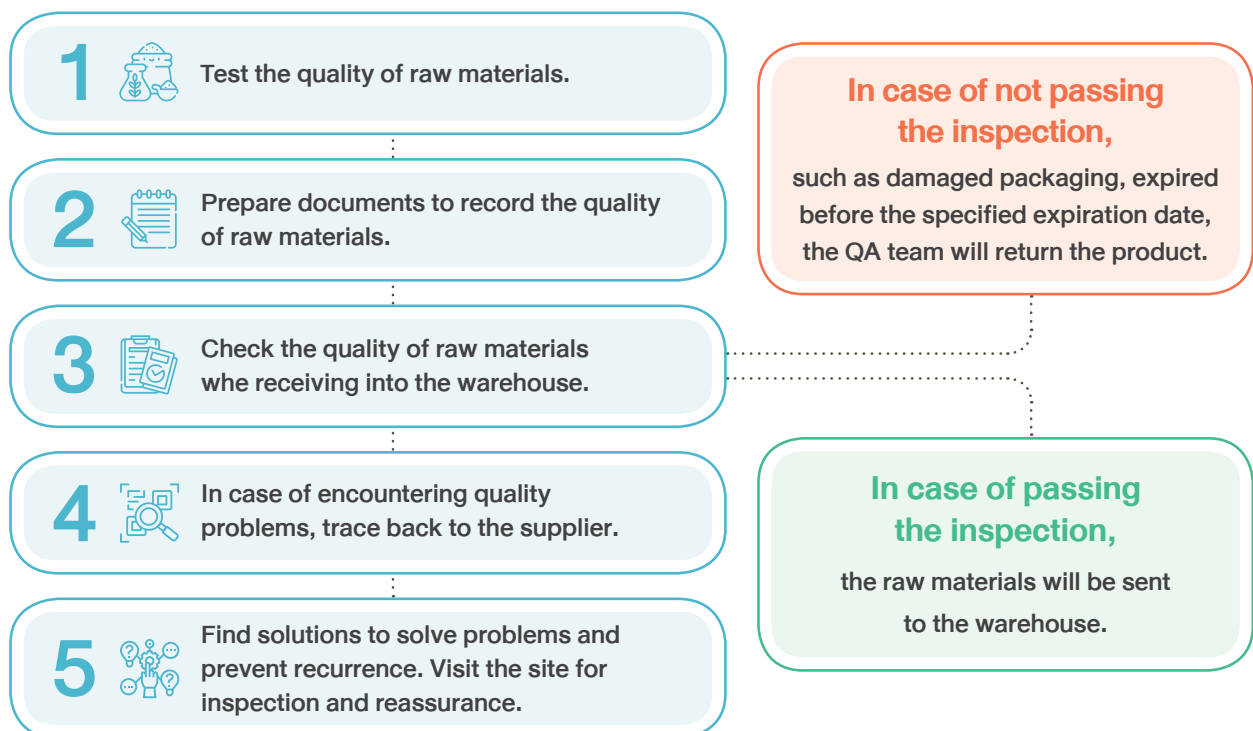
S&P has a plan to establish a product traceability system using a new format of product barcodes, utilizing 2D Barcode technology. This system enables tracing back the product to its source in the manufacturing process, including production date, batch, and more. Additionally, the system sends alerts to prevent the distribution of expired products to customers. This project is currently underway, with the goal of tracing back products for at least 3 items, expected to be completed in the year 2024.

Number of complaints about product and service quality 2023



S&P has a process for traceability system of raw materials as follows:

1. S&P considers selecting raw material suppliers by requesting samples of raw materials for research and development of food, bakery, or beverage formulas to meet S&P's requirements, conducted by the research and development team.
2. After passing the testing stage, the procurement team will inform the suppliers of the results and request certification standards, test results from the laboratory (Lab Results), both physical and biological, of the raw materials to prepare purchase agreements and quality record documents of the raw materials. Subsequently, raw materials are ordered through the SAP system.
3. When raw materials arrive at the warehouse, the Quality Assurance (QA) team inspects the quality of the raw materials according to the quality record documents of the raw materials.
 - In case of failure to pass the inspection, such as damaged packaging or expiration before the specified time, the QA team will return the products.
 - In cases where the inspection is passed, the raw materials will be sent to the warehouse.
4. If production unit withdraw raw materials from the warehouse and encounter quality issues with the raw materials, the raw materials will be returned to the supplier. The procurement team will investigate and trace back to the supplier, specifying the purchase order number and the problematic batch of raw materials, and inform the supplier of the issue for immediate resolution.
5. When encountering raw material issues, the procurement and quality inspection teams will hold an immediate joint meeting with the supplier to expedite the investigation of the issue to the source of production, including the process of addressing and notifying the Company. Subsequently, S&P will conduct on-site inspections to ensure the work process. This collaborative effort aims to address and prevent recurring issues with raw material quality, ensuring sustainable development with suppliers.



In the year 2023, there was a complaint regarding the quality of the product not meeting S&P's work standard manual, with one case arising from food preparation at the outlet. It is important to note that there were no cases related to product quality as per international quality standards, including laws and regulations.

Following this incident, the branch conducted a thorough review and addressed the issue comprehensively. After completing the process, the QSC team conducted on-site training to reinforce adherence to the Standard Operating Procedures (SOP), aiming to raise awareness, warn, and reduce the likelihood of recurring errors.



Optimize

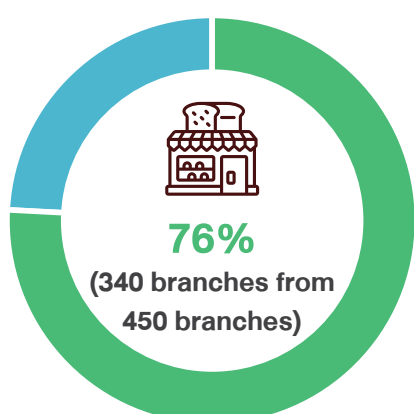
S&P is dedicated to improving efficiency by utilizing innovation and changing work processes across factory operations, storefronts, and delivery services. This includes developing applications and websites for easier access, implementing cashless payment systems, and integrating Robotic Process Automation (RPA) for automated backend operations such as order processing and payments. These enhancements aim to improve process accuracy and increase the quality of service. Additionally, S&P has expanded the delivery rider fleet to 1344, enhancing convenience and meeting customer demands. These efforts have enabled S&P to compete and sustain business growth effectively.

Summary of operating results for 2023

Products that are certified to meet food safety standards in the production section (factories)

Performance	Unit	2020	2021	2022	2023
Total bakery production volume	Ton	7,427	7,036	7,894	7,977
Bakery production capacity certified by legal food safety standards or international standards such as GHPs, HACCP, ISO 22000:2018	Ton	7,426.93	7,036.35	7,893.50	7,977
	%	100	100	100	100
Total food production volume	Ton	3,919	4,157	4,291	4,818
Food production capacity certified by legal food safety standards or international standards such as GHPs, HACCP, ISO 22000:2018	Ton	3,919	4,157	4,291	4,818
		100	100	100	100

QSC assessment results

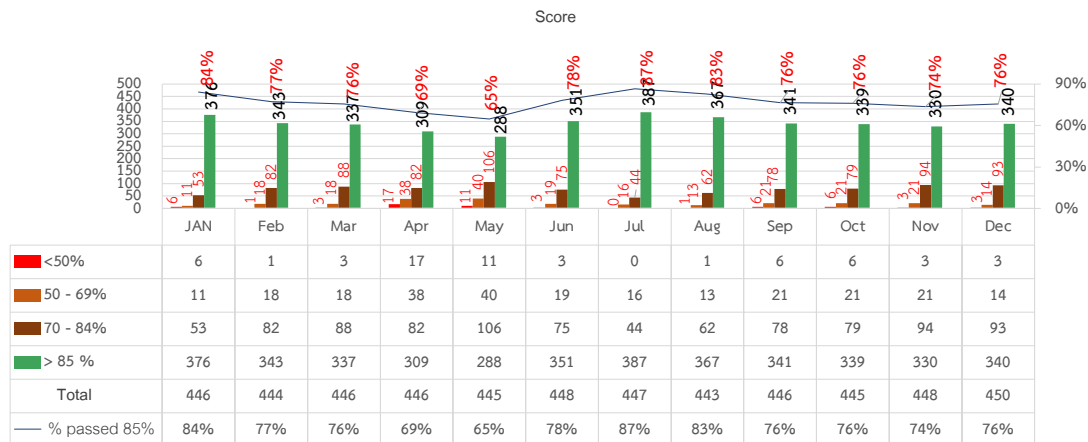


The results of the examination of scores that passed the criteria were 85%

From 450 branches that have been assessed in 2023,

100% complete

QSC assessment results in January – December, 2023



Total = 450 branches

Passed 85% = 340 branches

Total average 76%

Highlight Projects in 2023

The S&P supported Thai farmers: Spinach in Samut Sakhon Province



Objective

S&P visited the “Spinach Farm” and processing factory under the name of Siam Fresh Food and Frozen Company Limited, located in Krathum Baen District, Samut Sakhon Province. The farm and factory have been certified for good agricultural practices by the Ministry of Agriculture and Cooperatives. The processing factory also holds GMP / HACCP / HALAL production standards. This ensures the quality of raw materials, which are fresh, clean, and chemical-free. We also exchange knowledge on spinach processing with producers about blanching vegetables to keep them green and fresh and



Environment



Social



Governance and Economy

washing vegetables for cleanliness and safety of consumers to be used as an ingredient in popular menu items such as the Spinach Bacon Cheese Sandwich, Spinach Danish, and Baked Spinach and Cheese Macaroni.

Results and Benefits

In 2023, S&P purchased spinach worth 2,718,600 baht and hired workers to create income for the local community, totaling 30 households. In the process of processing and producing processed spinach, S&P employed locals, including the elderly, persons with disabilities, and those with a history of incarceration. This initiative aims to create value, promote equality, and social inclusion by providing sustainable livelihoods for individuals and their families. Additionally, it serves to enhance the quality of life for members of society.



Project to expand the scope of production license certification in food production line

Objective

To instill consumer confidence in the production process compliant with specified standards, the Food Production Line aims to expand the scope of production licenses to cover beverage and tea product categories for sale in branch stores. The certification is endorsed by the Food and Drug Administration for consumer safety and legal compliance.

In 2023, the Latkrabang Food Factory prepared to expand the scope of its food and beverage production license certification to accommodate future beverage production. The initial target includes certification for four Ready-to-Drink beverage products.

