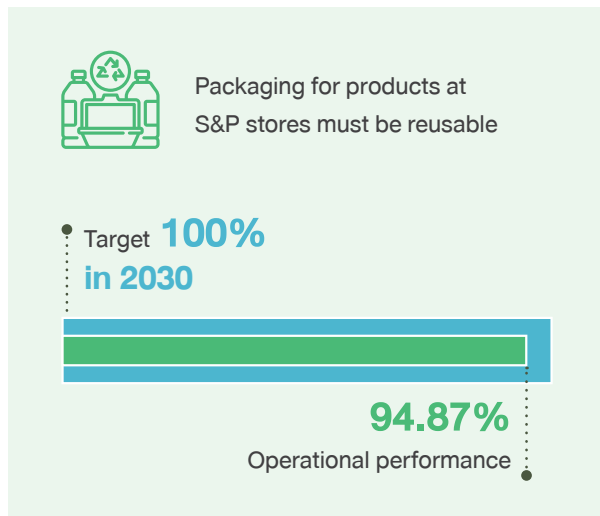


# Product Development and Packaging Design

## Targets and Operational performance



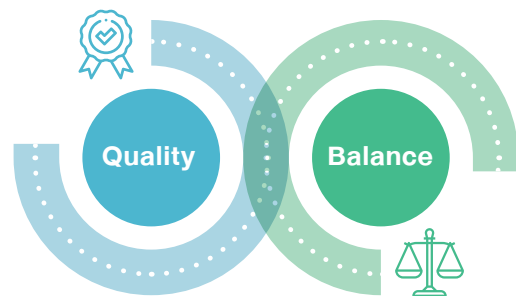
## Background and relevance

The business operation in the industrial sector is one of the reasons for the generation of plastic waste, especially in the consumer goods industry. This is because all types of products, both consumer and industrial, require packaging. Some types of packaging cannot be easily decomposed or repurposed, contributing to the problem of plastic waste.

Current consumer behaviors, such as ordering food delivery and online shopping, have exacerbated the issue of plastic waste. Improper disposal methods like incineration or landfilling have environmental repercussions. Studies have found that the recycling rate of plastic waste in developing countries is relatively low compared to medium-sized developed countries. Therefore, managing plastic waste throughout the product lifecycle, including innovation and waste management processes, is crucial to reduce pollution and minimize environmental impact, including on marine resources.

## Commitment

As a leader in the food and bakery industry that prioritizes social and environmental sustainability, S&P places importance on environmental issues both domestically and internationally. We are dedicated to developing and sourcing packaging that meets standards, is safe, and environmentally friendly. Therefore, S&P emphasizes 'quality' and creates 'balance' for nurturing the world accordingly.



- 1. Quality:** S&P selects food-grade packaging that is safe for food storage, certified for production that can expose to food without posing any danger to consumers. We also print information according to food-grade standards on the products to ensure the highest level of safety and consumer confidence. In addition, our packaging is durable, has a long shelf life, and can be reused.
- 2. Balance:** S&P emphasizes cleanliness, safety, and convenience for consumers, along with a commitment to reducing plastic usage. However, plastic remains a material that maintains product quality and safety well, acting as a barrier to prevent disease and contamination while extending the shelf life of products. Therefore, we choose biodegradable plastics that decompose naturally and use hybrid boxes made from natural fiber paper that can 100% decompose naturally. The transparent lids are made from PET plastic, which can be recycled and reused in the plastic industry. Choosing transparent lids allows customers to see the products inside, aiding in decision-making, and the packaging design inspires reuse, contributing to waste reduction.



## Operational approaches

S&P conducts business sustainably based on the prudent use of resources. Each department must operate in accordance with environmental management practices and climate conditions, as well as biodiversity management practices, using resources efficiently to maximize benefits according to the principles of the 5Rs:



### Reuse:

- 1 Design packaging for S&P products with attractive designs for reuse.
- 2 Promote marketing promotions to reduce the use of single-use plastics.
- 3 Use reusable containers for transportation.
- 4 Encourage employees to use personal reusable items such as plates, bowls, utensils, water bottles, etc.



### Reduce:

S&P tries to reduce plastic usage for packaging. However, as the food business cannot yet 100% refuse to use plastic due to the importance of cleanliness, hygiene and preserving the shelf life of products, S&P adjusts by minimizing the thickness of plastic according to suitability and opting for alternative packaging materials that are naturally biodegradable.



### Recycle:

- 1 Utilize recycled plastic to reduce the production of new plastic.
- 2 Improve the current packages by collaborating with suppliers and switching to mono-material plastics or using other eco-friendly materials for food and bakery packaging to facilitate the recycling process.



### Refuse:

S&P refuses to use materials that are harmful to the environment, such as foam, oxo-degradable plastics, and environmentally damaging cooling agents.

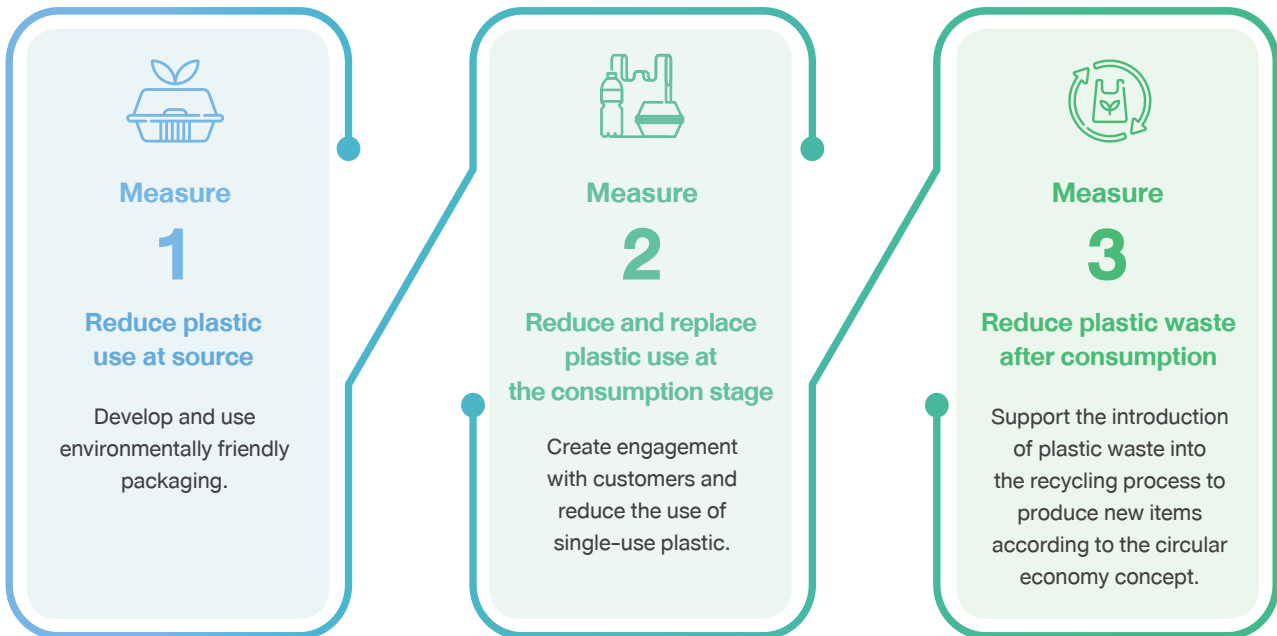


### Renewable:

S&P implements a circular resource usage approach by utilizing alternative energy in the production process. This involves installing Solar Roof panels at the S&P Bakery and Food factories to reduce regular electricity consumption. In addition, S&P prioritizes and considers suppliers who utilize circular resources or operate in an environmentally friendly manner.

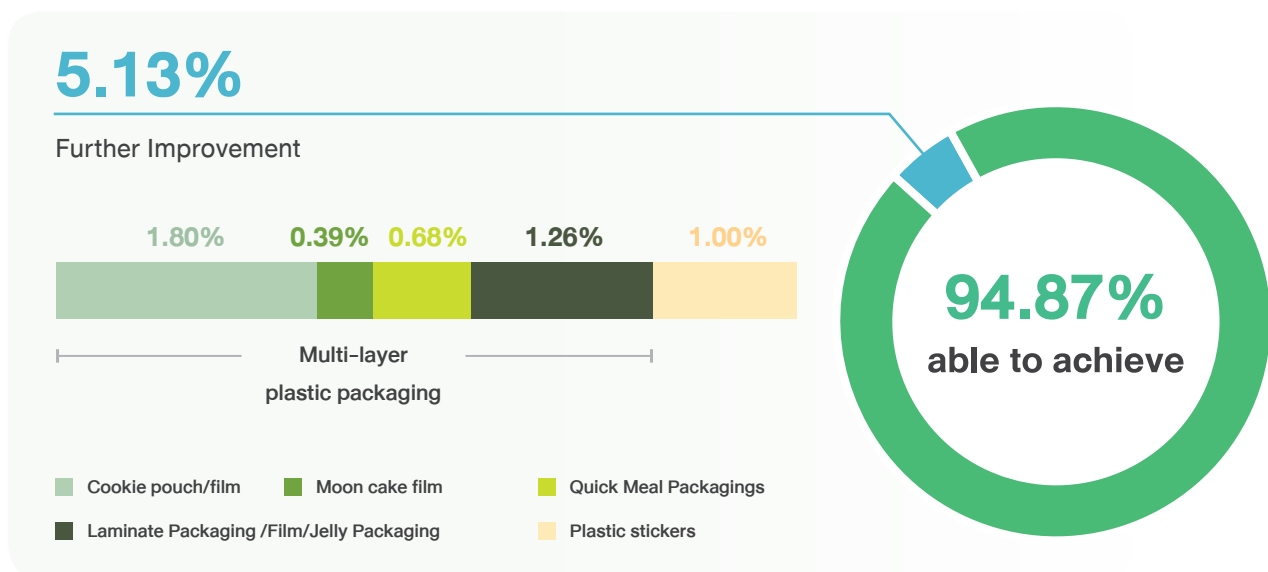


Furthermore, S&P has initiated actions to achieve the goal of utilizing recycled plastic waste by 100% by the year 2027, following the draft plan of the Pollution Control Department, Ministry of Natural Resources and Environment.



For the packaging goal concerning the packaging of S&P store products to be 100% recyclable or biodegradable by the year 2022, in 2023, S&P continued to collaborate with suppliers to develop packaging continuously. This was carried out under quality control standards.

However, any changes made should not affect the product quality and food safety. S&P was able to achieve 94.87%, leaving 5.13% for further improvement.

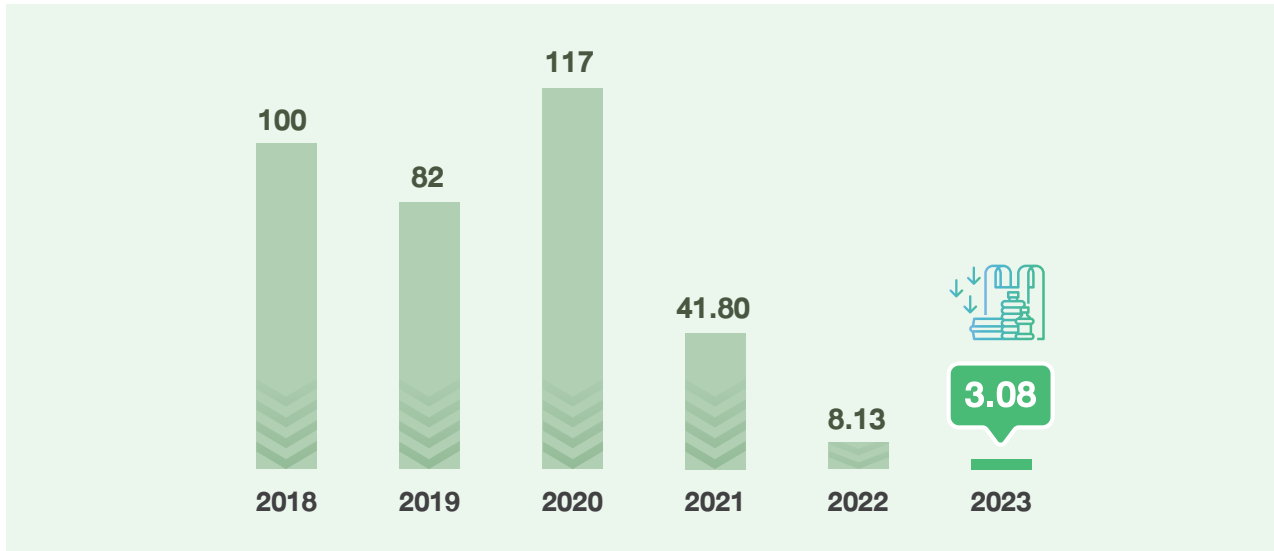


However, S&P is still committed to continuously developing packaging. We plan to improve other related work processes to minimize environmental impact from the organization's packaging waste as much as possible.

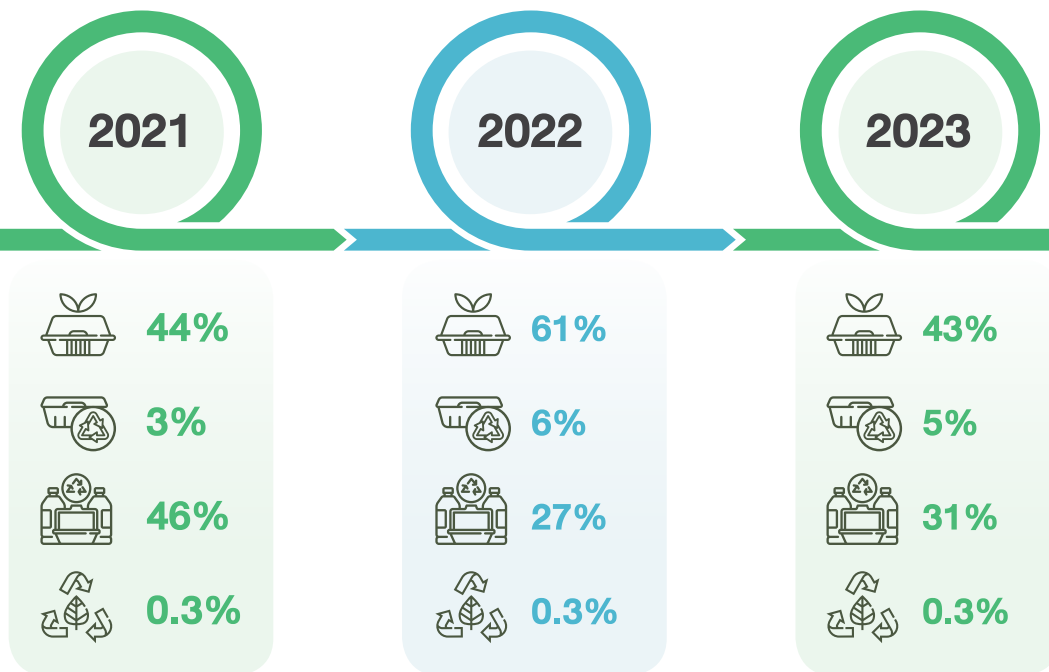


## Summary of operational performance in 2023

### Total amount of plastic use reduction (tons)



### Design and use of environmentally friendly plastic packaging



% of Proportion of packaging made from paper that is naturally biodegradable



% of Proportion of packaging that is recyclable or usable



% of Proportion of the single-use plastic packaging that can be recycled



% of Proportion of PLA/PBS plastic packaging that is naturally biodegradable



Environment



Social



Governance and Economy

## Highlight projects in 2023

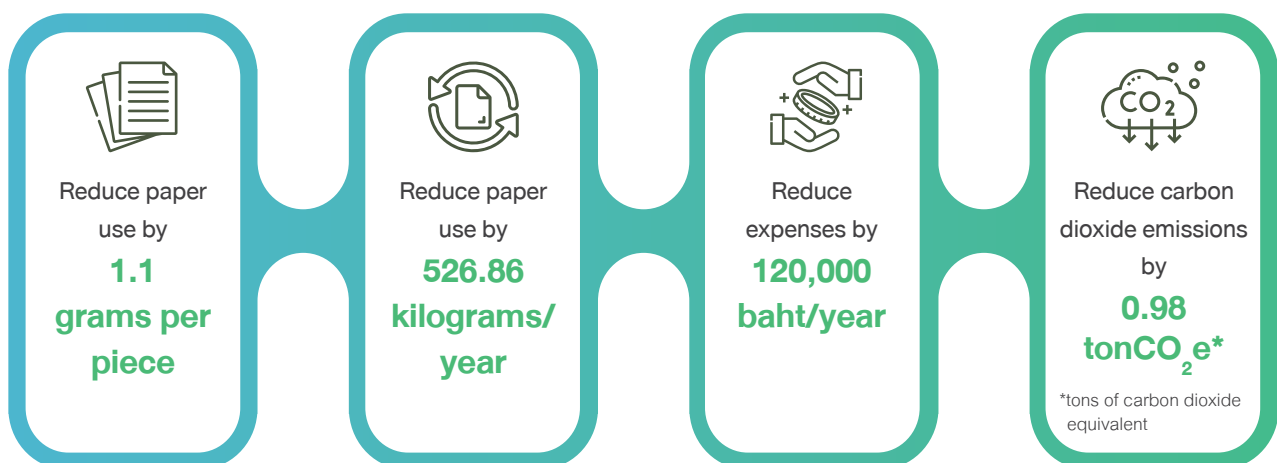
### Project to reduce the thickness of product label strapping paper for low sugar jelly products



#### Objective

To reduce the use of paper straps to label low sugar jelly products by reducing the thickness of paper grams from 350 grams to 250 grams.

#### Results and Benefits



## Project to use Returnable Box for containing the pound cake

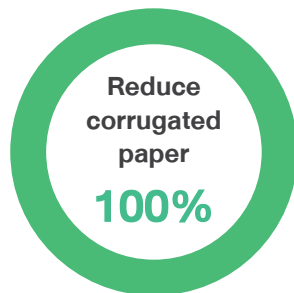
### Objective

To reduce the use of corrugated cardboard boxes, the cost of packaging for packing pound cakes during transportation from the warehouse to the branch can be reduced by changing to plastic boxes that can be reused (Reuse).

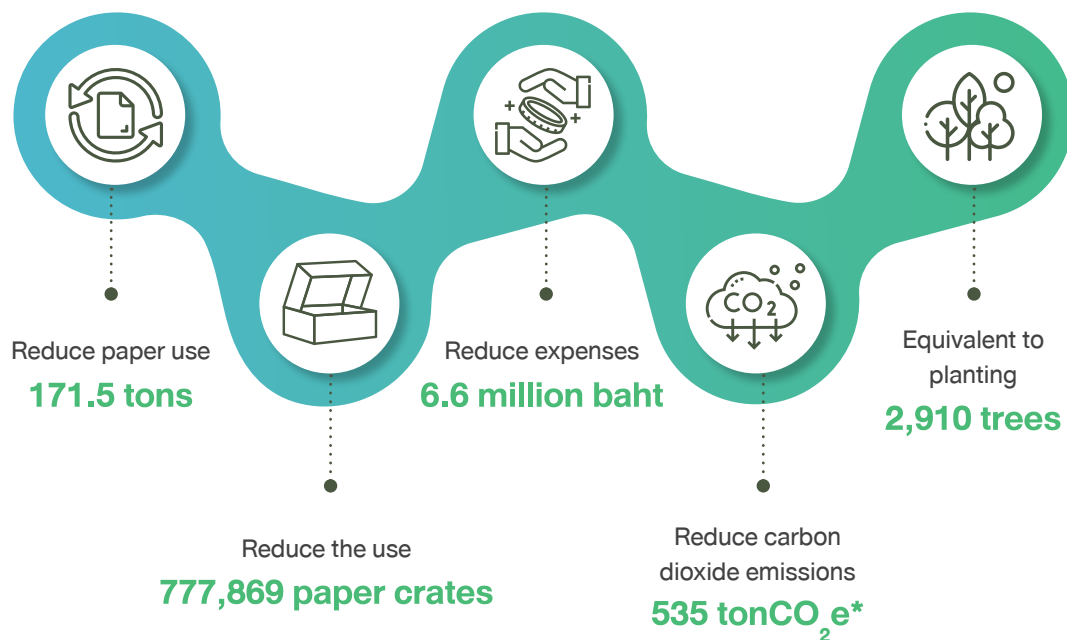
In 2023, S&P expanded the project by using plastic crates to replace corrugated boxes to cover various types of products for maximum efficiency.



### Goal



### Operational Performance



\*tons of carbon dioxide equivalent



Environment



Social



Governance and Economy