

Strategic Partnership

Targets in 2023

100%

Suppliers sign acknowledgment
of S&P Code of Conduct
for Suppliers



**S&P Code of Conduct
for Suppliers**

Operational performance against targets

100%

Suppliers sign acknowledgment
of S&P Code of Conduct
for Suppliers



101 Suppliers pass green industry standards
13.27% of all suppliers in 2023



Background and relevance

From the new way of life, or the “New Normal,” which has affected consumer behavior due to changes caused by economic slowdown and intensified climate conditions, businesses must quickly adapt to cope with the emerging situations. Additionally, the expectations of stakeholders are crucial factors prompting companies to develop themselves to meet these demands, for example, the expectation for quality products from high-quality raw materials by Thai farmers.

This poses a challenge for S&P to find risk management solutions throughout the supply chain to ensure the safe delivery of quality products to consumers.

Collaborating with strategic partners to foster mutual cooperation and enhance competitiveness is key to achieving successful outcomes. This includes increasing production efficiency, improving product quality, reducing costs, and sharing resources, as well as establishing trust and fostering good long-term relationships, which are essential factors for sustainable growth.

Commitment

S&P recognizes the importance of sustainable operations at all levels of the organization. A corporate sustainability and resilience team is in place to carry out and summarize the work, reporting to the Corporate Governance and Sustainability Committee. This committee holds quarterly meetings, four times a year, to update the status, track progress, and ensure alignment with the organization's sustainability policies. The aim is to drive organizational sustainability efforts and monitor progress made in this regard. The committee's reports play a crucial role in ensuring that sustainability policies and operational guidelines are implemented in a meaningful manner.

In addition, managing relationships and fostering collaboration among S&P and customers, suppliers, or business affiliates is essential to promote mutual benefits and enhance competitiveness. This leads to cost reduction in trading, increased efficiency in production and marketing, as well as the development of new businesses through exchanges and resource sharing. Collaborative efforts aim to develop products or services together, building trust and fostering long-term relationships. Therefore, S&P is committed to establishing and maintaining good relationships with suppliers continuously to collaboratively drive organizational operations and support them in achieving sustainable goals effectively.



Environment



Social



Governance and Economy

Operational approaches

S&P emphasizes conducting business sustainably throughout the supply chain and promotes suppliers to operate responsibly towards society and the environment. This is achieved by strategically establishing partnerships with like-minded suppliers who share the same goal of sustainability, as explained in the section on responsible and sustainable supply chains.

1. **S&P has developed responsible sourcing approaches**, prioritizing product quality, compliance with legal requirements, and conducting business responsibly towards the economy, society, and the environment. Additionally, S&P's business partners must adhere to the S&P Code of Conduct for Business Partners.
2. **S&P directly sources high-quality raw materials from local farmers**, including ingredients for food production and community products. In 2023, S&P supported the "Dyed Fabric Bag" initiative from the Chaba Dyed Fabric Community Enterprise Group in Samut Sakhon province, advocating for reusable fabric bags as an alternative to plastic bags.
3. **S&P has a plan for periodic visits to partner farmers, scheduled three times a year**, after selecting raw materials from partner farmers according to S&P's standard selection criteria. These visits aim to exchange knowledge, develop raw material quality, and understand mutual needs. This initiative adds value to the raw materials and provides additional income opportunities for partner farmers. Furthermore, these visits serve as quality inspections and foster positive relationships between suppliers and S&P.

Sustainably source and support agricultural group suppliers to obtain the highest quality raw materials

S&P prioritizes sourcing raw materials from producers who comply with the law, considering the economic, social, and environmental impacts. We have a policy to support fair employment practices among the suppliers, ensuring responsible hiring practices in line with human rights principles. Moreover, S&P is committed to directly sourcing raw materials from farmers to enhance their quality of life and community development, enabling the production of products that genuinely meet consumer needs.

S&P's responsible sourcing initiatives cover both social and environmental responsibilities, aligning with its long-term development goals.

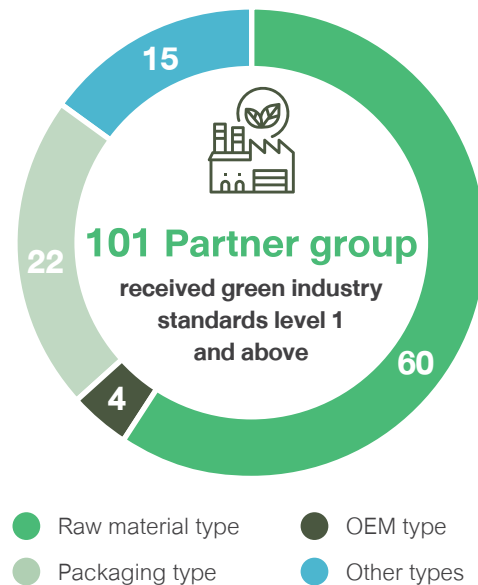
Purchase value (baht)	2021	2022	2023
Supporting taro farmers in Saraburi Province	1,486,844	2,303,514	1,731,700
Supporting coconut farmers (freshly squeezed coconut milk) in Samut Songkhram Province	16,585,365	12,059,162	15,336,218
Supporting Nam Dok Mai Thong mango farmers in Chachoengsao Province	412,777	683,559	343,260
Supporting durian farmers (S&PSF) in Narathiwat Province	-	10,080,089	14,990,250
Supporting spinach farmers in Samut Sakhon Province	3,305,220	3,096,600	2,718,600
Supporting organic orange farmers in Nan Province	490,200	714,000	630,000
Total per year	22,280,406	28,936,924	35,750,028



For public safety risks such as natural disasters, flood, drought, animal epidemics, and plant pests, which impact the quality and quantity of agricultural raw materials, causing suppliers to be unable to meet S&P's demand or adjust prices higher to mitigate these impacts, S&P implements measures to address these challenges. S&P deals with these risks by diversifying suppliers to secure raw material sources according to demand. Additionally, we establish reserve supplier standards to ensure sufficient raw materials in cases of temporary necessity.

Furthermore, S&P promotes and supports environmentally friendly products by selecting partners who meet green industry standards as trading partners. In 2023, there were 101 trading partners who met green industry standards level 1 or higher out of a total of 761 trading partners.

Number of trading partners that have received green industry standards divided by partner group in 2023



Summary of operational performance in 2023



Highlight projects in 2023

Cooperation with private sector partners

Old Paper Exchange for New Paper Project with S&P and SCGP

S&P, in collaboration with the partner “SCG Packaging” or SCGP, has been conducting the SCG Paper X project continuously for 4 years. This project aims to collect unused paper from S&P’s paper waste sorting and recycling process and pass it on to SCGP for recycling. This initiative adds value to used paper in line with SCG’s circular economy approach.



“This bottle is not used...We want” Project

S&P has been running the “This bottle is not used...We want” environmental project for the 4 consecutive years. It involves delivering unused plastic bottles from office spaces, S&P outlets, and 16 collection points in total to the YouTurn by GC project for recycling. This initiative promotes environmental awareness among employees and customers, encouraging them to segregate waste properly so that unused resources can be recycled for maximum benefit, contributing to overall sustainability.



There are pickup points for unused plastic bottles from office spaces, S&P outlets, and **16 collection points**



Won Project by S&P and TPBI

Our partner company, TPBI Public Company Limited or TPBI, carries out a circular project by forwarding clean, stretchable plastic such as plastic bags, bread bags, plastic films, etc. into the recycling process. This is the use of plastic for maximum benefit and reduce the problem of plastic waste entering the environment. In 2023, S&P has a total of 3 stretchable plastic receiving points: Sukhumvit 26 branch, PTT Bangna outbound branch, and Central Bangna branch.



S&P has a total of **3** stretchable plastic receiving points:

1. Sukhumvit 26 branch
2. PTT Bangna outbound branch
3. Central Bangna branch

รวบรวมนำฟิล์มพลาสติก
✓ สะอาด
✓ ยืดได้
ส่งมารีไซเคิลกับ รวบรวม

ถุงหิ้ว, ถุงมือ, ฟิล์มคลุมแพคเกจจิ้ง, ฟิล์มกันเปื้อน, ถุงมือยาง, ถุงมือพลาสติก, ฟิล์มห่อสินค้า, พลาสติกกันกระแทก, ถุงขนมปัง, ถุงน้ำดื่ม, ถุงพลาสติก, ถุงน้ำแข็ง, ถุงน้ำร้อน

ทุก 1 กิโลกรัม = 5 บาท
บริจาคให้มูลนิธิด้านสิ่งแวดล้อมและสาธารณสุขประโยชน์

แกะหรือตัดกระดาษ/พลาสติกออก, เก็บรวบรวมมัดมัดให้แน่น, จดรูปไว้ใส่ถัง, นำไปส่งตามจุดรับ

wontogogether หรือส่งทางไปรษณีย์ไปที่ "โครงการ รวบรวม ฟิล์มพลาสติก (มหาชน)" 42/174 ม.5 ต.ไร่ขิง อ.สามพราน จ.นครปฐม 73210

Cooperation with government partners

Project “The Kamlangjai Project under the Royal Initiative of Her Royal Highness Princess Bajrakitiyabha”

S&P joined by the Department of Corrections under the Ministry of Justice, carried out the S&P project, professional training, creating opportunities to return to society, under the name “The Kamlangjai Project under the Royal Initiative of Her Royal Highness Princess Bajrakitiyabha” Project by bringing her experience from operating the food business for more than 50 years to pass on knowledge to well-behaved inmates who is close to being released from prison to have skills in cooking, baking, and beverages in order to create job and stable income for the inmates and their families in a sustainable way.



Environment



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Cooperation with educational sector partners

Project to compete in the best Thai food skills in collaboration with the Office of the Vocational Education Commission (OVEC)

In collaboration with the Office of the Vocational Education Commission (VEC), S&P organized the project to compete for the best Thai food skills to join in driving the production and develop vocational manpower to have the ability to pursue a career Thai cooking (Thai food type) at the national level. It was considered a stage that provides opportunities for students and vocational students to bring their knowledge and abilities of Thai cooking skills used in the competition to show potential in Thai cooking professional skills. This would lead to raising the level of skills to professional standards as well as continuing to join as S&P's employees.

Starting from the search for representatives at the school level to the qualifying round for representatives at the provincial level to compete at the regional level and finding the final 15 teams with superior competitive skills, the winning team would compete for the title "The best Thai food skills" in the final competition. The students in the Thai food industry were inspired and encouraged to have the confidence and ability to truly become Thai food chefs.

Outcomes



There were **240 students** interested in participating in the project, with **45 winners** receiving prize money, certificates, and the opportunity to work with S&P Restaurants and S&P Group companies, including Patara Restaurant.



Cooperation with social sector partners

National contemporary Thai cooking competition on the occasion of S&P's 50th anniversary

The project aimed to create a network of people skilled in Thai cooking throughout Thailand to be able to create a community of the best skills Thai food cook used to develop knowledge and skills for personnel as well as increasing business competitiveness for the S&P organization in the future.

Outcomes



There were **80 people** participating in the project, with the winners of the contest receive prize money, certificates, and collaborate in developing food menus with S&P Restaurants and affiliated companies.



Community product support project to promote the environment

S&P supported handmade tie-dye bags of the Chaba Tie-dye Community Enterprise, Samut Sakhon Province, which has an environmentally friendly production process. The natural synthetic dyes and good sea salt from Samut Sakhon Province were used in the process of washing paint.

In 2023, S&P supported tie-dyed cloth bags in the amount of 2,050,000 baht to be sold as an alternative to customers in the cloth bag campaign project to say goodbye to plastic bags. We also included them as gift sets for the New Year festival. This cooperation was considered to support local handicrafts, help distribute income to people in the community, and improve the quality of life of people in society to have a better life along with caring for the environment.



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