

Biodiversity Protection and No Deforestation Statement

Principle and Rational

Thai Beverage Public Company Limited and its subsidiaries (“ThaiBev”) recognizes the urgent need for biodiversity conservation and the significant role that businesses and organizations play in addressing this global challenge. In alignment with the 30x30 commitment from the 15th Conference of Parties (COP15) to the Convention on Biological Diversity, “ThaiBev is dedicated to protecting and conserving at least 30% of the world's land and oceans by 2030”. ThaiBev commutes to no Deforestation across its primary deforestation - linked commodities, with a target date of 31st December, 2025 (ThaiBev’s primary deforestation-linked commodities for SBTi No-Deforestation commitment are Rice, Malt, Molasses, and Sugar). ThaiBev is also determined to continue to pursue its sustainability mission of “Creating and Sharing the Value of Growth”, while helping to deliver on the Sustainable Development Goals (SDGs) 14 of Life under water & SDGs 15 of Life on Land. ThaiBev aims to protect and promote biodiversity by the end of 2030, relative to 2021 levels, through the following commitments:

- To have a net positive impact on biodiversity at its priority production sites; and
- Eliminate deforestation (zero deforestation) and enhance the protection and management of high-value natural ecosystems.

ThaiBev aims to achieve this by applying the mitigation hierarchy to avoid and minimize any negative impacts, restore impacted areas, offset any residual impacts that remain, and transform underlying systems to address the drivers of biodiversity loss.

Scope

This Biodiversity Protection and No Deforestation Statement will cover all current and future operational sites until the end of their operations.

Mitigation Strategy

ThaiBev will employ the Science Based Target Network’s technical methodologies (avoid, reduce, regenerate, restore and transform) to manage potential biodiversity risks related to its production facilities. Iterative application of the mitigation hierarchy will be undertaken to ensure that residual impacts are reduced to as low as reasonable possible.

Avoidance - ThaiBev is committed to implementing avoidance measures, i.e., measures to ‘design out’ an impact or risk to prevent impacts expected on biodiversity. Designing out also includes avoiding deforestation in the operational sites to meet its commitment of achieving no deforestation. We will also employ design criteria to evaluate all infrastructure development options and look at alternatives when significant impacts to biodiversity are likely. The key good practice avoidance measures include:

- Avoid developing in nationally or internationally recognized areas of high biodiversity value which include:
 - UNESCO World Heritage Sites;
 - Wetlands listed in the Ramsar list of sites;
 - UNESCO Man and the Biosphere (MAB) reserves;
 - Key Biodiversity Areas; and
 - Alliance for Zero Extinction (AZE) sites
 - IUCN Category I-IV protected areas
- Relocate project facilities away from areas containing critical biodiversity, where feasible.
- Avoid clearing forested areas for the development of project facilities.

Reduction - ThaiBev is committed to implementing minimization measures to reduce the severity of impacts on biodiversity by controlling or limiting the source of impact at production facilities in development/operation.

Regeneration and Restoration - ThaiBev will seek to regenerate/restore areas where impacts cannot be prevented. ThaiBev aims to restore degraded forest areas where current operational sites were built in order to restore damaged ecosystems and increase the area's capacity for carbon storage. ThaiBev's reforestation will consider about involving species and approaches that positively contribute to local livelihood.

ThaiBev will seek to assess the need for, and feasibility of achieving no net loss of biodiversity and net positive impact for its production facilities with negative biodiversity impacts through compensation/offset measures. Such measures will be developed in line with international best practice such as the Principles on Biodiversity Offsets developed by the Business and Biodiversity Offset Program (BBOP).

Transformation – ThaiBev is committed to taking transformative action by going beyond reducing direct operational impacts and considering both impacts and dependencies on biodiversity. ThaiBev's approach will encompass current and future operational sites as well as the product value chains. ThaiBev will integrate sustainability into its corporate strategy, decision-making processes, and governance structures at multiple levels, to address the drivers of nature loss.

External partners

ThaiBev is committed to collaborating with external partners such as biodiversity experts to support the biodiversity assessment and management process. These individuals/organizations will be identified and engaged with for assessment of biodiversity-related impacts and dependencies in the value chain. Value chain assessment would be carried out in addition to analysis of biodiversity impacts from production facilities located in close proximity to critical biodiversity to ensure that the appropriate mitigation strategy is developed to minimize biodiversity impacts to as low as reasonably possible.

Managing biodiversity impacts

ThaiBev's Environmental Management System (EMS) will include provisions for good biodiversity mitigation and management practices across all ThaiBev's production facilities. The EMS serves as a guide to ensure the

systematic integration of biodiversity considerations across the production facility lifecycle, from the design phase to decommissioning phase.