



Biodiversity and Deforestation Policy	Reference number: SRMD 02/2022
	Review date : 27 June 2023
	Approval date : 27 June 2023
	(Executive Board Meeting no.2/2023)
	Effective date : 27 June 2023
	Supersede date : 29 June 2022

This policy provides the framework for biodiversity and deforestation management of Berli Jucker Public Company Limited and the group companies (hereinafter referred to as "BJC Group"). BJC Group emphasizes on preserving biodiversity, ecosystem, and forests, including business-related risks caused by the loss of biodiversity, ecosystem, and forests. BJC group commits to operate business without creating negative impact to biodiversity, ecosystem, and forests to prevent adverse effects on business operations and all stakeholders.

Policy Scope

This policy applies to the business operations of Berli Jucker Public Company Limited and its subsidiaries and business partners, including tier-1 suppliers and non-tier-1 suppliers' operations in the supply chain of the corporate groups

Guidelines

1. Conducting business in comply with laws and other related biodiversity and forest conservation regulations, strictly.
2. Supporting knowledge sharing and creating awareness on biodiversity and forest conservation to everyone in the company including stakeholders.
3. Setting biodiversity and deforestation targets, and the company clearly specifies strategies and action plans in accordance to Thailand's National Biodiversity Action Plan (B.E. 2566-2580) to achieve the targets and time frame.
4. Establishing a monitoring process of BJC's business operations, ensuring that the operations are compiled with laws, regulations of this policy.
5. Considering to cooperate with relevant stakeholders including, suppliers, business alliances and other external organizations both public and private sectors, to carry out activities or projects that promote the conservation of environment, forests, and biodiversity.



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Biodiversity

1. BJC Group commits not to cause biodiversity loss (No Net Loss) and strives to create Net Positive Impacts throughout the value chain.
2. BJC Group refrains from choosing operation in an area that is a natural resource and environmental reserve as required by law, including UNESCO World Heritage sites and the protected areas according to The International Union for Conservation of Nature (IUCN) category 1-4*. BJC Group does not support business partners, suppliers, and stakeholders in the supply chain to have their operation sites in the mentioned areas.
3. Conducting biodiversity assessment in the operation sites and surrounding areas, including biodiversity risk and impact assessments from business operations within a time frame. Supporting business partners, critical tier-1 suppliers, and non-tier-1 suppliers in the supply chain to conduct the assessments as well.
4. Prioritize critical areas** with the goal of not cause biodiversity loss (No Net Loss) from operations in those areas.
5. In case of operating business in the area with proximity to critical biodiversity or endangered habitats, or if the business operations create risks to biodiversity, the company will manage the risks in accordance with Mitigation Hierarchy (avoid, minimize, restore, and offset). This is a hierarchical mitigation, which aims to avoid severe impacts on biodiversity and support the No Net Loss approach.
6. Supporting compensation, restoration, and improvement of biodiversity, including ecosystems on land and in water in order to create a Net Positive Impact, according to the goals set by the organization.



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Deforestation

1. Providing forest restoration and reforestation to bring the forest back to fertility, preserve the ecosystem, reduce climate change and to promote No Net Deforestation.
2. For business operations and raw material sourcing, there must be no deforestation, including supporting business partners, critical tier-1 suppliers, and non-tier-1 suppliers to conduct their business without deforestation, ensuring No Gross Deforestation in the supply chain.
3. Conducting risk assessment on deforestation and providing appropriate risk management, including suppliers and business alliances to conduct risk assessment on deforestation as well.

*Remark: IUCN protected area categories are as follows;

- **Category 1a** - Strict Nature Reserve and **Category 1b** - Wilderness Area are large, unmodified, or slightly modified areas whose natural character and functions are left intact. Low-impact, minimally invasive educational and research activities are allowed.
- **Category 2** - National Park are large natural sites that are dedicated towards protecting ecological and biological systems and species. Visitor use is managed in these areas for inspirational, educational, cultural, and recreational purposes.
- **Category 3** - Natural Monument are protected areas set aside to protect a specific natural monument, which can be a landform, sea mount, submarine cavern, geological feature such as a cave, or even a living feature such as an ancient grove.
- **Category 4** - Habitat/Species Management Areas are protected areas aiming to protect particular species or habitats. The areas need regular and active interventions to address the requirements of particular species or to maintain habitats.

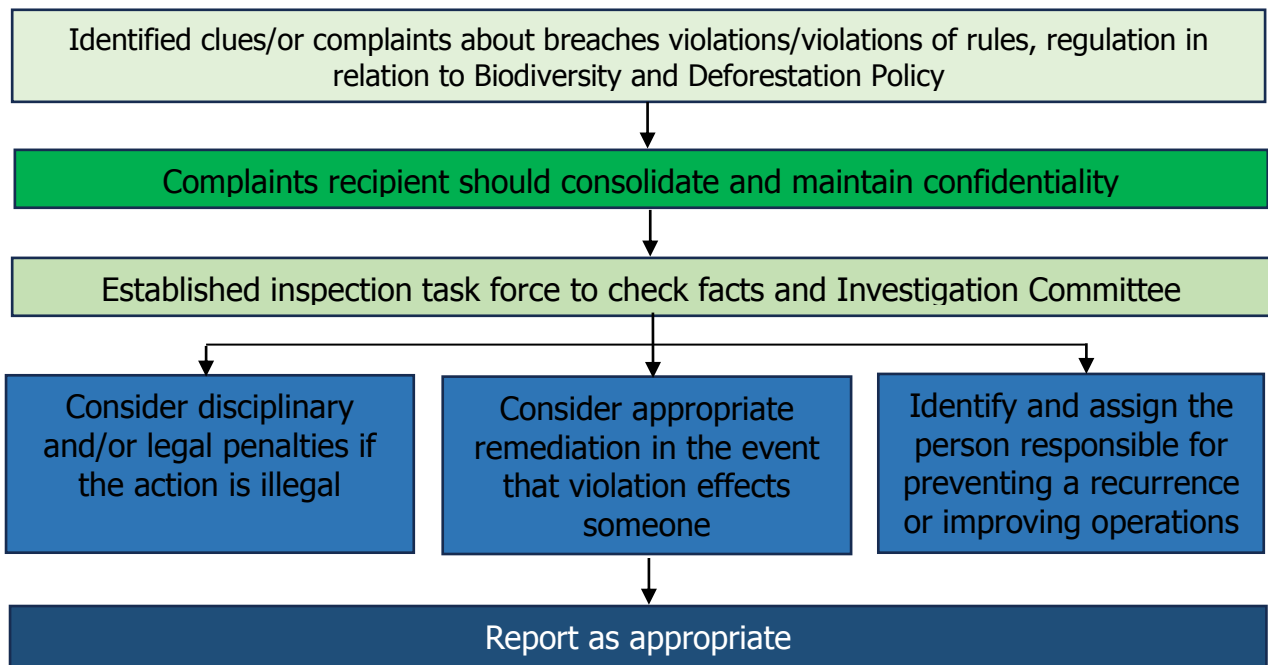
**Critical Areas are defined as areas where important company operations are located, and has significant biodiversity associated, by considering these issues.

- Use of areas, important resources or production processes significantly influences environmental and financial impact.
- Engagement of various venues, products and suppliers creates an impact to the company.
- Influences by needs of stakeholders throughout the supply chain.



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Any violation of the laws, rules, regulations, ethics, or this policy, or permitting subordinates to violate them, executives, committees, and employees must report directly to the company's given channels. The company has clearly defined policies, processes, and measures to protect whistleblowers. When internal or external parties suspect or believe that laws, regulations, or ethics are being violated, they can report through the channels provided. The Investigation Committee and/or Inspection Taskforce, comprised of representatives from Human Resources, Group Audit Department, Legal, and the relevant Head of Business Unit where the incident occurred, will then carry out the procedures in accordance with Corporate's Whistleblowing Policy and the BJC Code of Conduct. BJC's corporate-wide whistle blowing system are shown as illustrated below.



The Biodiversity and Deforestation Policy will be effective from 27 June 2023 onwards.