



CP FOODS SUSTAINABILITY NEWSLETTER



**LEAD THE WAY
TO NET-ZERO
ISSUE**

Volume 6, January 2025

Dear Valued Stakeholders,

Wishing you a prosperous New Year 2025. As we embark on this new chapter, I am pleased to share CP Foods' first Sustainability Newsletter of the year.

This edition provides a glimpse of the significant sustainability milestones we achieved in 2024. One key progress we made was the integration of the SAP Net-Zero Sustainability Platform, which enabled us to have insights into actual emissions data in real-time, allowing us to make quick, informed and sustainable business decisions so that our food is not only safe and nutritious for people but also green and clean for the earth.

This advancement propelled our environmental, social, and equity goals, solidifying our leadership in sustainable agro-industry. In 2025, we will continue our efforts toward a more responsible, equitable future.

Thank you for your unwavering support.

**“we will continue
our efforts toward
a more responsible,
equitable future.”**



Prasit Boondoungprasert
CEO of Charoen Pokphand Foods



CP Foods' 2024 Sustainability Milestones

Here are some examples of our sustainability achievements in 2024 :

Milestones Achieved by CP Foods in 2024

CP Foods Sets a New Standard in Sustainable Food Value Chain with the SAP Net-Zero Intelligence Platform

In Short:

CP Foods became the first company in the world to fully implement the SAP Net-Zero Intelligence Platform, covering all four key modules, starting with its Thailand operations and expanding to overseas operations in 2025. By doing so, we've created a safer, more transparent, and more efficient food supply chain—one that reduces errors, meets global environmental standards, and supports our long-term Net-Zero goals.



Key Highlights:

- **World's First:** CP Foods is leading the industry by successfully implementing all four modules including SAP's Environmental Management (EM), Sustainability Footprint Management (SFM), Sustainability Control Tower (SCT), and Sustainability Analytic Cloud (SAC) of the SAP Net-Zero Sustainability Platform.
- **Automated Data:** All information flows into the system automatically, cutting down on human errors and providing real-time, accurate sustainability insights.
- **Complete Visibility:** We can now see every part of our supply chain, ensuring that products are sourced responsibly, produced safely, and delivered sustainably.
- **Data-Driven Results:** With this cutting-edge platform, we can make better decisions, meet environmental regulations such as the EU Deforestation-free Regulation (EUDR), and strengthen our position as a leader in the sustainable agri-food business.
- **Future Proofing:** By partnering with SAP, CP Foods can assure our customers that we will comply with forthcoming carbon regulations in various markets, including the EU Carbon Border Adjustment Mechanism (EU C-BAM) and US SEC climate risk disclosures.



Raising the Bar in Sustainability

As global demand for food and stricter environmental rules increase, CP Foods has taken a bold step forward. We are the first food processing company to have our Net-Zero Science-Based Targets approved for both 2030 and 2050 under the FLAG (Forest, Land, and Agriculture) guidelines.

This milestone proves our commitment to becoming an Agri-tech pioneer and creating a greener future for everyone.

What is the SAP Net-Zero Intelligence Platform?

Picture a smart, digital dashboard that shows us exactly where our raw materials come from, how products are made, and how they reach consumers. Additionally, it offers real-time insights into CPF's carbon emissions by scope and process, ensuring we meet our sustainability targets and enabling continuous process improvements. That's what the SAP Net-Zero Intelligence Platform does. It collects and manages environmental data across our entire value chain, helping us understand and improve every step.

Why It Matters

- **Full Transparency:** We now have a clear, real-time view of our entire value chain. This makes it easier to ensure that our products are safe, responsibly sourced, and meet global sustainability standards.
- **Smarter Decisions:** By clearly seeing where we can make improvements, we can reduce waste, lower emissions, and continuously refine our operations to meet our Net-Zero targets.
- **Staying Ahead of Regulations:** With strong data at our fingertips, we can quickly adapt to changing environmental regulations, keeping us at the forefront of sustainable food production.

Scope:

These four modules enable us to track data from the cultivation areas of raw materials all the way to the ports of each country where CP Foods' products are shipped.



SAP

Business process
automation software



How It Works (Think of a Car)

Implementing the SAP Net-Zero Value Chain Platform is like getting a new car on the road:



1. Install the Engine (Configuration):

We “build” the system by adding all our operational and suppliers details along with formulas to measure greenhouse gas emissions.



2. Add Fuel (Automated Data Input):

Instead of manually typing in data, information flows automatically from our existing systems. This means fewer mistakes and instant updates.



3. Start the Engine & Have a Driver (Validation & Operation):

Our sustainability team checks and interprets the platform’s results, using the insights to steer our value chain toward even better environmental practices.



4. Regular Maintenance (Continuous Improvement):

Just like a car needs tune-ups, we keep improving the platform. As standards change, we update the system to maintain top performance.

Shaping a Greener Tomorrow

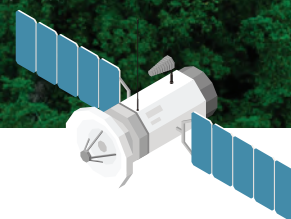
By using the SAP Net-Zero Intelligence Platform, CP Foods is ensuring that every product we make can be trusted. This advanced, data-driven approach lets us constantly improve how we work—cutting down our carbon footprint, protecting our environment, and preserving precious resources for future generations. Our actions today set the stage for a sustainable tomorrow, where everyone can enjoy safe and responsibly produced food.

Advancing a Deforestation-Free and Transparent Soy Supply Chain

CP Foods, through Bangkok Produce Merchandising (BKP), has partnered with Louis Dreyfus Company and Bunge to ensure a deforestation-free soy supply chain by 2025. Using satellite mapping and blockchain traceability, we are verifying that 185,000 metric tons of soybeans from Brazil to Thailand meet strict sustainability standards. This initiative not only contributes to the 100% deforestation-free supply chain target by 2025 but also reduces our carbon footprint as part of our Net-Zero 2050 ambition.

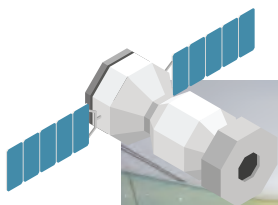


Sidenote: A blockchain traceability system is like a secure digital record book that keeps track of every step soybeans take from the farm to your table. Imagine it as a highly trustworthy ledger where each transaction or movement of the soybeans is recorded and cannot be changed or erased.



Eliminating Crop Burning with Satellite Monitoring

Bangkok Produce Merchandising (BKP) has launched a Traceability Operations Room using real-time satellite data to prevent crop burning and deforestation in over 2 million rai (approximately 320,000 hectares) of corn plantations. Covering over 40,000 farmers, this initiative ensures zero-burn practices, significantly reduces PM2.5 pollution, and promotes sustainable agriculture.



Transforming Packaging with FSC-Certified Materials

We have switched Kitchen Joy's Thai Cube boxes, which contain frozen ready meals, to FSC-certified paper packaging sourced from responsibly managed forests. This move combats deforestation, preserves biodiversity, and supports our circular economy efforts. Our eco-friendly packaging will be available in Scandinavia and other European markets starting in 2025, underscoring our commitment to reducing environmental impact.



CP Foods Reaches Significant Carbon Footprint Milestones

From 2008 to today, CP Foods has gathered data across its entire supply chain—from feed production to processed goods—to create low-carbon products. By 2024, the company has certified 890 products with the carbon footprint label and 88 with the carbon footprint reduction label through the Thailand Greenhouse Gas Management Organization (TGO). These achievements highlight CP Foods' unwavering dedication to sustainable innovation, green product development, and the pursuit of net-zero goals by leveraging renewable energy, AI technologies, and eco-friendly practices.

Sidenote:

The Carbon Footprint Label certified products that accurately measure and disclose their greenhouse gas (GHG) emissions. It provides consumers and businesses with transparent information about a product's environmental impact. The Carbon Footprint Reduction Label is a certification issued to products that have successfully reduced their greenhouse gas (GHG) emissions compared to a defined baseline. This label signifies that the product not only measures and discloses its carbon footprint but has also implemented effective strategies to lower its environmental impact.



Creating Sustainable Aviation Fuel through Circular Economy

Through a partnership with Bangchak, an oil refinery and retail company, CP Foods is transforming used cooking oil from its Thai facilities and restaurants into Sustainable Aviation Fuel (SAF). This effort not only fosters a circular economy at CP Foods but also significantly reduces CO₂ emissions in the aviation sector, with the potential to cut emissions by up to 80% compared to traditional jet fuel. Moreover, there is an opportunity to expand this initiative to CP Foods' global operations in the future.



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