

CENTRALPATTANA

Biodiversity Management and No Deforestation Policy

Central Pattana Public Company Limited

1. Introduction

Central Pattana Public Company Limited and its subsidiaries (the "Company") recognize the importance of biodiversity conservation and the maintenance of ecosystem balance as essential to long-term environmental, community and economic wellbeing. We are committed to conducting our business in line with sustainable development principles, ensuring that our operations do not compromise the integrity of natural resources, while supporting the UN Sustainable Development Goals (SDGs).

This Policy has been established to prevent deforestation and promote biodiversity conservation in a comprehensive manner by aligning with international standards and fostering collaboration with business partners and stakeholders. The goal is to minimize environmental impacts and deliver long-term value across all aspects of the Company's operations.

2. Scope

This Policy applies across all ecosystems under the Company's care and stewardship, including areas within real estate developments, shopping centers, surrounding landscapes, adjacent communities and nearby forested areas. The Company also promotes alignment with this Policy among current and prospective business partners, suppliers and stakeholders across the value chain, including customers, primary contractors, employees and joint ventures, to ensure consistent practices.

3. Objectives

- To conserve biodiversity and maintain ecosystem integrity in areas connected to the Company's operations
- To prevent and reduce deforestation throughout project development and natural resource management processes
- To promote environmentally responsible business practices and support the UN Sustainable Development Goals (UN SDGs)
- To strengthen collaboration with business partners, stakeholders and local communities in conserving natural resources
- To align with internationally recognized frameworks such as the Taskforce on Nature-related Financial Disclosures (TNFD) and the Forest Stewardship Council (FSC) in setting relevant standards and guidelines
- To reinforce stakeholder confidence by demonstrating the Company's commitment to minimizing environmental impact across all aspects of its operations

4. Roles and Responsibilities

To ensure effective implementation of this Policy across the organization and alignment with the Company's sustainability approach, the Company has defined the roles and responsibilities of relevant individuals and functions as follows:

4.1 Board of Directors

- Approve and oversee this Policy to ensure it remains aligned with the nature of the Company's business and changes in ecosystems
- Review and approve targets and strategies for biodiversity and no deforestation at least annually
- Review and monitor the implementation, including progress against biodiversity and no deforestation targets
- Provide guidance on issues, risks, or complaints related to biodiversity or deforestation, as appropriate

4.2 Senior Management

- Allocate necessary resources, including personnel, budget and technology, to support the effective implementation of this Policy
- Establish comprehensive guidelines to minimize biodiversity impacts and prevent deforestation throughout the value chain
- Report progress and challenges related to natural resource and forest conservation to the Board on an ongoing basis

CENTRALPATTANA

- Promote and support collaboration with business partners and stakeholders on biodiversity and no deforestation initiatives

4.3 Risk Management

- Assess potential risks related to biodiversity and deforestation arising from operations, including those associated with climate change
- Update risk response plans to ensure they remain relevant and responsive to changing conditions and aligned with the Company's objectives
- Prepare risk status reports and mitigation plans for submission to the Risk Management Committee and the Board
- Support the development of risk management strategies that promote biodiversity conservation and prevent deforestation

4.4 Employees

- Comply with the Company's policies and guidelines related to biodiversity preservation and no deforestation
- Contribute to reducing impacts on ecosystems, such as by minimizing resource consumption in daily operations and managing waste effectively
- Promptly report any issues or conduct that may harm biodiversity or contribute to deforestation to management
- Participate in training and activities related to biodiversity to strengthen knowledge and skills for sustainable practices

4.5 Partners and Stakeholders

- Support and align with the Company's approach to biodiversity conservation and no deforestation
- Promote the use of materials and processes that minimize impacts on forests and ecosystems
- Collaborate with the Company to develop innovations and technologies that enhance natural resource conservation

5. Policy and Practices

5.1 Biodiversity Management Policy

- 5.1.1) Conserve **biodiversity** by implementing measures to prevent and mitigate potential impacts across all business processes, in order to maintain ecosystem balance and support long-term sustainable development.
- 5.1.2) Assess and monitor biodiversity impacts using scientific data and expert consultation to establish effective prevention measures, including ecosystem restoration in affected areas.
- 5.1.3) Refrain from undertaking any projects in ecologically significant areas, such as **World Heritage Sites**, IUCN (International Union for Conservation of Nature) Category I–IV protected areas, areas of high biodiversity or natural heritage value,
- 5.1.4) and sensitive areas such as Ramsar sites. Ensure strict compliance with applicable laws and international standards.
- 5.1.5) Support and promote **stakeholder** participation across all sectors, including local communities, to protect and restore biodiversity, and maintain ongoing collaboration with government agencies, the private sector and international organizations.
- 5.1.6) Raise awareness and foster biodiversity stewardship among employees, suppliers and business partners to strengthen knowledge and understanding of key ecosystem issues.
- 5.1.7) Establish a management and reporting system for biodiversity-related operations, with clear targets and regular progress tracking to support systematic and continuous improvement.
- 5.1.8) Review and update this Policy regularly to ensure relevance in response to changing conditions and to maintain the sustainability of natural resources.

5.2 Biodiversity Management Practices

- 5.2.1) Conduct environmental impact assessments and prepare ecosystem and biodiversity risk reports at every stage of project development, from planning and development to renovation, to ensure measures implemented effectively reduce adverse impacts and promote ecosystem balance.

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- 5.2.2) Collaborate with biodiversity and ecosystem specialists, as well as domestic and international academic institutions, to support studies, research, and the development of conservation measures appropriate to site-specific conditions and operational contexts.
- 5.2.3) Apply the mitigation hierarchy as follows:
 - Avoid: Plan and design projects to avoid impacts on areas of high ecological or biodiversity value
 - Minimize: Reduce potential impacts during implementation by using appropriate technologies and prevention measures
 - Restore: Rehabilitate areas affected by Company activities to recover ecosystem integrity
 - Offset: Where impacts cannot be avoided or minimized, implement biodiversity offsets, such as afforestation in alternative areas to enhance overall biodiversity
- 5.2.4) Prioritize projects that not only minimize adverse impacts but also deliver positive biodiversity outcomes, such as restoring degraded areas and developing projects that support biodiversity conservation.
- 5.2.5) Use materials and equipment that pose no harm to biodiversity, and promote construction and operational processes that consider the sustainability and safety of ecosystems.
- 5.2.6) Engage local communities in biodiversity conservation through initiatives such as tree planting, ecosystem restoration and awareness-raising activities that build understanding of biodiversity.
- 5.2.7) Develop and maintain a monitoring and reporting system to track progress on biodiversity-related operations, supporting ongoing improvement and ensuring that measures remain relevant, effective and aligned with evolving conditions and sustainability goals.
- 5.2.8) Communicate and conduct training or activities across all levels of the organization to build employee understanding of biodiversity and ensure consistent, effective implementation.

5.3 No Deforestation Policy

- 5.3.1) Operate in strict compliance with national and international laws, regulations and practices related to forest resource management, to ensure **no net loss** of biodiversity.
- 5.3.2) Support reforestation and forestation activities in affected areas to help restore ecosystem integrity, and promote long-term sustainability, including the enhancement of **ecosystem services**.
- 5.3.3) Avoid activities or project development in forested or ecologically significant areas, to prevent the degradation of natural resources and biodiversity loss.
- 5.3.4) Verify the source of materials used in operations and construction to prevent the use of **illegal timber** and the unauthorized use of natural resources.
- 5.3.5) Respect **community use rights** or legally recognized rights, including the right of communities to use forest resources under applicable laws.
- 5.3.6) Promote knowledge and awareness of forest conservation among employees, executives, suppliers and business partners, and encourage practices that minimize impacts on forests across all processes.
- 5.3.7) Encourage employees and business partners to participate in forestation, restoration of degraded areas and forest conservation initiatives to support positive environmental outcomes.
- 5.3.8) Develop a monitoring and reporting system to track progress under the Company's No Deforestation Policy, ensuring alignment with sustainability targets and supporting ongoing improvement.
- 5.3.9) Operate in a manner that minimizes environmental and community impacts and enables stakeholders use forest resources sustainably, while ensuring minimal impact across the **value chain**.

5.4 No Deforestation Practices

- 5.4.1) Conduct assessments of potential impacts on forests and forest resources at all stages of project development, including renovations and new developments, using a comprehensive risk analysis framework aligned with the Taskforce on Nature-related Financial Disclosures (TNFD) to avoid and minimize impacts on ecosystems.
- 5.4.2) Rigorously verify the source of materials and resources used in operations and construction to prevent the use of products originating from areas associated with risk of deforestation or from unauthorized areas.

CENTRALPATTANA

- 5.4.3) Support forest restoration and forestation activities, particularly in areas affected by Company operations, and encourage stakeholder engagement in the sustainable management of natural resources.
- 5.4.4) Strengthen partnerships with local communities and relevant partners, with a focus on protecting community rights and balancing natural resource use with biodiversity conservation.
- 5.4.5) Establish standards and practices aligned with the UN Sustainable Development Goals (SDGs) and international frameworks, such as the Forest Stewardship Council (FSC), to guide the sourcing and management of sustainable forest-derived materials.
- 5.4.6) Implement a monitoring and reporting system to track performance under the No Deforestation Policy and communicate progress and outcomes transparently to stakeholders on a regular basis.
- 5.4.7) Build knowledge and provide training to employees, suppliers and business partners at all levels to raise awareness of the importance of no deforestation and strengthen accountability across processes.
- 5.4.8) Minimize environmental and community impacts from operations by implementing proactive measures that protect natural resources and support sustainable livelihoods in areas where the Company operates.

6. Training

The Company is committed to building knowledge and communicating this Policy across the Board of Directors, management and employees at all levels. This is achieved through a range of activities, including communications, training sessions, meetings and workshops. Content is tailored to the Company's operational context and sustainability approach, with the aim of strengthening understanding and practical skills for effective implementation. The Company also regularly monitors and evaluates how this Policy is communicated to ensure it effectively supports the achievement of the Company's sustainability goals.

7. Complaints and Whistleblowing

The Company provides all employees and stakeholders with the opportunity to raise complaints or report suspected breaches of this Policy or related practices. All reports will be handled in accordance with the Company's Whistleblowing Policy. The Company guarantees the protection of complainants' rights, safety and confidentiality, and ensures they are not subject to any adverse impacts on their employment throughout the investigation process. The Company places strong emphasis on transparency and is committed to fostering a culture of accountability and integrity across all aspects of its operations.

8. Disciplinary Action

The Company affirms the importance of strict compliance with this Policy. All employees are required to fully cooperate in any review or investigation of suspected policy breaches. Where non-compliance is identified, disciplinary action will be taken in accordance with the Company's internal regulations.

These measures aim to establish transparent and sustainable operational standards and ensure that the Company's activities are aligned with its values and long-term sustainability goals.

9. Policy Review and Update

The Company reviews and updates this Policy on an ongoing basis, at least annually, or when there are changes in applicable laws, regulations or sustainability standards at the national or international level. The review process ensures the Policy remains relevant, effective and aligned with evolving business contexts. The Company is also committed to continuously improving its practices to meet stakeholder needs and support long-term organizational performance.

This Policy is effective from May 2, 2025 onward.

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10. Definitions

Biodiversity

Refers to the variability among living organisms from all sources, including inter alia, terrestrial, marine and freshwater ecosystems and the ecological complexes they are part. This includes diversity within species (genetic diversity), between species and of ecosystems. (Source: Royal Decree Establishing the Office of Biodiversity Economics, Government Gazette)

Ecosystem Service

Refers to the benefits people obtain from ecosystems, such as those provided by forests and water systems. These include climate regulation, protection against natural disasters e.g. shoreline erosion control and water retention, and the provision of habitats for a diversity of species. Ecosystem services also support physical, economic, social, technological and environmental systems.

No Net Loss

Means that business operations must not result in a loss of biodiversity.

(Source: Office of Biodiversity-Based Economy Development)

World Heritage

Refers to areas or landmarks designated by UNESCO as having outstanding cultural, historical, scientific or other significance, and which are protected under international legal frameworks for the benefit of humanity as a whole. (Source: United Nations Educational, Scientific and Cultural Organization – UNESCO)

Illegal Timber

Refers to timber derived from protected or prohibited species, or timber obtained through unlawful means, such as illegal logging, unauthorized cultivation, possession, harvesting, processing, transportation or trade.

Community Use Rights

Refers to the rights of individuals and communities under Thailand's Community Forest Act to conserve, restore, maintain and utilize natural resources, the environment and biodiversity in a balanced and sustainable manner. These rights are protected under Section 41 of the 2017 Constitution of the Kingdom of Thailand.

Value Chain

Refers to the full range of interconnected activities associated with a product or service, which collectively create value for the business. These processes are linked together like a chain to maximize the benefit of the product or service delivered to the customer.

Stakeholder

Refers to any individual or group that is affected by or has an interest in the Company's operations, whether positively or negatively, directly or indirectly. This includes employees, customers, suppliers, business partners, as well as broader society, communities and the environment.