



## **Water Stewardship Policy**

### **Animal Health Business Group**

This policy is a part of Animal Health Business Group's Environmental Policy and Guidelines.

Recognizing the severity of the current scarcity and degradation of the world's water resources, which are essential for all societies and natural systems, Animal Health Business Group (Including with Charoen Pokphand Enterprise Co., Ltd., Advance Pharma Co., Ltd., and Bangkok Vet Drug Co., Ltd.) places water stewardship as an essential component to its core business operations and value chain management. The Group's effort is aligned with both the United Nation's Sustainable Development Goals (SDGs) and the Group's own Sustainable Development Goals. Furthermore, Animal Health Business Group's water stewardship practice supports the CEO Water Mandate under the UN Global Compact.

Animal Health Business Group continues to improve the effectiveness of its water resources management throughout its entire value chain, to mitigate the impact of water shortage, and to promote more efficient use of this valuable resource. We achieve this through an integrated water resources management, leveraging technologies and innovations that enable efficient water management of agriculture and manufacturing processes. This effort increases the capacity for business resilience and ensures that access to quality water resources is equitably shared with communities around our operations. Moreover, Animal Health Business Group assesses water scarcity risk according to international standards to help assess water resource risks within the organizations and for related stakeholders. The tool also aids in planning efficient water use, in line with Charoen Pokphand Group's 2030 goal to achieve 20% reduction in water withdrawals per unit revenue compared to baseline year 2020.

In order to achieve these objectives, Animal Health Business Group establishes the following guideline.



1. Commit to protecting water resources and managing water efficiently throughout the value chain, covering freshwater, surface water, ground water, marine and coastal water, and minimizing negative impacts on natural water resources.
2. Ensure that its business operations do not adversely impact the ability of communities in surrounding areas to access water resources for utilization and consumption, and implement measures to improve their access in a fair and equitable manner.
3. Analyze and assess water risks, increase the proportion of water reused and recycled both internally and externally, covering all key stakeholders.
4. Develop, explore and evaluate technology and innovation in water management to improve efficiency, minimize waste, and increase the proportion of water reused and recycled.
5. Set long-term goals for effective management and efficient use of water resources.
6. Monitor and maintain water quality from all business activities and treat wastewater before releasing into public waterways in accordance with national laws and standards.
7. Set up a performance tracking system and report water stewardship performance in compliance with internationally recognized standards.
8. Encourage collaborations with communities and relevant stakeholders in the utilization and conservation of water resources, as well as respond to any concern from the community and the public in a timely manner.
9. Support and collaborate with government agencies, NGOs, educational institutions, communities and other stakeholders to address national and global water problems.
10. Communicate with employees, suppliers, business partners and stakeholders on a regular basis to raise awareness about the issue of water stewardship.
11. Disclose water stewardship performance and progress against targets on water conservation through Sustainability Report or other relevant disclosures to stakeholders annually.

Directors, executives and employees of Animal Health Business Group must comply with the laws, rules, regulations, standards, as well as this Water Stewardship Policy and other applicable policies and guidelines related to water stewardship.