



HUMAN RIGHTS

Making Today a Better Tomorrow



CHAROEN POKPHAND GROUP
HUMAN RIGHTS REPORT 2022



TABLE OF CONTENTS

HUMAN RIGHTS REPORT 2022

INTRODUCTION

- 04 MESSAGE FROM CEO
- 06 ABOUT THIS REPORT
- 12 C.P. GROUP BUSINESSES AND VALUE CHAIN

PART I: HUMAN RIGHTS MANAGEMENT ————— 18

- 19 HUMAN RIGHTS GOVERNANCE
AND DUE DILIGENCE
- 26 ADDRESSING SALIENT ISSUES

PART II: TECHNOLOGY AND HUMAN RIGHTS ——— 38

- 39 LEVERAGING TECHNOLOGY FOR HUMAN RIGHTS

GOING FORWARD ————— 44

AWARDS AND PROGRESS ————— 48

INDEX AND GLOSSARY ————— 50

MESSAGE FROM CEO

We live in an era of interconnected crises, from catastrophic climate change and biodiversity risks, widening and persistent income inequality, to the disruptive impact of artificial intelligence. In today's era of "polycrises", it is more important than ever to recognize the linkages between these risks. We can no longer neatly place all these issues in separate silos; instead, we must assess these risks holistically and focus on providing action-oriented solutions that not only focus on mitigating risks but also on driving positive impact for our local communities.

As a business, we must deploy an action-focused lens to address these risks by constantly improving our processes and systems to find solutions for the environmental and human rights risks around us. Technology and digitalization, which is the theme of this year's report, can be leveraged to drive implementation and achievement of our sustainability goals – especially for human rights. Not only has technology been able to help us in driving compliance to our human rights policies across the company, but it has also improved our human rights due diligence processes. Used deliberately and sustainably, technology has assisted us in due diligence, supply chain traceability, and even communicating our progress throughout this report – thus helping us manage and mitigate our human rights risks. Furthermore, technologies can be utilized to ensure a clean environment for human rights protection, with renewable energy and green industries enabling a just transition towards a low-carbon society. Technological advancements and innovations are serving an essential role in upskilling and reskilling the workforce, in creating opportunities for new tech players that will not only disrupt but also transform industries for the better and, ultimately, promote ethical and responsible business practices.



Charoen Pokphand Group, for the last 100 years and beyond, has always been guided by our "Three-Benefit Principle", which states that we must consider the benefits of the countries and communities we operate within first and foremost – followed by the company's own interests. The conjunction of our "Three-Benefit Principle" with our commitment to technological innovations helps us to take concrete measures and make investments in technological solutions. These technologies will improve the traceability and transparency of our supply chains, to ensure that our growth will benefit the economy, the environment, and society.

Finally, I would like to thank all employees of Charoen Pokphand Group and its subsidiaries, especially the Human Rights Working Group, for their steadfast dedication to the Group's principles and policies and for their work towards achieving the Group's human rights commitments. Recognizing that we can only make progress through collaborating and learning from our stakeholders, I look forward to working together with our employees, communities, NGOs, and all our other stakeholders to ensure the protection and promotion of human rights, within our own operations and value chain, and beyond.

Suphachai Chearavanont

Chief Executive Officer
Charoen Pokphand Group

"We have found ourselves today at the intersection of rising inequality, an economic crisis, greater human rights risks, environmental degradation, and worsening food security. Together, we must work towards leveraging digital technologies to understand, prevent, and solve these crises and enable companies to operate sustainably economically, socially, and environmentally."

ABOUT THIS REPORT

This report marks the third year since Charoen Pokphand Group began publishing our Human Rights Report. This report continues to track and disclose the progress C.P. Group has made on the goals and targets we have set in the previous year and details the salient human rights issues and risks we have identified within our own business and throughout our supply chain including human/labor rights, migrant rights and diversity, equity and inclusion (DEI). As with previous years, our report follows the framework set out by the UN Guiding Principles Reporting Framework and aligns with the UN Guiding Principles on Business and Human Rights (UNGPs). We aim to prioritize the salient risks in our business and remain committed in our journey to protect and respect human and labour rights with a focus on systems and processes that provide remedy for those impacted.

Our first two Human Rights Reports in 2020 and 2021 were published amid the COVID-19 pandemic, which shone a stark light upon the many risks society faces – from the persistent rise of income inequality, challenges in accessing healthcare and basic services, to the heightened focus on corporate DEI policies. Even with the worst of the pandemic behind us, the lessons it has imparted upon us will remain and we are as committed as ever to continue to uphold the rights of workers, employees, suppliers, and consumers throughout every aspect of our business. Most importantly, we continue our focus on human rights risks within our own operations as well as throughout our supply chain, including eliminating any instance of forced labor, child labor and human trafficking. This is facilitated through our eight-step human rights due diligence (HRDD) process. This process, developed based upon international standards and regulations such as the UN Guiding Principles, governs us in reviewing the process, procedure and governance of our human rights policies and is improved upon on a continuous basis. The Group continues to expand the coverage of our HRDD process to include our suppliers and joint ventures, especially those that are categorized as high-risk.

In protecting our workers, we have concentrated our efforts into ensuring occupational health and workplace safety for all workers and employees whether at our factories, farms, offices or vehicles. We continue to focus on worker safety at

our factories. Fleet safety and contractor training are two of the many important aspects that we have improved, to provide a working environment where all employees can feel safe. In addition to physical health and safety, the Group also understands that mental health is another significant aspect of staff wellbeing, which is why many different initiatives have been rolled out to address the new pressures of modern office work. For instance, the Group has provided accessible facilities and programs to foster inclusion. Building on the key workplace safety aspects mentioned above, the Group and Working Team are also expanding their focus beyond workplace safety to address broader issues affecting workers and their welfare, such as access to healthcare, education, and protection of rights, in order to make certain that the Group and our suppliers are protecting each worker's rights. The Group recognizes the importance of prioritizing the well-being of its workers, as they are the foundation of our business' success.

Furthermore, we are just as dedicated to ensuring that our migrant workers enjoy the same rights, wages, access to healthcare and all other benefits available to our other employees. Migrant workers are an important part of our operations and provide an important source of income to those who may struggle to find stable work in their home countries. Through our ethical recruitment program and initiatives aimed at improving the livelihood of migrant workers, the Group intends to provide them with a decent living and equal opportunities. The Group has also invested in developing robust mechanisms for grievance and remedy tailored towards more vulnerable groups such as migrant workers. These reporting channels are available not only to direct employees of the Group, but for all workers within the Group's supply chain. The Group intends for all workers in our value to chain to be respected and treated with dignity.

Another salient issue that has remained important is the prevention of harassment and discrimination, fair treatment for all our workers and employees, and ensuring belonging, diversity, equity, and inclusion is a core part of our corporate culture. To provide a workplace that all employees can feel comfortable as their authentic selves, the Group has prioritized creating an inclusive workplace supporting LGBTQIA+

employees and communities, provided career opportunities and advancement for women and ethnic minorities, and committed to promoting diversity throughout all levels of the company, including in leadership positions. The Future Leaders Program (FLP) is one such initiative, with an equal ratio of men to women, to foster a more diverse generation of management and executives. The Group recognizes that diversity of perspectives and ways of thinking from employees and workers from different backgrounds, including from underrepresented and vulnerable communities, drives greater innovation and creativity that is pivotal to business competitiveness. The Group has taken concrete steps and actions to prevent discrimination and harassment of all kinds from occurring in the workplace, understanding that only in a safe and welcoming environment can workers reach their full potential.

The Group understands that a key step towards monitoring and preventing human rights risks is supply chain management, including traceability, transparency and visibility throughout our value chain to ensure that our operations at all levels do not infringe upon any person's human rights. This includes human rights impact assessments of high-risk suppliers which provides the Group with necessary information to mitigate, prevent, or remedy any violations even beyond our own operations. As part of our responsible supply chain management strategy, we are also aware that providing a clean, healthy, and sustainable environment is important to the health and well-being of our workers, employees and community. Our 2030 carbon neutral and 2050 net zero goals, which have been verified by the Science-based Targets Initiative (SBTi) and aligned with the 1.5 Celsius target, along with our initiatives to reduce waste, plastics, increase water efficiency, and protect biodiversity constitute our collective efforts to ensure that our business incorporates both environmental as well as human rights traceability throughout our supply chains.

In addition to supply chain management, we also recognize that technological solutions provide important tools and data systems to help improve our human rights efforts – whether in tackling inequality, protecting the environment, or ensuring worker safety and health. Technology is a core part of the Group's corporate and sustainability strategies, and our

innovative culture has shaped the way the Group manages human rights issues. By leveraging our technological expertise, the Group is better able to protect and promote human rights as well as environmental sustainability across our value chain.

Finally, the Working Team must express its greatest appreciation for all stakeholders that have worked with us patiently and with the greatest cooperation. Despite having made much progress, we know we are very much on a journey and consultations with our stakeholders inform us on how we should improve and the work ahead of us. Our collaborations have enabled us to identify previously unseen gaps within our frameworks and guidelines, which we have endeavored to amend. For this reason, it is a clear priority for the Group to continue constructive engagement with our stakeholders, including our own employees, our suppliers, the communities we operate within, human rights defenders, government agencies, NGOs, and more.

The Working Team would like to thank the executive leadership for providing clear direction in driving human rights action both within our own value chains and beyond. The vision outlined by the Chief Executive Officer – that Charoen Pokphand Group “must operate without infringing upon the rights of any person” – and our adherence to the “Three-Benefits Principle” has provided a clear and strong impetus for the Human Rights Working Team. Much appreciation must also go to all employees of the Group who have worked tirelessly to integrate the HRDD process into their own work and operations. It is through the efforts of all our employees and the cooperation of our stakeholders that we were able to achieve what we have, as well as understand what we need to continue working towards. This report is another important step in our journey towards providing a better tomorrow for everyone who is part of our business and community.

Human Rights Working Team

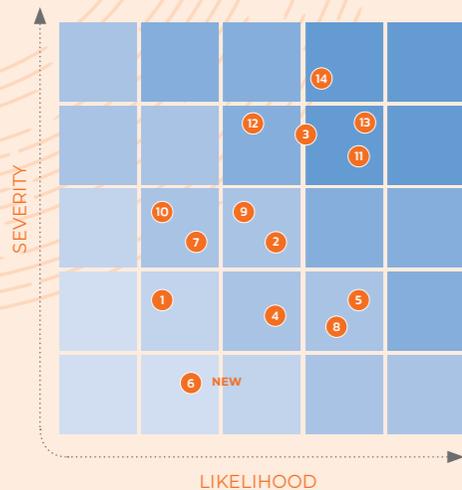
Charoen Pokphand Group

CHAROEN POKPHAND GROUP HUMAN RIGHTS MANAGEMENT

HUMAN RIGHTS GOVERNANCE



HUMAN RIGHTS IMPACT ASSESSMENT



- 1 Freedom of Association and Collective Bargaining
- 2 Access to Water and Sanitation
- 3 Diversity, Equity and Inclusion
- 4 Land Rights
- 5 Conflict Minerals
- 6 Security and Human Rights* (New)
- 7 Vulnerable Groups
- 8 Data Privacy and Cybersecurity
- 9 Child Rights and Child Labor
- 10 Labor Rights
- 11 Discrimination and Harassment
- 12 Environmental Rights
- 13 Migrant Labor and Forced Labor
- 14 Occupational Health, Safety and Working Environment

Remark: *Issue that has been changed

HUMAN RIGHTS DUE DILIGENCE



Lead Departments

- Sustainability Development
- Public Relations
- Corporate Compliance Office
- Procurement
- Global Partnership Office
- Human Resources
- Corporate Governance
- All Business Units

Governance Policies:

- Whistle-blowing
- Information Management
- Anti-Bribery and Anti-Corruption
- Anti-Money Laundering
- Personal Data Protection

Social Policies:

- Human Rights and Labor Practices
- Supply Chain Management
- Safety, Occupational Health and Workplace
- Discrimination and Harassment Prevention
- Migrant Workers Recruitment
- Diversity, Equity, and Inclusion

Environmental Policies:

- Sustainability
- Climate Resilience
- Water Stewardship
- Food Loss and Food Waste
- Waste Management
- Air Quality Management
- Environment
- Product Stewardship
- Hazardous Chemicals and Substances Management

HUMAN RIGHTS SALIENT ISSUES

Migrant Workers and Forced Labor



Over 12,000 migrant workers directly employed by C.P. Group subsidiaries

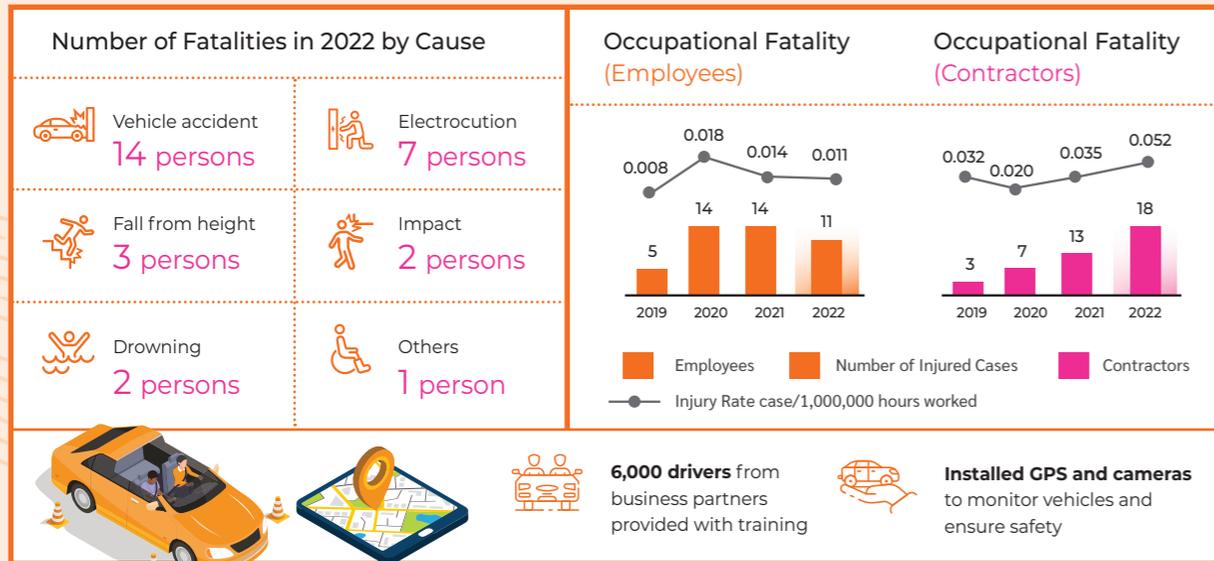


More than 10 recruitment agencies internally audited with reference to IOM Toolkit



C.P. Group and all subsidiaries committed to eliminating any exploitation or forced labor within supply chain

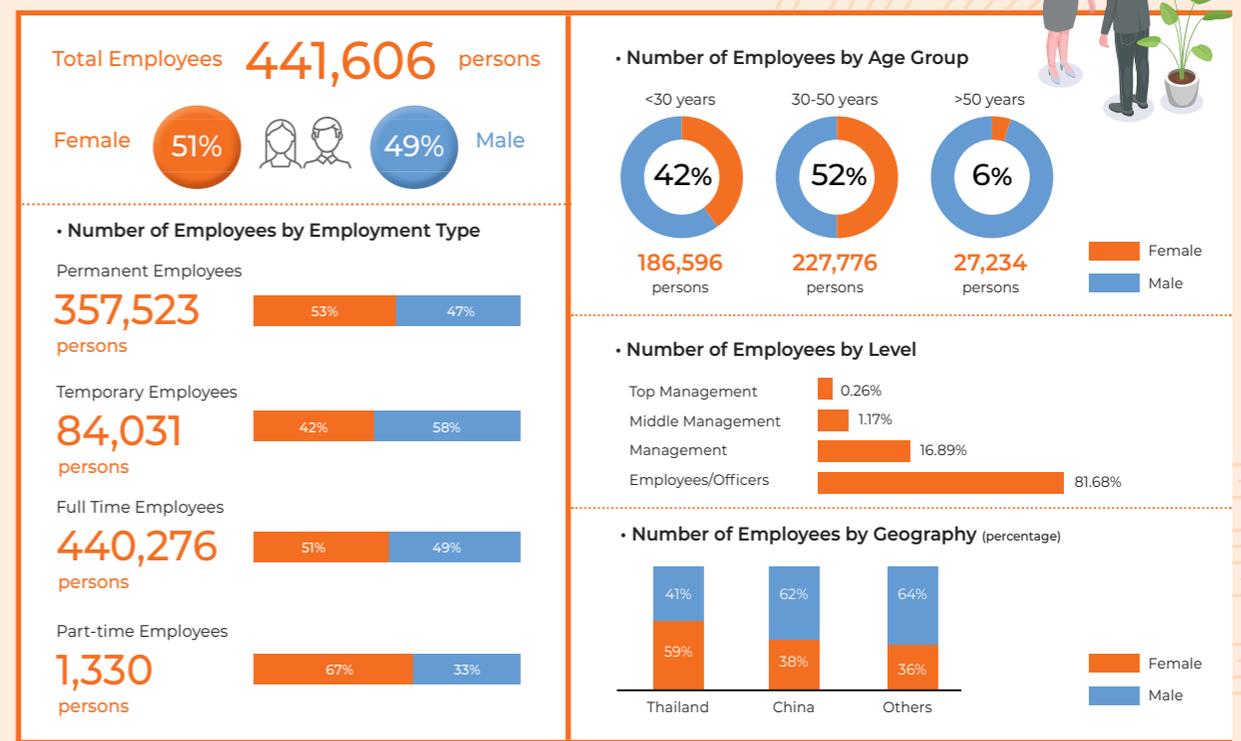
Occupational Health and Safety



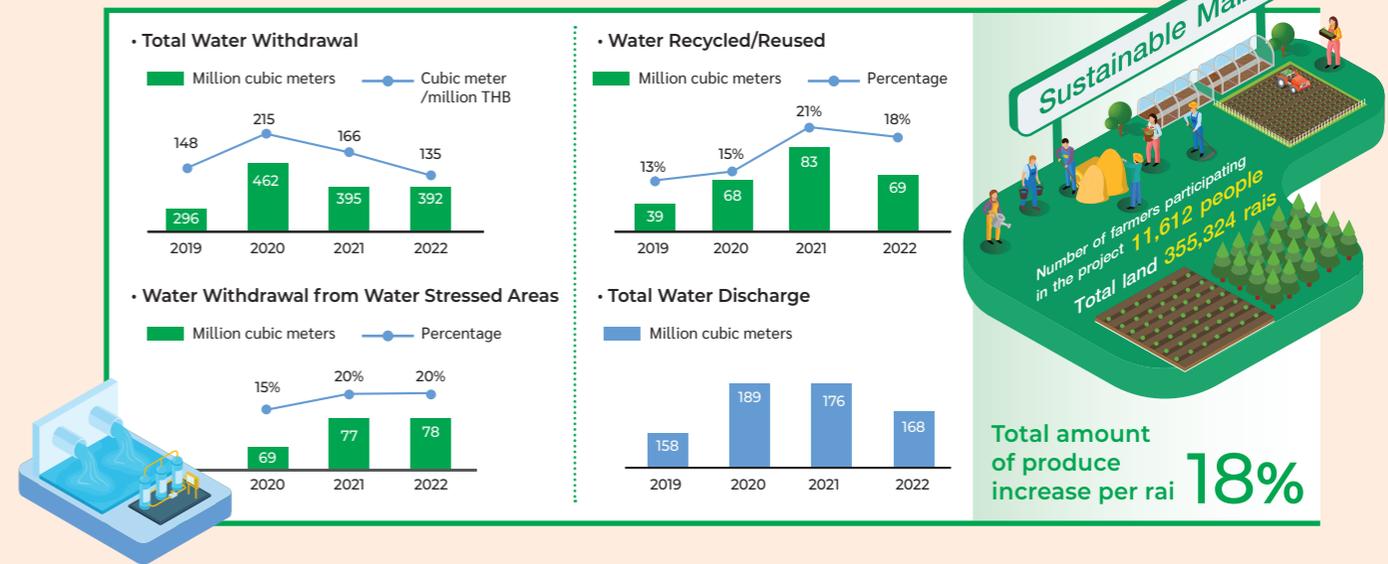
Discrimination and Harassment

	2021				2022			
	Cases		Management Measure		Cases		Management Measure	
	No. of Cases	Under Investigation	Substantiated Cases	Non-Substantiated Cases	Verbal Warning	Written Warning	Suspension	Dismissal
Complaints Relating to Discrimination and Harassment (case)								
Discrimination	8	-	2	6	1	1	-	-
Harassment	9	-	3	6	3	-	-	-
	Total : 17 Cases				Total : 1 Case			

Diversity, Equity, and Inclusion



Environmental Rights



OUR BUSINESS

Main Businesses

Choroen Pokphand Group Co., Ltd. serves as parent company of Choroen Pokphand Group as its holding company. It holds shares of subsidiaries in Thailand and overseas. The Group operates across many industries, ranging from industrial, production to services.

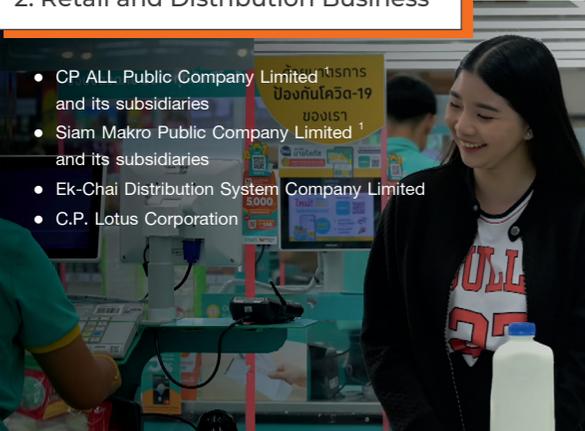


1. Agro-Industry and Food Business



- Choroen Pokphand Foods Public Company Limited¹ and its subsidiaries
- Agro-Industry and Food Business Group (China)
- Chia Tai Enterprises International Limited
- Myanmar C.P. Livestock Company Limited
- C.P. Bangladesh Company Limited
- Choroen Pokphand Pakistan (Pvt.) Limited
- Chia Tai Feedmill Pte. Limited
- Chia Tai Company Limited and its subsidiaries
- C.P. Intertrade Company Limited and its subsidiaries
- Choroen Pokphand Produce Company Limited and its subsidiaries
- Choroen Pokphand Agriculture Company Limited
- Choroen Pokphand Engineering Company Limited
- Perfect Companion Group Company Limited

2. Retail and Distribution Business



- CP ALL Public Company Limited¹ and its subsidiaries
- Siam Makro Public Company Limited¹ and its subsidiaries
- Ek-Chai Distribution System Company Limited
- C.P. Lotus Corporation

3. Media and Telecommunications Business



- True Corporation Public Company Limited¹ and its subsidiaries

4. E-Commerce and Digital Business



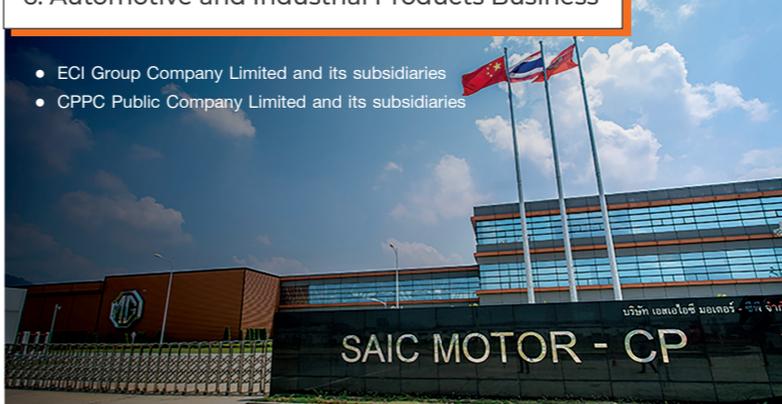
- Ascend Corporation Company Limited and its subsidiaries
- Freewill Solutions Company Limited

5. Property Development Business



- C.P. LAND Public Company Limited and its subsidiaries
- CP Property Holding Company Limited
- Shanghai Kinghill Limited
- Chia Tai Land Company Limited
- Chia Tai Di Jing (Shanghai) Investment Management Limited

6. Automotive and Industrial Products Business



- ECI Group Company Limited and its subsidiaries
- CPPC Public Company Limited and its subsidiaries

7. Pharmaceuticals Business



- Sino Biopharmaceutical Limited

8. Financial and Investment Business



- Zheng Xin Bank Company Limited

Others



- Alter Vim Company Limited²
- Asia Era One Company Limited²
- CP Medical Center Company Limited²

Remark: 1. Company that is listed in Stock Exchange
2. Information/data is not included in the report

More information available in [Business Line](#)

OUR PORTFOLIO

Charoen Pokphand Group's Vision

"To be a Leading Tech and Innovative Conglomerate, Providing Food for both the Body and Mind, that Creates Shared Values and Brings Health and Well-being for All"

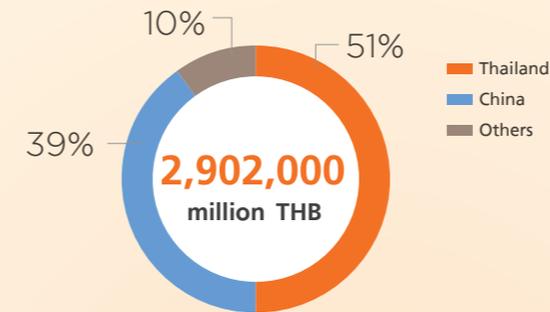


	Thailand (Headquarter)	China	Others	Total
Production Plants (plants)	119	146	98	363
Livestock/Aquaculture Farms (farms)	433	126	430	989
7-Eleven Stores (branches)	13,831	-	7	13,838
Makro Stores (branches)	152	1	9	162
Lotus's and Lotus Supercenter Hypermarkets/Supermarkets/Mini-supermarkets (branches)	2,578	93	65	2,736
R&D/Research Centers (centers)	44	42	5	91
Employees (people)	284,859	88,798	67,949	441,606
Main Business Line	A B C D E F	A B E F G H	A B D F	A B C D E F G H

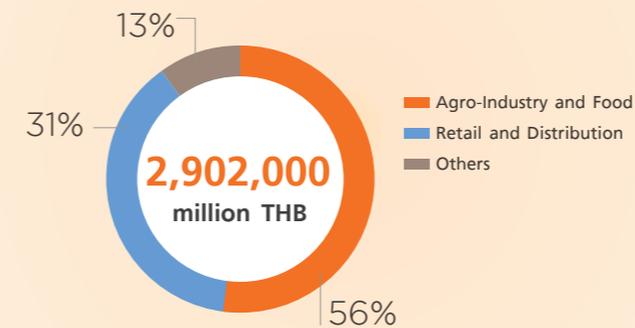
Symbol: Main Business Lines

- A Agro-industry and Food
- B Retail and Distribution
- C Media and Telecommunication
- D E-commerce and Digital
- E Property Development
- F Automotive and Industrial Products
- G Pharmaceuticals
- H Finance and Banking

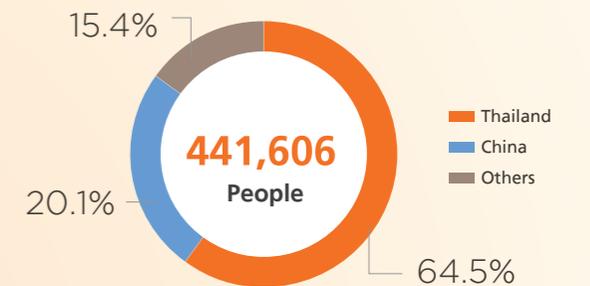
Total Sales by Country



By Business Lines



Employees by Country



Tax Paid to Government



PART 1

HUMAN RIGHTS MANAGEMENT



HUMAN RIGHTS GOVERNANCE AND DUE DILIGENCE

Human Rights Commitments

As was our commitment 100 years ago, even in today's ever-evolving world, everything we do as a business is founded upon our long-standing values of the "Three-Benefits Principles". This principle states that Charoen Pokphand Group and its subsidiaries must strive to bring growth and prosperity not only to itself, but first and foremost to the communities and countries we operate within. Our "Three-Benefits Principles" also apply to our human rights policies and C.P. Group has been dedicated to ensuring the protection of human rights within our own operations, our value chain, and beyond, in line with international standards such as the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Organization for Economic Co-operation and Development's (OECD) Guidelines for Multinational Enterprises.

We believe that human rights commitments should serve as an integral part of our sustainability approach, hence our impact assessment and framework as well as governance approach have been aligned with the Group's broader 2030 Sustainability Goals.

2030 Sustainability Goals on Human Rights

Heart: Living Right

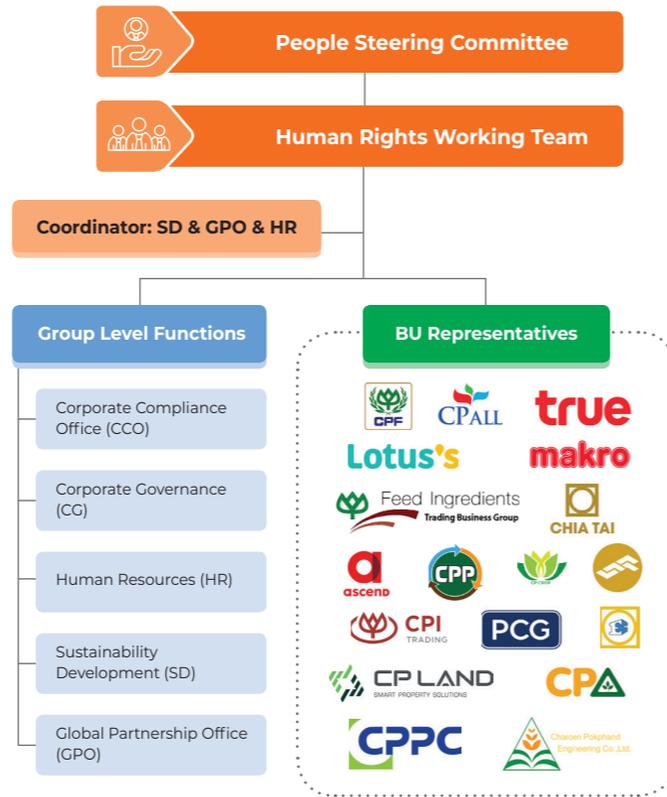
 Corporate Governance All businesses implement a corporate governance impact scoring assessment	 Human Rights and Labor Practices All businesses conduct human rights impact assessment and tier 1 high-risk suppliers periodically	 Education and Inequality Reduction 50 million people received support in the form of access to quality education, lifelong learning or upskilling	 Leadership and Human Capital Development 100% of employees received trainings on sustainability every year 100% of employees participated in sustainability activities or projects every year	 Cybersecurity & Data Protection 100% of businesses certified with international standards on data and information security
--	--	---	--	--

The targets, which covers material environmental, social, governance issues as well as salient human rights risks ranging from human rights to cybersecurity and privacy, ensures that the steps we are taking to protect the rights of our key stakeholders are effective and impactful. The Group is currently on-track to achieving all listed goals by 2030. Apart from the 2030 Goals, C.P. Group also remains committed to achieving the United Nations Sustainable Development Goals (UNSDGs), with particular attention towards the goals on Zero Hunger, Good Health and Wellbeing, Quality Education, Gender Equality, Clean Water and Sanitation, Reduced Inequalities and Climate Action. The Group, by mandate of the Group CEO and Executive Committee, will continue our relentless efforts towards protecting human rights throughout all Group operations and value chain to make today a better tomorrow for all.

Human Rights Governance

We recognize that strong corporate governance is essential to the protection of human rights. Therefore, it is essential for the board and executive levels at C.P. Group to provide the overall oversight, management and direction to ensure that the Group effectively monitors, tracks and assesses our targets and our performance towards our human rights goals. Good corporate governance ensures that we are playing a role in meeting and exceeding international and local regulations and is a crucial component of business and human rights by international standards. These include the Organization for Economic Cooperation and Development's (OECD) Guidelines for Multinational Enterprises regarding Responsible Business Conduct (RBC) and the UN Guiding Principles.

At the top of the Group's human rights governance system is the Human Rights Working Team, which reports directly to the People Steering Committee and Executive Committee, which includes our Chief Executive Officer, Chief People Officer, and other essential leadership figures. The Committees set out a vision and mandate, which the Working Team implements through plans and projects according to our interim and long-term targets. An essential task that the Working Team is responsible for is the achievement of the 2030 Sustainability Goals that concern human rights. To ensure we have cross-departmental cooperation on human rights issues, the Working Team is composed of leaders from the Sustainable Development, Corporate Compliance, Human Resources, Procurement, and the Global Partnership and Communications departments. Furthermore, representatives from each of the Group's business units (such as True, C.P. Foods, CPALL) are included as rotating members, especially when an initiative concerns a specific industry or geography, to provide more effective collaboration. Thus, when a case is reported through grievance channels and escalated up to the Working Team, or raised internally by compliance audits, the Working Team can leverage the appropriate knowledge and expertise to effectively address the issue.



For this year, as per the 2030 Sustainability Goals on human rights, the Working Team aims to expand the human rights impact assessment to cover high-risk Group operations overseas, as well as tier-1 high-risk suppliers. The Working Team intends for all high-risk overseas operations to be internally assessed by 2023, and all high-risk tier-1 suppliers by 2024. At the same time, the Group continues to engage with all 32,000 of our suppliers throughout our value chain; all suppliers are expected to abide by the Group's Supplier Code of Conduct, as well as our policies and guidelines, including those relating to human rights.

Aside from implementing the Committee's mandates and the 2030 Sustainability Goals, the Working Team is responsible for the management of the Human Rights Due Diligence process. While the eight-step process involves all employees, the Working Team has assigned leading roles and responsibilities to appropriate departments to facilitate action across the whole Group.

Human Rights Due Diligence

Human Rights Due Diligence (HRDD) is a crucial process in Charoen Pokphand Group's human rights management. The eight-step process was developed through consultation with international standards, including the United Nations Guiding Principle on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises regarding Responsible Business Conduct (RBC). The Group's HRDD process is iterative, with feedback and performance metric fed back to improve upon each step.



Policy Commitment

The first step in the process is the commitment of senior leadership to pursue the protection and promotion of human rights throughout the Group's value chain according to internationally recognized standards such as the UNGPs. These commitments set into motion the entire HRDD process, as the vision set out by the executive level will lead to the creation of necessary committees, such as the Human Rights Working Team in C.P. Group. This is followed by the development of policies based on the same standards and best practices. Charoen Pokphand Group has produced a set of policies regarding human rights, including the fundamental Human Rights and Labor Practices Policy and Guidelines, to serve as the foundation of our HRDD process. Through the iterative HRDD process, feedback and performance metrics are used to review the efficacy of the policies in achieving the Group's human rights targets, and they are revised as necessary.

Governance Policies:



Social Policies:



Environmental Policies:



Embedding

With a comprehensive process of identification, monitoring and assessment of human rights protection progress and through in-person, online, and e-training, the Group facilitates knowledge sharing and awareness to enable all personnel to be equipped and ready to comply with policies and integrate their knowledge into their work and decision-making. Furthermore, the Supplier Code of Conduct and Group policies are disseminated to all suppliers throughout our value chain. To spread awareness of Group policies, "Train the Trainer" sessions are held, where experts from the compliance, sustainable development, and other related departments train representatives from different business units. These representatives, in turn, receive the knowledge and materials needed to arrange their own training session within their companies. Attendees are expected to train, test, then report the results back to the Group. Evaluations are then used to refine and improve the courses, before the process is once again repeated.



Assessing Impact

Human Rights Impact Assessments (HRIA) allow the Group to understand the risks and impact our operations may have on human rights. This information is essential in order to mitigate impacts and prevent violations through the identification of problematic or high-risk operations. The Group has also set the target of having all businesses conduct human rights impact assessments for all of their own and their suppliers' high-risk operations as one of the 2030 Sustainability Goals for this reason.

Through internal assessments, the Group has identified five salient human rights issues which the Group has worked to address in 2022, including:

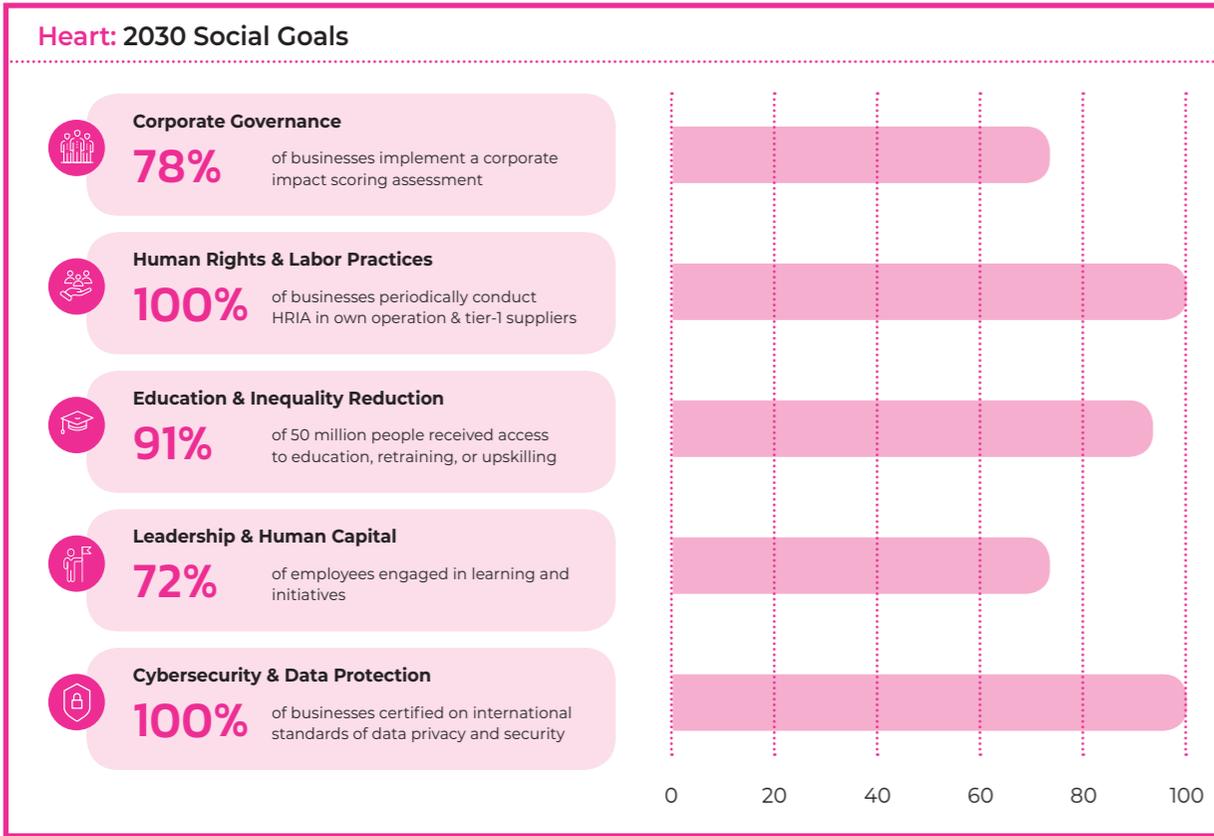


Integrating & Acting

Beyond spreading awareness of the Group’s policies and guidelines, business units are also expected to integrate human rights considerations into decision-making and risk-management. Essential departments include procurement, to ensure no human rights violations occur in the process of sourcing raw materials or products from suppliers, as well as human resources. Initiatives such as the Ethical Recruitment Project have been set up to address the issues identified during the HRIA.

Tracking Performance

Every year C.P. Group continues to expand its performance metric collection in order to ensure the continual improvement of the HRDD process. This includes testing employees on their knowledge of policies, tracking the performance on the 2030 Sustainability Goals, measuring changes in salient issues, and more. Important targets include conducting human rights impact assessments for all the Group’s and our suppliers’ high-risk operations.



Communicating Performance

Transparency and disclosure are essential to the HRDD process, which was why Charoen Pokphand Group began publishing a human rights report in addition to the annual sustainability report in 2020. Through the sharing of information, the Group hopes to contribute to and learn from an on-going conversation with all stakeholders.

Engaging with Stakeholders

The Group engages with stakeholders on a variety of issues, including human rights. In 2022, as part of the annual HRIA, the Group invited a variety of stakeholders, including the Ministry of Justice, civil society organizations such as the Labour Protection Network and Sal Forest, and the United Nations Development Program (UNDP) to participate in a workshop to discuss the results of our internal impact assessment. By sharing and disclosing our information, the Group is able to receive valuable feedback and concerns from different parts of society and bridge those gaps accordingly. Furthermore, with an annual stakeholder engagement survey, the Group can understand how to better engage with different groups of stakeholders such as state agencies, employees, civil society, and consumers. Furthermore, the Group held a stakeholder workshop specifically on human rights issues, with representatives from the government and civil society to assist in reviewing salient issues and revising as necessary.



Remediation and Grievance Mechanisms



Another essential aspect of the HRDD process is ensuring that all affected parties have a channel through which they can report their grievances and receive the appropriate remedy. The Group’s grievance mechanisms, which are accessible through phone calls, emails, the Group website, and in-person consultations, enable effective action on any violations, including those relating to human rights. The Group is always constantly iterating and improving upon our grievance and remedy mechanisms in order to ensure the greatest accessibility and the protection of all whistleblowers. To this end, the Group has been collecting performance data on our grievance mechanisms, and in next year’s report we will begin including additional information regarding affected parties’ satisfaction with the process as well as any feedback received. This feedback will then be used in reviewing and revising the HRDD process to provide continuous improvement. The Group’s subsidiaries have also taken action to improve their grievance mechanisms, especially regarding accessibility for migrant workers, with Charoen Pokphand Food’s Labour Voices Hotline by LPN and Lotus’s Protector Line as two examples of such initiatives.

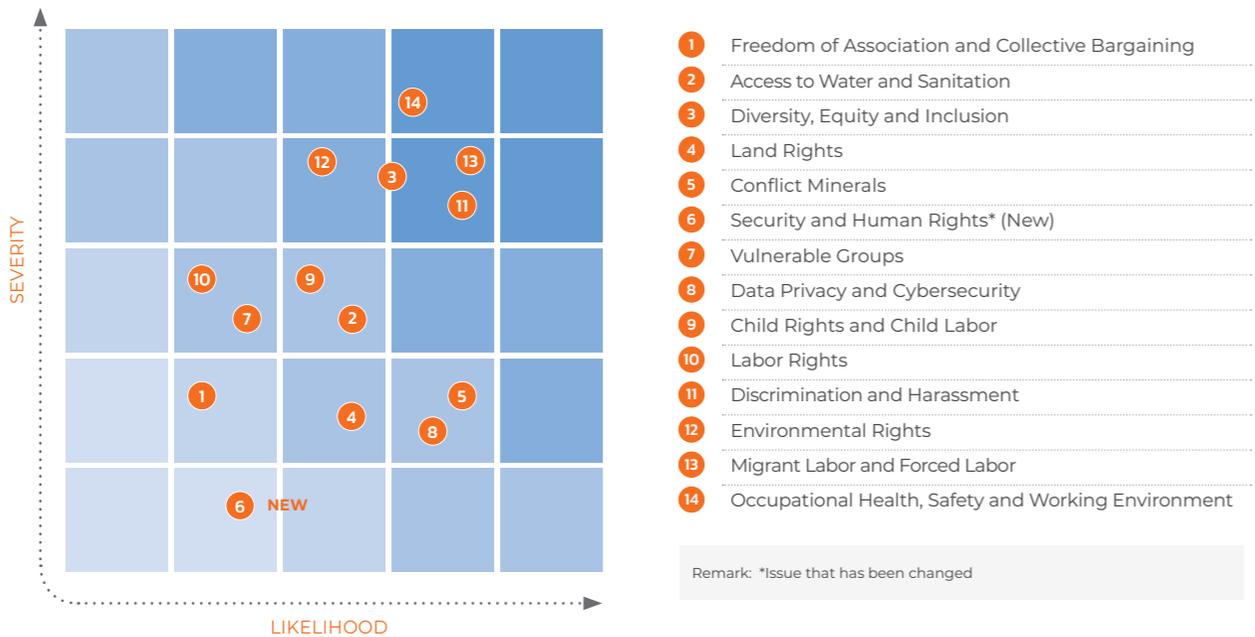


ADDRESSING SALIENT ISSUES

Charoen Pokphand Group performs an annual human rights risk assessment, focusing on various industries and geographies that the Group operates within, in order to identify material and salient human rights issues within our value chain. This enables the Group to work to mitigate and alleviate any potential impacts through better understanding the risks from Group operations within communities that may affect stakeholders' rights, including issues such as environmental rights, child labor, harassment, and more.

Apart from internal reviews, the Group also invites external stakeholders, including the Rights and Liberties Protection Department of the Ministry of Justice, the Labour Protection Network Foundation, the United Nations Development Program, and other civil service organizations to provide their comments and feedback on the results of the assessment. We have found such interactions to be fruitful and constructive, allowing us to better understand the concerns and perspectives of these essential stakeholders, thereby enabling better decision-making.

Below is the final assessment of human rights issues for 2022 – 14 human rights issues, of which one is new and five are salient.



The five salient issues are: migrant labor and forced labor; occupational health and safety; discrimination and harassment; diversity, equity, and inclusion; and environmental rights. These five issues and the measures the Group is taking to address them are discussed below.

Migrant Workers and Forced Labor



According to the International Organization for Migration (IOM) there are over 3.9 million migrant workers in Thailand, many of whom come from the neighboring countries such as Myanmar, Laos, and Cambodia. With Thailand's labor force numbering about 39 million, they make up approximately 10% of all labor – a significant number that is likely to increase in the future. As chronic manpower shortages impact sectors such as the tourism industry, and as Thailand's population continues to age, migrant workers have become more essential to the economy and society. Despite this, they remain a vulnerable group given the persistent issues of trafficking and smuggling. Furthermore, a report by the International Labor Organization (ILO) showed that migrant workers face significant negative attitudes and prejudices in Thailand, as well as a higher risk of facing exploitation or abuse. The plight of migrant workers has also been recognized by many countries around the world, leading to increasing regulations such as the UK Modern Slavery Act of 2015 and the Australian Modern Slavery Act of 2018 being put into place to prevent the use of forced labor within supply chains. At the same time, consumers are paying greater attention and holding companies to a higher standard in regard to workers' rights in supply chains. For these reasons, it has become very clear that robust systems focused on traceability and transparency throughout the supply chain are needed to manage migrant workers and protect their rights and prevent any forms of exploitation and abuse.

Of the approximately 4 million migrant workers in Thailand, over 12,000 are directly employed by C.P. Group subsidiaries as of 2023. As the Group is responsible for migrant workers under

our employ, the Group has created an Ethical Recruitment Working Team in order to properly oversee the recruitment and welfare of these workers. This Ethical Recruitment Working Team is drawn from representatives of subsidiaries that employ migrant workers and relevant Group departments, with the responsibility of supervising policy drafting and review, monitoring migrant worker issues, and implementing the Ethical Recruitment Program.

The Migrant Workers Recruitment Policy was created with reference to international standards on migrant worker recruitment, such as the United Nations' Dhaka Principles for Migration with Dignity. One of the twelve principles integrated into the Group's policy is the "Employer Pays Principle," wherein the employer must take on the recruitment fees of the migrant worker to ensure that they are not unduly burdened and are able to enjoy the fruits of their labor without being exploited. Another essential aspect of the policy is the mandate to provide migrant workers with a channel for grievance and remedy, through which they can safely report any violation of their rights without fear of reprisals. The channel must be accessible and the process fair and transparent, to build trust with stakeholders and workers. As part of its human rights and labor practices management, Charoen Pokphand Foods partners with the Labor Protection Network Foundation (LPN), a civil society organization to set up the "Labour Voices Hotline by LPN," which has served as a neutral third-party grievance channel, through which CPF workers – migrants and locals – can seek assistance, give suggestions and lodge complaints. They are assured that their voices, when raised, will be heard. Furthermore, Lotus's had also established the Protector Line – a toll-free grievance hotline available in four different languages for increased accessibility.



The policy also sets out the process for the Ethical Recruitment Program, in which the Group uses an open tender and audits to establish a pool of trusted, legal, and ethical recruitment agencies to be used by C.P. subsidiaries. Interested agencies took part by submitting self-assessment questionnaires and participated in briefing and training sessions, in order to provide an overview of the Group’s expectations and regulations. After an initial vetting process, any agencies that have been able to demonstrate at least a basic level of compliance with human rights standards are then audited. The audit process is done with reference to internationally recognized tools such as the IOM Toolkit for Fair and Ethical Recruitment, and with at least three parties from different business units taking part to ensure objectivity and fairness. The Group and its subsidiaries then work with these agencies in capacity building exercises and address any flaws or risks within their processes. Today, the Group’s subsidiaries can draw from over 10 recruitment agencies which have been audited and confirmed to abide by appropriate standards.

Occupational Health and Safety



Charoen Pokphand Group recognizes that the safety and welfare of our workers are an essential aspect of our operations, whether they are our own direct hires, our contractors, or those working for our suppliers within our value chain. An unsafe and unhygienic work environment is harmful for everyone involved; not only is it in direct contravention with workers’ rights to decent work, but it can also pose an economic risk. According to the International Labour Organization, costs from compensation, healthcare expenditure, training and reversion, lost workdays, and interrupted production are valued at 3.94% of worldwide annual GDP. The Group places the highest importance on the wellbeing of our workers who form the backbone of all our operations. By working to mitigate risks and providing appropriate safety equipment and training, the Group can work to ensure that our operations continue to benefit all involved.

The Group’s Safety, Occupational Health, and Workplace Policy and Guidelines as well as the Safety, Occupational Health, and Environment Management Standards form the foundations of our work to protect the Group’s workers. All C.P. Group subsidiaries and contractors must obey these regulations, which are enforced to better protect workers’ safety. They are also constantly revised according to new international standards and best practices; for this reason, the Management Standards have been updated to include measures to deal with situations such as any epidemic diseases like COVID-19. In ensuring that there are standards to fall back on in times of crisis, the Group can ensure proper actions are taken, preventing operational disruptions and protecting workers’ safety.

C.P. Group has also published a set of “Life Saving Rules” as part of the goal of achieving zero fatalities and zero accidents. To ensure compliance, e-training and training materials have been provided to all business units and contractors, with 88% of them receiving training by 2022. Though simple, compliance with these rules can lead to much less risk to all workers in performing their duties.

Life Saving Rules



DO

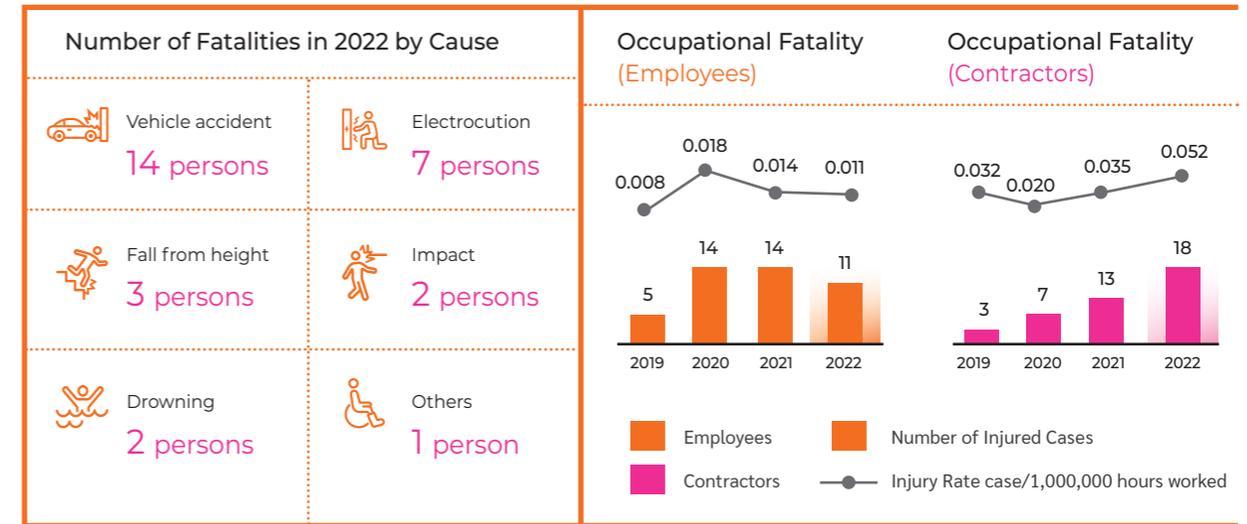
1. Obtain authorization before overriding or disabling safety critical equipment
2. Disconnect energy source before commencing work
3. Obtain authorization before entering a confined space
4. Take appropriate precautions against falls
5. Work with a valid work permit when required
6. Wear a safety belt while driving
7. Wear a safety helmet and use chin strap when riding a motorcycle, for both rider and passenger

DON'T

8. Do not use the phone while driving and do not exceed the speed limit
9. Do not drink alcohol or use drugs while working, operating machinery, or driving
10. It is prohibited for unauthorized person to work with high risk machinery, equipment or vehicles

Through these methods, the Group has reduced occupational fatalities from 0.014 case per million hours worked to 0.0011 for employees in 2022. Unfortunately, during the same period the rate for contractors has increased from 0.035 to 0.052 – an issue that the Group will investigate and seek to address through added training, regulations, and more. The Group hopes to reduce accident and fatality rates for both employees and contractors to zero and will continue improving all the systems we have to do so. As an important part of this, the Group encourages all workers, including contractors and from suppliers, to utilize the Group’s grievance mechanism to report any violation of safety protocol or policy.

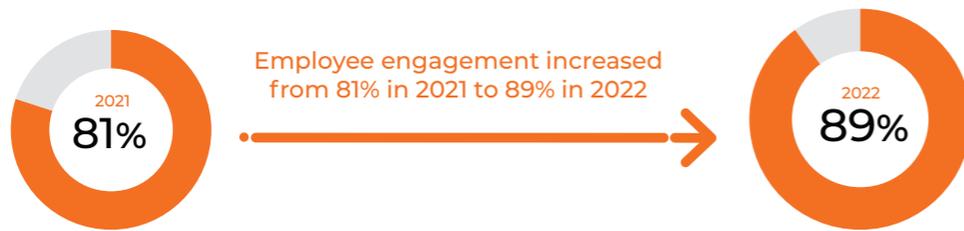
Another important aspect of safety is transportation and logistics, which is why C.P. Group constantly strives to improve fleet safety. To ensure that our goods and services arrive safely and on-time, measures such as monitoring vehicles through GPS and camera systems are put into place to maintain standards in driving behavior. As per the Group’s commitments to improve training to prevent accidents and fatalities, 6,000 employees from business partners have received training in order to enhance safety on the road. Over 26,000 drivers have also passed the Group’s driving tests and issued driving licenses. Unfortunately, despite the steps the Group has taken, there were in total 14 fatalities among freight drivers, including those from the Group and from suppliers. The Group will continue improving standards and training, while also expanding the use of technology to prevent such tragedies from occurring and reduce risk for all those on the road.



In addition to physical wellbeing, C.P. Group recognizes that mental wellbeing is also an important aspect of employee health. Company-wide activities organized by the Group help create a community that staff can depend on and feel welcome within. Another example is how True Tower provides inclusive facilities for personnel with disabilities, pregnant employees, and LGBTQIA+ individuals in a variety of locations to ensure that no matter who they are, all workers feel that they are accepted and equal. Flexibility in working hours and location is also provided when appropriate to facilitate different lifestyles. Chia Tai Co., Ltd.’s head office even provides a Kids Room for childcare, enabling equal opportunities for parents. The Group’s efforts have resulted in an employee engagement level of 89% in 2022 – an eight percent increase from 81% in 2021, as measured through the Group’s annual stakeholder engagement survey.



Results from Engagement Survey



Discrimination and Harassment



C.P. Group has a zero-tolerance policy for any forms of discrimination, harassment and workplace conduct issues. These remain salient issues for the Group and pose a high risk to the Group both externally and internally. The Group recognizes that any form of discrimination, harassment or misconduct can have a detrimental impact on the workplace, creating an unsafe environment for employees and result in higher rates of staff attrition. Furthermore, discrimination and harassment, when left unchecked, can lead to significant damage to the company overall. As the Group must uphold our commitments on human rights management, we continue to dedicate greater efforts into the area of diversity, equity, and inclusion as well as the prevention of discrimination and harassment, to ensure that our valued personnel always feel respected and equal.

To prevent unwanted behaviors like discrimination and harassment, the Group has announced and enforced a policy on Discrimination and Harassment Prevention. This policy, as with all the Group’s policies, is constantly reviewed and iterated upon. The Discrimination and Harassment Prevention policy, in particular, has been updated in 2021 to improve effectiveness. The policy

protects employees from all kinds of discrimination, starting from their recruitment and training to career opportunities, benefits, and compensation. All vulnerable and underrepresented groups, such as women, minorities, and people with disabilities must be afforded with the same respect as any other person. The policy also seeks to eliminate all forms of harassment – whether physical, sexual harassment, or verbal – to ensure that the workplace remains a safe space for all workers. Furthermore, the policy provides those who have been subjected to any form of discrimination or harassment with a means of reporting and receiving remedy – anyone affected by a violation of these policies can utilize the Group’s grievance mechanisms. As per the Group’s policy on whistleblowing, all whistleblowers will be protected from any form of retaliation as well. The Group’s grievance mechanisms are available to all, and can be accessed through multiple channels, including in-person, by phone, email, and through the Group’s website, where they will be able to report their case to the Group’s Grievance Office.

From 2021 to 2022, the number of grievances reported through the Group’s grievance mechanisms dropped from 17 to 1. While the low number of cases could be a sign that fewer infractions were being committed, it is also possible that people were unable to access the channels, were not willing to use them, or did not know about them. Going forward, the Group will make the grievance and hotline channels more prominent to ensure increased knowledge, as well as driving awareness of Group policy on the protection of whistleblowers. Furthermore, to improve the grievance and remedy mechanisms, the Group has begun to collect additional information regarding aspects of the process, including information such as the method of remedy for each resolved case and the satisfaction of the affected parties. This information will be crucial in our efforts towards iteration and improvement and will also be disclosed in next year’s report to ensure transparency.

	2021								2022							
	Cases				Management Measure				Cases				Management Measure			
	No. of Cases	Under Investigation	Substantiated Cases	Non-Substantiated Cases	Verbal Warning	Written Warning	Suspension	Dismissal	No. of Cases	Under Investigation	Substantiated Cases	Non-Substantiated Cases	Verbal Warning	Written Warning	Suspension	Dismissal
Complaints Relating to Discrimination and Harassment (case)																
Discrimination	8	2	6	1	1	-	-	-	-	-	-	-	-	-	-	-
Harassment	9	3	6	3	-	-	-	1	-	1	-	1	-	-	-	-
Total : 17 Cases								Total : 1 Case								

Diversity, Equity, and Inclusion



Another method to address discrimination and harassment is to instead encourage diversity, equity, and inclusion (DEI). By embedding the ideals of fairness and tolerance within company culture, we can foster a culture of creativity and innovation, which is one of the Group's Six Core Values. Not only will this encourage a friendly and safe environment, but it will also drive employee motivation and inclusion. Therefore, the Group's Diversity, Equity, and Inclusion Policy, which has been announced and disseminated, ensures that workers are treated equitably. By recognizing vulnerable groups, visible and invisible disabilities, different beliefs and cultures, and the many other unique personal characteristics of our personnel, the Group can provide equal and fair opportunities to all. Job applicants and leadership aspirants can rest easy knowing that they will be assessed according to their knowledge, qualifications, and experience without prejudice.

Beyond policies and guidelines, the Group also encourages and organizes activities to promote community and inclusion. For instance, an important group within C.P. Group is the LGBTQIA+ community, which the Group is dedicated to supporting. Having begun celebrating Pride Month in 2021, this year, to celebrate the start of Pride Month, the Group hosted an event called "Beyond Gender for a Better Tomorrow: breaking Boundaries for a Better Future." The event was organized with the goal of spreading awareness and promoting the importance of gender equality, with representatives of LGBTQIA+ communities, including employees, speaking on their own experiences and about the importance of inclusion. By providing an opportunity for employees to show their pride in their gender identity, the Group hopes to foster inclusion and contribute to the welfare of LGBTQIA+ staff. Furthermore, by doing so, C.P. Group can also help support the achievement of gender equality – goal number five of the United Nations' Sustainable Development Goals.



The Group's subsidiaries have also been taking action; "CPF Spreading Pride" was a panel hosted by Charoen Pokphand Foods during Pride Month with an aim to support LGBTQIA+ communities in adherence to the principles of equality, diversity, and inclusivity. The speakers included the Chief People Officer of both C.P. Group and CPF, representatives from the Ministry of Social Development and Human Security as well as the United Nations Development Program. CPF had previously created a LGBTQ+ Club with activities organized throughout the year, including networking activities. True Corporation had also launched a campaign supporting gender equality called #GenderEqualityTogether on TikTok to support the community, with over 500,000 views in total. The headquarters of True Corporation has also begun providing universal bathrooms for all genders to ensure the facilities remain accessible and equitable for all. The Group and all its companies are ready to push for gender equality and protect gender diversity for employees' inclusion.

Data on Employee Diversity

Total Employees

441,606 persons



Number of Employees by Employment Type

Permanent Employees

357,523 persons



Temporary Employees

84,031 persons



Full Time Employees

440,276 persons

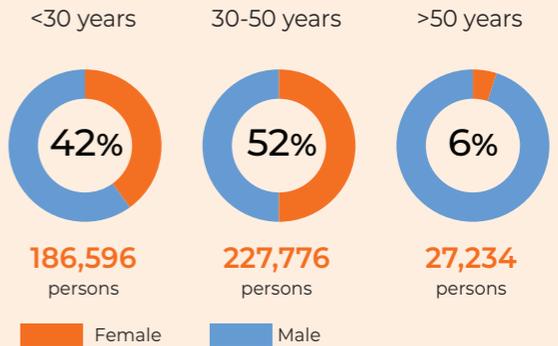


Part-time Employees

1,330 persons



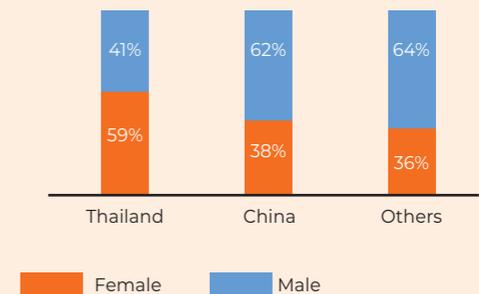
Number of Employees By Age Group



Number of Employees by Level



Number of Employees by Geography (percentage)



Another one of the Group’s goals under gender equality is women’s empowerment. C.P. Group recognizes structural inequities and systemic discrimination can stymie the potential of women in society. To address this inequality, we have worked to promote gender equality and women’s empowerment throughout the Group and its subsidiaries. As was the case in 2021, the Group’s overall ratio of female to male employees remains approximately 51:49. While this is a good sign, many of C.P. Group’s operations in other areas in the world do not have the same balance; for instance, the ratio for workers in China is 38:62. This remains an issue that the Group will continue to address through our initiatives. Furthermore, the Group recognizes the major imbalance in gender within the top management as an important issue. The disparity, with only approximately 22% of the top management being women, is being addressed through programs intended to provide women with more opportunities, such as the Future Leaders Development Program (FLP), of which 52% of the participants are women. Furthermore, some of the Group’s subsidiaries have made great strides in this area; for instance, 39% of Makro’s top management are women. By fostering talent and enabling growth, we can ensure that the next generation of leaders are skilled, experienced, and diverse.



		2021		2022	
		Male	Female	Male	Female
Total Employee by Position Level					
Top Management	Person	1,048		1,159	
		853	195	951	208
Middle Management	Person	4,472		5,145	
		3,000	1,472	3,511	1,634
Management	Person	78,223		74,586	
		41,979	36,244	38,408	36,178
Staff / Officer	Person	192,871		249,731	
		91,606	101,265	115,234	134,497
Annual Total Compensation Ratio by Employee Level					
Executive Level (Base Salary)		1	0.90	1	0.97
Management Level (Base Salary)		1	0.89	1	0.97
Officer		1	0.92	1	0.98

Another important indicator of gender equality is the wage gap between men and women. The Group is glad to report that on average, the wage ratio for men and women improved from 1:90 to 1:97 for executives, from 1:0.89 to 1:0.97 for management, and 1:0.92 to 1:0.98 for officers. While some of these were a return after a dip in 2021, the overall increase in officers’ wage ratios since 2020 is one major success.

C.P. Group’s subsidiaries have also been making strides in women’s empowerment; for instance, Makro’s success in inclusion has led them to receive the 1st prize for the “2022 Thailand Women Empowerment Principles Award for Gender Inclusive Workplace” as well as 2nd runner-up in the Asia-Pacific Region. CPF received the 2nd runner-up for the Gender-Inclusive Workplace category from the “UN Women 2022 Thailand WEPs Awards” and is also committed to providing equal employment and wage ratio for women and men by 2030. Both CPF and Makro have also provided breastfeeding and lactation rooms for their staff.



Beyond gender, the Group and its subsidiaries are also working to provide inclusion for the disabled. For instance, Makro received the Sustainability Model Award of 2022 for outstanding performance in providing exceptional support for vulnerable and disabled peoples; for instance, employment of people with disabilities rose by 18.47% from 2021. Furthermore, Makro’s stores and sites have been installed with accessible facilities such as accessible parking spots, accessible toilets, handrails, ramps, and more to ensure that disabled customers and staff feel comfortable and included. For this, Makro

has been awarded the first prize Advanced Architecture Organization of the Year in the Friendly Designs Awards 2022. Charoen Pokphand Foods has also contributed to the inclusion of disabled employees in their own operations. CPF employs 671 people with disabilities while ensuring assignment of appropriate functions and provision of accessible facilities. This has yielded CPF the Outstanding Disability Employer Award from the Ministry of Social Development and Human Security for six consecutive years, as well as the 2022 Outstanding Sustainability Model Organization in the Thai Capital Market for Contributions to People with Disabilities from the Thai Securities and Exchange Commission (SEC).

Environmental Rights

In July 2022, the United Nations General Assembly recognized that all humans possess the inherent right to live in a clean, healthy, and sustainable environment. This follows from a UN Human Rights Council resolution that had recognized that right a year earlier. Charoen Pokphand Group welcomes this move from the United Nations as an important, landmark decision that will help to drive action globally, across all sectors, to ensure the protection of our environment. C.P. Group itself has recognized the importance of the environment in our three pillars of sustainability: heart, health, and home. “Heart” is living right through good governance, human rights management, and tackling inequality. “Health” is living well through engaging stakeholders, providing safe, healthy food, and supporting vulnerable groups. Finally, “home” is living together through environmental stewardship, biodiversity protection, and the circular economy. The right to a healthy environment ties these three pillars together – only through a just transition that leaves no one behind can we create a greener, cleaner world where everyone can enjoy the fruits of nature without fear of an ecosystem collapse or climate change.



The Group has always been aware of the importance of the environment, especially in the communities and areas we operate within. For this reason, C.P. Group has developed an extensive set of policies intended to address, mitigate, and remediate any potential impact the Group’s operations may have. The policies range from water stewardship to air quality management, covering issues such as pollution, waste, and carbon. These policies, like the UN General Assembly’s resolution, form the foundation of all C.P. Group’s efforts in protecting the environment. As part of this mission, the Group has set goals to become carbon neutral (for scopes 1 and 2) by 2030 and achieve net zero emissions by 2050. Our 2030 target has been approved by the Science-Based Targets Initiative (SBTi) as well, ensuring that each step we take is concrete and will yield real and positive results for the environment.

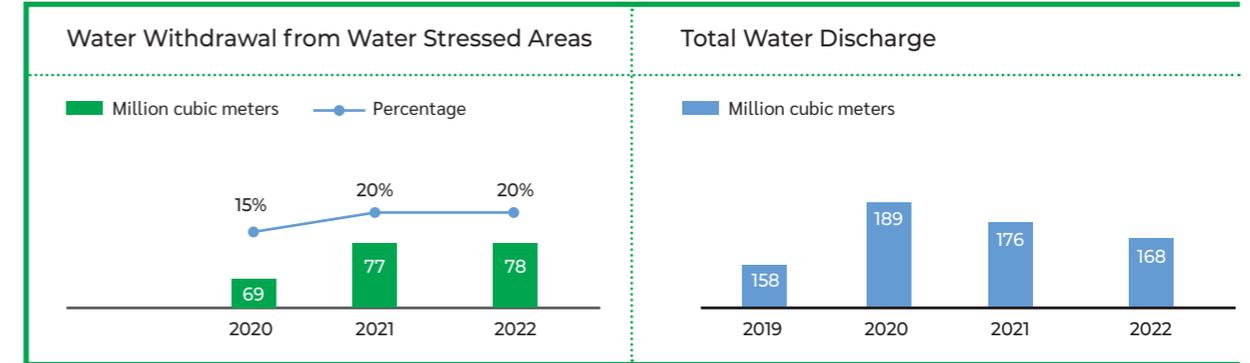
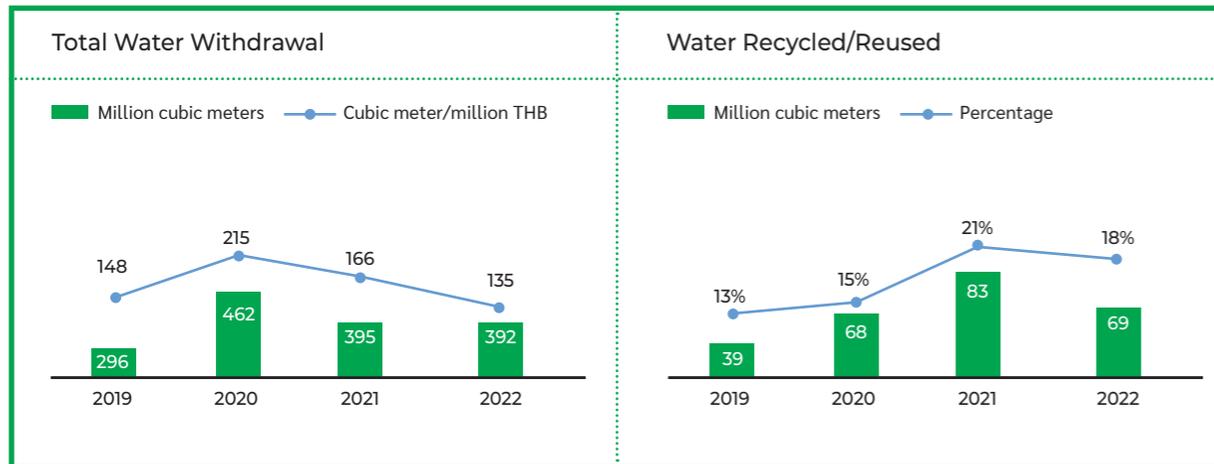


SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Charoen Pokphand Foods, a C.P. Group subsidiary involved in agribusiness, has been leading the way in environmental sustainability. As a business that is heavily involved in agriculture, and understanding the impact it has on the environment, CPF has dedicated much effort into ensuring that their operations do not violate any community's rights to a clean, healthy environment. For instance, in 2023, CPF announced that they have stopped using coal as an energy source entirely in Thailand, and instead are shifting to renewables, which now make up 30% of the company's energy usage. CPF has also been driving innovation in using biomass as an alternative energy source. Another example is CPF's carbon neutral eggs – a first in Asia and classified as such by the Thailand Greenhouse Gas Management Organization (TGO). These are a few of the steps taken towards cutting down on scope 3 emissions – a large endeavor in the Group's 2050 net zero target.

Clean, safe water is another aspect of our environment that the Group is dedicated to protecting. Out of all the areas in which the Group operates, 5% are considered at medium water stress level, and 1% is at high stress level. The Group's operations must not affect the communities' water sources and right to clean water, which is why the Group has developed a Circular Water Management System based on the World Business Council for Sustainable Development's (WBCSD) 5R's Principle: reduce, reuse, recycle, restore, and recover. The Group has been able to reduce the total amount of water withdrawal throughout all operations and is working to do the same in water stressed areas. C.P. Group is also engaging with local communities to support access to water and sanitation, with projects such as the Ground Water Well Construction for Communities Project in Bangladesh and the Ka Nau Village Water Pipeline Installation Project in Vietnam.



Beyond our own operations, the Group has also taken steps towards responsible supply chain management in regard to environmental rights. The Group recognizes that we have the responsibility to ensure that suppliers that we purchase from do not violate human rights in any form. This is just as true for environmental rights. One important issue that C.P. Group is working to address is the haze produced from the burning of agricultural byproducts, which in recent years has been exacerbated by extreme weather conditions. Charoen Pokphand Foods and the Feed Ingredients Trading Business Group (FIT), which utilize maize in animal feed, have worked to address the issue of stubble burning in the maize supply chain through the "Self-sufficient Farmers, Sustainable Maize" project. Through this project, CPF and FIT have engaged 11,612 farmers farming on 355,324 rais of land to modify cultivation methods, adjust fertilizers to suit soil conditions, ending post-harvest scrap and stubble burning, and reduce expenses relating to fertilizers and soil nourishment. By doing so, CPF and FIT are uplifting the farmers' wellbeing by increasing produce per rai as well as reducing smog from burning. Furthermore, CPF and FIT have developed a corn traceability system that combines blockchain technology, satellite imaging, farmer identification, and more to track all the corn being purchased and used. In doing so, they are able to identify any farmers that perform burning and investigate. If burning was used, the farmer is engaged with to make them aware of the regulations banning agricultural burning and provided with information on alternatives. If they remain non-compliant, they are blacklisted and removed as a supplier. This is another method through which the Group has taken action on protecting environmental rights.



Self-Sufficient Farmers, Sustainable Maize

Number of farmers participating in the project

11,612 People

Total land **355,324** rais

Total amount of produce increase per rai

18%

PART 2

TECHNOLOGY AND HUMAN RIGHTS



LEVERAGING TECHNOLOGY FOR HUMAN RIGHTS

Charoen Pokphand Group recognizes the power of technology. Our businesses are rooted in the Six Core Values, including “Accept Change” and “Innovation”, which foster creativity and provide the flexibility to pursue evolving technological advances. By embracing innovative solutions, we aim to leverage technology to better serve our customers and communities. At the same time, our “Three Benefits Principle” also provides a guiding principle to us whereby the Group must provide benefits to the communities we operate within, the countries we invest in, and finally to the Group and its employees.

Leveraging Technology to Tackle Inequality



According to a report by the Business Commission to Tackle Inequality (BCTI), inequality is a systemic risk. It is a complex issue that no single entity can solve alone, but rather requires multilateral cooperation across sectors. Leveraging the technology that the Group has created through our intensive research and development, we have developed both new business models as well as charitable initiatives to tackle the persistent issue of inequality within society.

The report by the BCTI outlines ten critical actions businesses can take to address inequality. One of these actions is “make essential products and services more accessible and affordable.” Through innovation and collaboration, companies can build scalable business models in which essential products and services can be accessed by all.

With C.P. Group producing and providing many of these essential goods and services, such as food, telecoms, medicine and healthcare, retail, and more, we recognize the importance of accessibility and affordability. For instance, one of Charoen Pokphand Food’s (CPF)

goals is to develop, produce, and provide sustainable proteins, whether through environmentally-friendly and affordable animal proteins or plant-based meats. Through innovative farm management technologies that reduces waste and greenhouse gas (GHG) emissions, 56 of CPF’s products, including fresh chicken, pork, and eggs, have received certification as “low-carbon products” by the Thailand Greenhouse Gas Management Organization (TGO) while remaining affordable for consumers. The Group aims to provide a green, healthy, and affordable option for all consumers when it comes to food.

True Corporation, a subsidiary focused on technology and telecommunications, has also developed a tele-medicine system in order to increase accessibility to healthcare in Thailand, where rural areas lack easy access to hospitals and medicine. The people who most desperately need medical attention are usually the ones that are unable to access it, due to geographical isolation or poverty. True Corporation’s “MorDee” seeks to address this inequality by providing tele-medicine services that are trustworthy, accessible, and affordable. “MorDee,” which is Thai for “good doctor,” offers access to an online consultation with skilled doctors

through phones or mobile stations at any time. The MorDee service also works in conjunction with eXta pharmacies to dispense and deliver the necessary medication. These services help to bridge the gap for those living in geographical isolation and in poverty, by alleviating the burden of having to struggle to pay for transportation and losing a day or more of wages or labor. Emergency medical services are also another crucial service which True Corporation has been working to enhance. Through collaboration with Siriraj Hospital, True Digital Group has leveraged its internet of things (IoT) and artificial intelligence (AI) technologies to create a 5G Smart Ambulance. The improved ambulance has improved safety and reduced fatalities through real-time transmission of patient data and vital signs, a high-resolution camera feed, and a telemedicine system. This is a fruitful start towards a more accessible and affordable healthcare infrastructure in Thailand through innovation and sustainability.

While technology has the potential to uplift so many lives, it is just as important to understand the disruptive effects it may have on people's livelihoods. Previously, automation had shifted the paradigm of manufacturing and agriculture; today, generative AI could have the same effect on a large number of

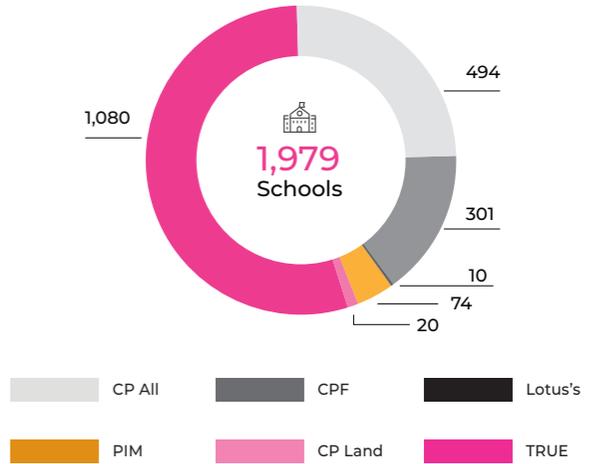
industries. Even as some jobs have become redundant, other new opportunities have opened up – necessitating a change in the way we work and learn.

Both the BCTI and C.P. Group therefore recognizes that another important action area in reducing inequality is to “prepare people for the future of work.” For the Group, this begins with education. The CONNEXT ED Foundation was created to increase access to education – especially education that provides the skills and knowledge necessary for the future of work. This is done through several methods – first, by assessing schools and displaying the information online for transparency, identifying gaps, and using data to improve education for all. This includes training for 82,000 teachers to ensure that the individuals responsible for the children's development themselves have the necessary knowledge. Furthermore, the Group has bridged the digital infrastructure gap by providing 3,351 schools with high-speed internet, 39,839 classrooms with IT devices and media, and 451 computers from 7-Eleven outlets. By doing so, students are provided with the technology that can better assist in their education – and are able to learn skills, such as coding, that have become an important part of the modern world.

Assesment of
5,570 Schools
in Academic
Year 2022



Number of Schools under CONNEXT ED Foundation Supported by Charoen Pokphand Group's Affiliaed Companies



Performance of Strategy Implementation and Enhancement of Education Management Quality in 2022 (Cumulative data)



Transparency

Displayed information on
5,570 CONNEXT ED schools
via www.connexted.org/foundation/



Child Centric Curriculum

Established **15** learning centers



Market Mechanisms

642 School Partners
Public ICT Talent **200 people**
Private ICT Talent **1,800 people**



Digital Infrastructures

- **3,351** schools with high-speed internet
- **39,839** classrooms with IT devices and media
- **451** computers from 7-Eleven outlets



High-quality Principals & Teachers

Training for **82,000** school principals and teachers

Leveraging Technology to Protect the Environment

In July of 2023, in response to the unprecedented temperatures, the United Nations Secretary-General António Guterres proclaimed the end of “global warming” and the beginning of “global boiling.” Faced with increasing threats to our environment, including extreme weather events, heatwaves, wildfires, and more, it is ever more important that we find ways to tackle the climate crisis to ensure that our right to a clean, healthy environment is protected. C.P. Group has recognized that this issue must be addressed, as it poses not just a risk to our business, but also the communities and countries that we have pledged to support. At the same time, this crisis has also created new opportunities in areas such as green technologies such as renewable energy, biomass, carbon capture, and more. The Group has therefore seized this opportunity by engaging with these new technologies that have the potential to mitigate the climate crisis. For instance, Alter Vim, a subsidiary of C.P. Group, is focused on renewable energy through solar panels, which the Group intends to utilize to support our 2030 carbon neutral and 2050 net zero goals.

Another step we have taken towards these two goals is the reduction of greenhouse gases (GHG) through technological advancements in our manufacturing and agriculture businesses. For instance, Charoen Pokphand Food's (CPF) pig farms have been upgraded to utilize biogas from waste, an evaporative cooling system (EVAP), and even solar cells to reduce energy usage and GHG emissions. This has reduced energy consumption by 50% - 80% and gas emissions by 370,000 tons per year. Furthermore, CPF is mitigating the potential negative impacts on surrounding communities by planting trees around the farm and installing ventilation systems to disperse the odors from the farm. Even the water management systems have been overhauled, reducing withdrawal of water from natural sources and using treated water from the farm to water grass fields, trees, and vegetables grown on the site.

Charoen Pokphand Group's Renewable Energy Consumption

	Solar Cell	
	More than 5,000	Installation sites (production plant, distribution center, 7-Eleven Store,
	0.56	Energy usage equivalent (million GJ)
	0.12	GHG reduction (million tons CO ₂ e)
	Renewable Energy Certificates (REC)	
	265,000	Number of REC
	0.12	GHG reduction (million tons CO ₂ e)
	Biomass	
	106	Number of factories using biomass (factory)
	4.94	Energy usage equivalent (million GJ)
	0.47	GHG reduction (million tons CO ₂ e)
	Biogas	
	252	Number of farms
	1.05	Energy usage equivalent (million GJ)
	0.17	GHG reduction (million tons CO ₂ e)
	EV Charging Station	
	1,013	Number of EV (vehicles): motorcycles, cars, and trucks
	24	Energy usage equivalent (million GJ)
	1,452	GHG reduction (million tons CO ₂ e)

Another aspect of protecting the environment is responsible supply chain management. The Group's highly complex and extensive supply chain can pose a risk to human rights and the environment if not properly monitored. The Group has therefore utilized technologies in order to effectively manage our suppliers. This includes the usage of blockchain traceability by CPF in the maize supply chain and the For Farm application developed to help identify farmers to provide increased traceability and visibility within the supply chain. CPF is also collaborating with AXONS, a leading agricultural technology company, to use blockchain due to its effective traceability system in fresh chicken and pork product lines. CPF plans to expand it to fresh shrimp and eggs in 2023 and, in the future, expects to expand this system to cover all product groups. This technology will enable traceability throughout the supply chain, which can assist in understanding any issues that may arise within the supply chain and allow the Group to intervene when there are signs of violations or non-compliance.



Leveraging Technology for Safety and Wellbeing

Technology can also assist in improving safety for workers. Safety can refer to digital safety; as modern society becomes enmeshed with technologies such as social media, it becomes ever more important to ensure that we are protected against scams, phishing attacks, hacking, and more, to protect our personal data. The Group's Cybersecurity Working Group is constantly working to improve policies, guidelines, internal controls, and training to ensure sufficient protection against cyber threats. The Group has provided e-training for employees to teach them about cyber threats, including how to avoid or detect ransomware, hacker scams, text and call scams, and more. This training provides employees with the knowledge needed to protect company and customer data, as well as their own. C.P. ALL, a Group subsidiary, also conducts a "phishing test" at random intervals to test the awareness of their staff. A fake phishing email is sent to all personnel, and anyone lured into falling for the trap is made aware of their mistake and provided with training to prevent them from making the same mistake. As technologies advance and become omnipresent in our lives, it is essential that we have the necessary knowledge to navigate the complex landscape without falling prey to malfeasance.

Physical safety in the Group is also enhanced through technology. Fleet safety for transportation of goods is a key area in which technology can help assist in monitoring and ensuring safety. For instance, the Group has installed GPS monitors to ensure that drivers and vehicles are navigating correctly, while cameras are placed in vehicles to monitor and enforce safe driving behaviors. All the information is relayed to a central command center, which tracks and oversees the entire operation, which helps to reduce risks of accidents and fatalities on the road. Furthermore, e-learning courses are made available to both Group staff and contractors to ensure the appropriate knowledge on safety is being disseminated to the right personnel. The standards on which the training is built upon is also available in English, Thai, and Chinese for ease of understanding and improved access.



GOING FORWARD

Today, both the environment and human rights are at the top of the agenda for businesses. The climate crisis has caused irreparable damage to our environment, putting communities' livelihoods at risk. This has exacerbated human rights issues, with regions ravaged by extreme weather events like wildfires and floods, leaving them without shelter, clean water, food, and livelihoods. The International Labor Organization (ILO) estimates that 40% of the world's jobs are dependent on our current environment and are vulnerable to disruptions caused by the current climate crisis. Even worse, these effects are usually felt the most by the least fortunate. At the same time, green technologies have the potential to provide new opportunities to support local communities with a new source of sustainable income. As the risks and opportunities in technology, environment, and human rights converge, it is crucial for the Group that we are able to navigate these rough waters without losing sight of our ultimate vision: a greener, healthier, and safer world where we grow sustainably alongside society. This is why, in the next year, the Group will be dedicated to driving forward a "just transition" towards a greener, more equitable future.

A Just Transition

The ILO defines a just transition as "greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind." For C.P. Group, this means that in our drive towards our 2030 carbon neutral and 2050 net zero goals, we must assist our own workforce, as well as the communities we operate within, in adjusting to the changes that we are making throughout our value chain to meet our targets. Beginning with the first part of the ILO's definition – "greening the economy" – the Group will continue to publish and disclose progress on our SBTi-approved targets for transparency and cooperation with stakeholders. This includes progress towards our goal of increasing our use of renewable energy; currently, renewables (including biomass, biogas, solar, and more) make up 15% of the Group's total energy mix – something the Group will continue to improve upon. Furthermore, the Group will continue to innovate in order to avoid waste, reduce greenhouse gas (GHG) emissions, enhance water efficiency, and more in our mission to become a net zero organization.

At the same time, the Group recognizes the importance of this transition being "as fair and inclusive as possible." Equity and inclusion are essential to the Group, and we will continue to develop new initiatives to promote DE&I across our organization. The Group's leadership development programs aim to cultivate a more diverse set of leaders within the organization,

contributing to greater gender balance in management and executive positions as well as pay equity between male and female employees.

Furthermore, the Group will pursue projects and collaborations to promote greater LGBTQIA+ inclusion. Pride month will be celebrated for the third year running in 2024, with the ultimate goal of helping Thailand host World Pride by 2028. Internally, the Group will be pushing for greater awareness and inclusion across gender identities and sexual orientations. This includes advocating for LGBTQIA+ individuals, benefits such as leave for gender-affirming surgery, and equitable policies across all subsidiaries.



The Group will deepen collaborations with organizations such as the United Nations Development Program (UNDP) and the World Business Council for Sustainable Development (WBCSD) to continue sharing knowledge and driving sustainable change through partnerships and collaborations with local and international stakeholders. The Group will also continue our efforts to prevent any kind of discrimination or harassment in the workplace. This includes improving grievance mechanisms by gathering feedback on the affected party's satisfaction and tracking remedy methods. This will enable the Group to better respond to cases of discrimination and harassment while ensuring victims receive proper support.

To create "decent work opportunities," the Group is constantly pursuing better health and safety for all employees. In addition to the Life Saving Rules and fleet safety innovations, the Group is constantly working with contractors to provide knowledge and build a culture of safety. With the goal of becoming a zero-accident, zero-fatality organization in mind, the Group will continue to evolve our safety protocols by implementing, evaluating and enhancing preventative measures. With the unfortunate increase in accident rates for our contractors, the Group will focus greater efforts on monitoring contractor safety rules and regulations, improve and expand training regimes, and more rigorously enforce our Code of Conduct. Regarding creating decent work for all, the Group's Ethical Recruitment Project continues to work towards ensuring that migrant workers can enjoy the fruits of their labor without being exploited or abused. By auditing recruitment agencies to confirm their adherence to human rights standards, the Group can ensure that as per the Employer Pays Principle (EPP) that the Group will bear all recruitment fees that migrant workers incur without fears of double charging or other forms of malfeasance.

As another part of providing decent work, the Group abides by all local labor laws and regulations regarding minimum wages, and all employees are paid at the mandated rate or higher. The Group has also engaged extensively on the issue of living wages in order to better understand the opportunities and obstacles we may have when addressing this issue, including the complexities regarding the calculation of a living wage and the operational difficulties it may pose. This includes joining the Living Wage working team within the Business Commission to Tackle Inequality (BCTI) and attending various forums to discuss and share progress. Within the Group, CPF is committed to paying a living wage to all employees by 2023,

as set out in its Compensation and Benefits Policy and Principles. This is a first and important step; the Group will continue to review the feasibility of expanding this policy across the Group. The Group is also committed to maintaining an open dialogue with all stakeholders on this important subject.



Finally, "leaving no one behind" means supporting communities such that they can adapt to the transition into a green economy. C.P. Group's CONNEXT ED Foundation's initiatives to improve education across Thailand is one of the Group's efforts in this area. By improving education for children, especially in skills that are needed in green industries, the next generation will be better equipped and prepared for the future. Furthermore, scholarships for talented students, which have been awarded to 141,079 people in fields such as nursery, medicine, engineering, and more, will provide society and the Group with a pool of skilled workers that can contribute to the economy positively. The Group's subsidiaries have also worked to provide different kinds of knowledge to communities. Makro, a subsidiary involved in retail, educates entrepreneurs at the Makro Horeca (Hotel, Restaurant, Café/Catering) Academy, with a cumulative total of 130,000 members who have been trained in hospitality services. Lotus's Malaysia, in collaboration with the PINTAR Foundation has contributed over 750 volunteer hours in promoting knowledge and skill development for disadvantaged children across 63 schools in the Malaysian Peninsular. By equipping communities with the necessary skills, knowledge, and resources, the Group can facilitate the transition towards a green economy.

In the next year, the Group will continue to pursue a pathway towards a just transition with our stakeholders to bring benefits to all our stakeholders along our value chain. We will advance the sustainability agenda together, to make today a better tomorrow.

Our Commitments and Targets

As we move towards our goal of a just transition, the Group remains dedicated to meeting the commitments and targets that we have set. To ensure that we are making measurable and impactful changes, it is essential for the Group to establish strategic guidelines which will be employed in pursuing our targets and measure the progress that has been made. These commitments include the Group's 2030 Sustainability Goals relating to human rights, improving gender equality across all levels of employment, reducing incidents of harassment and discrimination, improving safety across all operations, protecting migrant workers, preventing forced labor, and more. In the following section, we will outline the strategic measures that will be undertaken in the upcoming year to address the specified targets.



Human Rights Governance:

In alignment with the Group's 2030 Sustainability Goal of enhancing corporate human rights impact assessments (HRIA), the Group is committed to expanding coverage to encompass all our high-risk operations and those of our tier-1 suppliers. To achieve this, the following targets have been established: the Group aims to complete HRIsAs for all high-risk overseas operations by the end of 2023, attaining 75% coverage for suppliers by 2023, and reaching 100% coverage by 2024. Notably, the implementation of HRIsAs for operations in Thailand has proven successful, prompting the Group to extend coverage beyond Thailand for our own operations. In order to achieve the set targets, the Group is actively developing training programs, facilitating knowledge-sharing initiatives, and conducting audits to ensure compliance with human rights impact assessment policies. These measures will be rigorously applied to both suppliers and overseas operations. The successful implementation of HRIA across these high-risk operations will allow for the Group to better identify, mitigate, and tackle human rights issues across all our businesses effectively and transparently, including the risk of forced labor, discrimination and harassment, occupational fatalities and injuries, and more.



Gender Equality

On the issue of gender equality, the Group is working on two targets – increasing gender diversity across all levels of employment and eliminating the wage gap. To drive change in these two prevailing indicators of gender equality, the Group has applied several initiatives which will continue to be pursued in the following year. In our efforts to rectify the gender disparity in leadership positions, the Group is actively fostering a new and diverse generation of leaders through the Future Leaders Development Program (FLP), with women constituting over 50% of the participants in the program. Through these talent pipelines the Group can assist in developing a more diverse workforce – especially at the level of top management, where currently only 22% are women. The Group, in the following year, will continue providing such opportunities and encourage these next-generation leaders to achieve equal representation across the organization. Regarding wage disparity between men and women – which is currently 1:0.97 on the executive and management level and 1:0.98 for officers – the Group intends to continue pursuing our goal of fair and equal compensation. To do so, the Group has promulgated its comprehensive policy on Discrimination and Harassment Prevention, which explicitly prevents the determination of compensation based upon qualifications without discrimination in any form. In the next year, the Group will continue to rigorously enforce this policy to close this wage gap. Furthermore, the Group will continue efforts to celebrate our diverse workforce, including LGBTQI+ communities.



Discrimination and Harassment

In 2022, one case relating to harassment and discrimination was reported through the Group's grievance mechanism, down from 17 the previous year. While the Group is pleased to report a significant decline in reported cases of harassment and discrimination from 2021 to 2022, it is evident that addressing grievances, providing effective remedies, and preventing unacceptable behavior remain paramount concerns. The Group will endeavor to ensure the number of cases remain low through stringent enforcement and training, with our target for the next year will being the enhancement of accessibility and effectiveness of our grievance channels. In addition, the Group will be collecting data regarding the methods of remedy and satisfaction of affected parties and reporting these findings to ensure the proper functioning of our mechanisms and channels. By expanding our targets beyond case numbers, the Group aim to gain a deeper understanding of our systems and improve them to ensure all voices are heard.

It is only by setting measurable and achievable goals and targets that the Group will be able to move the needle on crucial human rights issues. The Group acknowledges that despite our efforts, there remains significant gaps that we must address. In the coming year, the Group will devote our efforts into meeting these commitments and more – with the results disclosed in the upcoming Human Rights Report. The Group aims to work with all stakeholders transparently to improve, collaborate, and ultimately make today a better tomorrow.

AWARDS AND PROGRESS IN HUMAN RIGHTS



FORBES WORLD'S BEST EMPLOYER



Charoen Pokphand Group was named one of 2022's World Best Employers in the Conglomerate sector by Forbes.



LOW CARBON AND SUSTAINABLE BUSINESS AWARDS



Charoen Pokphand Group and subsidiaries True Corporation, CP ALL, and Charoen Pokphand Foods were awarded plaques of honor from the Low Carbon and Sustainable Business Awards (LCSB) 2022.



AWARDS FROM THE MINISTRY OF SOCIAL DEVELOPMENT AND HUMAN SECURITY



A C.P. Group subsidiary, Charoen Pokphand Foods, received a plaque for distinguished organizations that support the disabled, Excellent Level, for 2022 from the Ministry of Social Development and Human Security for the sixth consecutive year, for improving the quality of life for vulnerable groups.



Makro, another C.P. Group subsidiary, received a plaque of honor as an Outstanding Organization for Human Rights Protection and Gender Equality Promotion from the Ministry of Social Development and Human Security.



THE HUMAN RIGHTS AWARDS



Charoen Pokphand Foods received the Human Rights Awards 2022 from the Rights and Liberties Protection Department, Ministry of Justice of Thailand for the second consecutive year for being an outstanding role model, integrating human rights principles into its operations, and promoting best practices.



UN WEPS AWARDS



C.P. Group subsidiary Makro received the 1st prize for the 2022 Women Empowerment Principles Award for Gender Inclusive Workplace for Thailand as well as the 2nd runner-up prize for the same category in the Asia-Pacific Region.



Charoen Pokphand Foods also received the 2nd runner-up prize for the 2022 Women Empowerment Principles Award for Gender Inclusive Workplace for Thailand.

INDEX AND GLOSSARY



THE UN GUIDING PRINCIPLES REPORTING FRAMEWORK INDEX

SECTION OF THE REPORTING FRAMEWORK	PAGES
Policy Commitment	9, 19, 21-22, 46-47
Embedding Respect for Human Rights	23, 32
Assessing Impacts	8, 23, 26
Integrating and Taking Action	10-11, 24, 26-38
Tracking Performance	10-11, 24, 29-31, 33-36, 48-49
Communicating Performance	25, 46-47
Stakeholder Engagement	25, 30
Remediation and Grievance Mechanisms	25, 31



GLOSSARY

AI	Artificial Intelligence	LPN	Labour Protection Network Foundation
BCTI	Business Commission to Tackle Inequality	OECD	Organization for Economic Co-operation and Development
CoC	Code of Conduct	RBC	Responsible Business Conduct
CPG	Charoen Pokphand Group	SBTi	Science Based Targets Initiative
DEI	Diversity, Equity, Inclusion	SDG	Sustainable Development Goals
EPP	Employer Pays Principle	SEC	Securities and Exchange Commission
ESG	Environmental, Social, Governance	TGO	Thailand Greenhouse Gas Management Organization
GHG	Greenhouse Gases	UN	United Nations
HRDD	Human Rights Due Diligence	UNDP	United Nations Development Programme
HRIA	Human Rights Impact Assessment	UNGP	United Nations Guiding Principles on Business and Human Rights
ILO	International Labour Organization	WBCSD	World Business Council for Sustainable Development
IOM	International Organization for Migration		
IoT	Internet of Things		

HUMAN RIGHTS REPORT

MAKING TODAY A BETTER TOMORROW
CHAROEN POKPHAND GROUP



CHAROEN POKPHAND GROUP CO., LTD.
313 C.P. Tower 14th, 16th FL., Silom Road
Silom, Bangrak, Bangkok 10500 Thailand



+66(0)-2858-6254



www.cpgroupglobal.com

