

For a Better Tomorrow



Charoen Pokphand Group
Sustainability Report 2023





Long Live His Majesty the King
The Celebration on the Auspicious Occasion of
His Majesty the King's 6 Cycle
Birthday Anniversary 28 July 2024

Executives and Employees of Charoen Pokphand Group Company Limited
Chia Tai Company Limited, Charoen Pokphand Foods Public Company Limited,
CP All Public Company Limited, True Corporation Public Company Limited,
CP Aextra Public Company Limited



Table of Contents

Introduction	4	Sustainability Governance	32	HEART: Living Right	60	HOME: Living Together	174
Message from Our Leaders		Sustainability Governance	34	Corporate Governance	64	Climate Resilience	178
Message from THE SENIOR CHAIRMAN	4	External Impact Analysis	38	Human Rights and Labor Practices	76	Circular Economy	200
Message from THE CHAIRMAN	6	Emerging Risk Factors	41	Education and Inequality Reduction	90	Water Stewardship	212
Message from THE CEO	8	Stakeholder Engagement	43	Leadership and Human Capital Development	100	Ecosystem & Biodiversity Protection	224
Performance Highlights	10	Materiality Assessment	46	Cybersecurity & Data Protection	112	Responsible Supply Chain Management	240
Progress towards 2030 Sustainability Goals	12	Sustainability Strategy and Goals	50				
Awards and Recognitions 2023	14	Value Creation Process	52	HEALTH: Living Well	118	Appendix	252
About this Report	16	Supporting the UN SDGs	54	Health & Well-being	122	Reporting Boundary 2023	254
Our Portfolio	20	Cooperation for Sustainable Development	56	Social Impact and Economic Contribution	134	GRI Content Index	256
C.P. Group Value Chain	22			Food Security & Access to Nutrition	148	Assurance Statement	272
Our Business	24			Innovation	156		
Analysis of Operating Context	26			Stakeholder Engagement	166		
Six Core Values	30						





Message from THE SENIOR CHAIRMAN



Global situations and rapid changes have impacted various aspects of business operations. Charoen Pokphand Group places utmost importance on preparedness to address potential risk factors. Therefore, we have established our corporate values as guiding principles for our personnel to adhere to while in performing their duties, thus transforming a working method into a corporate culture. We are fully aware that only organizations that are flexible and ready to make rapid strategic adjustments in order to accommodate every crisis can lead their business to achieve the goal of sustainable success. We also recognize that Charoen Pokphand Group's personnel are the key players who will integrate the essence of these values in jointly driving the organization to keep pace with the future world in a stable and sustainable manner.

While many sectors are expressing concerns that Artificial Intelligence (AI) technologies will replace the roles of human beings, these cutting-edge intelligent technologies are, in fact, the product of human invention. Charoen Pokphand Group acknowledges the importance of investing in personnel development and are constantly preparing to cope with the anticipate labor shortage crisis. To address this, the Group is committed to training labor skills and organizing training programs that provide knowledge and instill morality for future leaders, senior leaders and management-level personnel. These efforts are carried out through the CP Leadership Institute, Panyapiwat Institute of Management, and various

other initiatives. In doing so, we focus equally on personnel at all levels with no discrimination based on gender, age, religion, or race. We also encourage personnel from business groups worldwide to demonstrate their potential and creativity in research, invention or innovations that can benefit the country's advancement towards the 5.0 era, enabling Charoen Pokphand Group to grow strong in all dimensions of sustainability.

As we steps into the new century, Charoen Pokphand Group remains committed to creating businesses based on honesty, integrity and gratitude. We aim to build trust and confidence among all stakeholder groups, and encourage cooperation between government agencies, the private sector and civil society in initiatives that benefit the public. We operate with social and environmental responsibility aspiring to be a moral organization that creates values and delivers a sustainable future for the country, society and organization.

Dhanin Chearavanont
Senior Chairman
Charoen Pokphand Group



Message from THE CHAIRMAN



“Sustainability” is the cornerstone of the organization’s robust growth and advancement.

Amidst a global landscape teeming with new challenges and opportunities, Charoen Pokphand Group has defined its growth direction and strategies for the advanced industrial era by developing and leveraging innovation and modern digital technology to continuously develop businesses. This approach is rooted in our “Six Core Values” which emphasizes creating benefits for the nation and people in every country where we invest while upholding “honesty and integrity”. Accordingly, we have been building trust and creating value for all stakeholders along the value chain for over a century.

With awareness and understanding of current global challenges, Charoen Pokphand Group underlines the importance of food security to ensure adequate access for all, biodiversity protection to maintain a natural environmental balance that is suitable for living, and the development of a new generation of good and talented personnel to drive business with sustainability from generation to generation. In light of this, Charoen Pokphand Group announced

the Carbon Neutrality Target 2030 and the Net Zero Target 2050 to steer our business towards green economy and contribute to positive global changes.

Ultimately, our established goals can be accomplished through the cooperation of our personnel and stakeholders across all sectors along the value chain. In this regard, I would like to extend my sincerest appreciation to everyone who has worked with us to perpetually effect positive changes to the economy, society and environment. May we all hold firm to this commitment to build a sustainable future in all aspects as we forge ahead together towards the goal of sustainability and in creating a better tomorrow for our world.

Soopakij Chearavanont

Chairman

Charoen Pokphand Group



Message from THE CEO



Since 2023, the issues of 1. Digitalization, 2. Decarbonization, and 3. Deglobalization have been the top priorities of the global community and international capitals. For the private sector, adapting to the diversified challenges impacting the world requires participation from various sectors, not just a single organization. Responding to all dimensions of needs, whether social, economic, or environmental, calls for cooperation across the value chain. Many issues also necessitates connection with the new generation and education sector. This is true for Charoen Pokphand Group as well, with our unequivocal Sustainability Goals that encompass all three aspects of ESG. In driving the Group, we emphasize creating leaders with a sense of sustainability, establishing a platform for the new generation to respond to the SDGs, connecting markets, and utilizing technology. We rely on digital technology to meet demands, but also leverage blockchain technology, satellite technology, and agricultural drones. We focus on access to capital, inequality reduction, and traceability, all of which are linked to technology. The ultimate product of these efforts is a society of sustainable intelligence that will ensure the organization’s sustainability and keep it abreast of changes occurring in today’s world.

Charoen Pokphand Group continues to make headway towards our Sustainability Goals for 2030. We have defined major goals covering all three dimensions of sustainability; 1. Net Zero, 2. Zero Waste to Landfill, and 3. Social Inequality Reduction, which are critical and relevant to our business operations.

Additionally, we have placed more emphasis on ecosystem and biodiversity protection and restoration, as the loss of biodiversity can potentially reduce the ecosystem’s productivity and its ability to cope with natural disasters. This mission requires collaboration across various sectors to restore ecosystems and biodiversity.

We aim to establish sustainable development in all dimensions. In our endeavor to attain our critical goals, whether reducing greenhouse gas emissions, minimizing waste generation for landfills or addressing social inequality we will advance with all our might. We will integrate cooperation with suppliers and business partners along the supply chain to progress towards our established goals, as well as build collaboration with the global community to jointly find solutions to these problems and challenges.

In today’s era, where technology is advancing at a rapid pace, access to information and technology, however, depends on location and economic ability, resulting in inequality and broadening the social gap, which has become a widespread problem in many countries worldwide. Charoen Pokphand Group is committed to resolving these problems and focuses on education and skill development for youth in order to build a more sustainable and stronger society in a balanced manner.

Regarding our performance against the 2030 sustainability goals, several targets, are on track, while some are lagging behind target and others are progressing beyond expectations. We will closely monitor the lagging issues to make improvements and advance toward established goals.

Despite these challenges, 2023 can still be regarded as another successful year for Charoen Pokphand Group in terms of progress towards sustainability leadership. The Group has been rated among the “**Top 5%**” in the Industrial Conglomerates Sector by S&P Global for the third consecutive year. Additionally, the Group has been ranked in the Top 10 by the World Benchmarking Alliance in Food and Agriculture, Seafood Stewardship Index, and Nature Benchmarking. These accomplishments reiterate our commitment to being a leading Thai business that is ready to thrive and become a “**world-class leader in sustainability**”.

Lastly, I appreciate that amidst the plethora of challenges and crises, our executives and employees are the crucial forces that have empowered the organization to navigate through the storm of change. I wish to express my gratitude to all stakeholders who have firmly believed in our operations. We are committed to doing more to ensure a better world for generations to come.

Suphachai Chearavanont
Chief Executive Officer
Charoen Pokphand Group



Performance Highlights

HEART: Living Right

In 2023, Charoen Pokphand Group streamlined our processes and initiated various new projects, such as expansion of governance communication plans across the Group, human rights risk assessment, and many more. These actions have established the Group as an ethical organization with consideration for human rights and the equal development of human resources.

Total Sales 3,320,897 million THB ▲ +14%	Employee-related Expenses 237,251 million THB ▲ +6%	Percentage of Employees passed Code of Conduct Training 100% = 0%
Percentage of Business Groups Assessed on Human Rights Risks 100% = 0%	Cyber Threats 0 case = 0%	
Proportion of Total Female Employees 50.80% ▼ -0.4%	Employees Promoted in their Careers 72,013 persons ▲ +37%	Number of People Worldwide Gaining Access to Education and Lifelong Learning (online and offline) 48,361,902 persons ▲ +6%

Remark: The comparison between performance from 2022 and 2023 in percentage format.

HEALTH: Living Well

Charoen Pokphand Group continues to place importance on incorporating innovation into the production of goods and services to ensure that every stakeholder group will receive quality, clean, safe products and services that are appropriate for each age group and accessible to everyone.

Farmers, Smes, Vulnerable Groups, and People in Need Receiving Support in Knowledge and Ability Development as well as Other Forms of Support 2,929,229 persons ▲ +36%	Number of Children, Youth, Adults and People at Risk with Access to Safe Food 8,459,092 persons ▲ +62%	
Expenses for Local Products and Services Purchase 1,110,331 million THB ▲ +35%	Products for Health and Well-Being 921 products ▲ +2%	Percentage of Food Products with Clear and Transparent Communication 82.6% ▲ +39%
Research & Development Expenses 28,264 million THB ▼ -2%	Number of meals donated to unfortunate people, especially children, youth, the poor and people in risky situations 8.80 million meals ▲ +238%	

HOME: Living Together

In 2023, Charoen Pokphand Group implemented technology in production to comprehensively minimize environmental impact. Furthermore, the Group also collaborated with various sectors across the value chain to lower the use of natural resources and promote well-being for all.

GHG Emissions (Scope 1 and Scope 2) 5.82 million tCO ₂ e per year ▼ -5%	GHG Emissions (Scope 3) 73.52 million tCO ₂ e per year ▲ +0.4%	
Energy Consumption per Unit of Revenue 16.85 GJ per million THB ▼ -14%	Percentage of Renewable Energy Consumption 17% ▲ +2%	Percentage of Waste Diverted from Disposal 88.73% ▲ +4.43%
Reduction of Water Withdrawal per Unit of Revenue 120.91 cubic meters per million THB ▼ -11%	Number of Trees Planted for Terrestrial Ecosystem Protection and Restoration 11.29 million trees ▲ +38%	



Progress towards 2030 Sustainability Goals

	C.P. Group Goals	Indicators	Base Year	Progress		Key Performance in 2023	Relation to C.P. Group's Value Chain				Marketing	Service	Relevant Stakeholders	Supporting the SDGs
				2022	2023		Agriculture	Production	Packaging	Transportation				
HEART: Living Right	Corporate Governance	100% of businesses recognized for corporate governance practices	2020			78.46% 2022, 95.06% 2023 → 100%								
	Human Rights and Labor Practices	100% of businesses conduct human rights impact assessment on activities carried out by the organization and high-risk tier-1 suppliers	2020			100% 2022, 100% 2023 → 100%								
	Education and Inequality Reduction	50 million people receive support in the form of access to quality education, lifelong learning or upskilling	2020			91% 2022, 97% 2023 → 100%								
	Leadership and Human Capital Development	100% of employees receive training on sustainability every year	2020			100% 2022, 100% 2023 → 100%								
		100% of employees participate in sustainability activities every year	2020			44% 2022, 46% 2023 → 100%								
Cybersecurity & Data Protection	100% of businesses certified with international standards on data and information security management	2020			100% 2022, 100% 2023 → 100%									
HEALTH: Living Well	Health & Well-being	70% of total sales volume proceed from B2B and B2C products and services that promote good health and well-being	2020			49.5% 2022, 45.3% 2023 → 70%								
	Social Impact and Economic Contribution	5 million people receive job promotion to generate income for people in need, e.g., farmers, SMEs and vulnerable groups along our value chain	2020			46.3% 2022, 58.6% 2023 → 5 million people								
	Food Security & Access to Nutrition	10 million children, population and people in poverty receive access to safe and nutritious food	2020			52.2% 2022, 84.6% 2023 → 10 million children								
	Innovation	7,500 patents and petty patents registered	2020			48.8% 2022, 54.2% 2023 → 7,500 Patents								
	Stakeholder Engagement	80% engagement score from multi-stakeholder engagement survey	2020			80% 2022, 81% 2023 → 80%								
HOME: Living Together	Climate Resilience	Achieve carbon neutrality (Scope 1+2)	2021			3.71% 2022, 9.45% 2023 → 100%								
		SBT near-term target for Scope 1+2, reduction by 42%	2021			8.84% 2022, 22.50% 2023 → 100%								
		SBT near-term target for Scope 3, reduction by 25%	2021			0% 2022, 0% 2023 → 100%								
	Circular Economy	Zero waste to landfill	2020			3% 2022, 18% 2023 → 100%								
		100% of plastic packaging is recyclable, reusable, or compostable	2020			93.5% 2022, 94.49% 2023 → 100%								
	Water Stewardship	Reduce water withdrawal per unit of revenue by 20% compared to base year 2020	2020			100% 2022, 100% 2023 → 100%								
	Ecosystem & Biodiversity Protection	100% of high-risk raw materials are traceable	2020			53.26% 2022, 33.4% 2023 → 100%								
		100% of businesses carry out projects in collaboration with relevant international partners to manage and monitor biodiversity	2020			36.84% 2022, 45% 2023 → 100%								
Responsible Supply Chain Management	100% of high-risk suppliers are audited	2020			73.76% 2022, 69.81% 2023 → 100%									

Awards and Recognitions 2023

In 2023, Charoen Pokphand Group received awards and recognitions from various institutions relating to sustainability operations and targets. These awards and recognitions are a testament of the Group's success and commitment to sustainability. They also represent the acceptance of all our international and national stakeholder groups.

S&P Global S&P Global The Sustainability Yearbook 2024
Charoen Pokphand Group and subsidiaries have participated in S&P Global Corporate Sustainability Assessment (CSA) and have been recognized in the Sustainability Yearbook 2024, achieving a leading-level ranking.



Top 1% S&P Global CSA Score
in Telecommunication Services



Top 5% S&P Global CSA Score
in Food Products



Top 5% S&P Global CSA Score
in Industrial Conglomerates



Sustainability Yearbook Member
in Food & Staples Retailing



Industry Mover and Sustainability Yearbook Member
in Food & Staples Retailing



World Benchmarking Alliance (WBA)

Charoen Pokphand Group has been assessed by WBA under three indices, namely Food and Agriculture (FAB), Seafood Stewardship (SSI) and Nature (NAT), and ranked in the Top 10 of all three categories.

Food and Agriculture 10th ranking
from 350 companies worldwide

Seafood Stewardship 8th ranking
from 30 companies worldwide

Nature 6th ranking
from 350 companies worldwide



CDP

Charoen Pokphand Group and subsidiaries have participated in the CDP Climate Change, CDP Water and CDP Forest assessments. The Group's scores in Climate, Water and Forest (palm and soy) are A-, B, B, and A-, respectively.



Reporting Matters 2023

Charoen Pokphand Group's Sustainability Report 2022 and Sustainability Disclosures have been recognized by the World Business Council for Sustainable Development (WBCSD) among the Top 10 Performers in Reporting Matters 2023 for the second consecutive year.



HR Asia Best Companies to Work for in Asia 2023

Recognized as the best company to work for in Asia, Lotus's won the HR Asia Best Companies to Work for in Asia 2023 Award from Business Media International (BMI)'s HR Asia magazine for the third consecutive year, reflecting Lotus's commitment to being a leading organization with excellence in care for employees.



The Most Impactful Corporate

CP All Public Company Limited received the Most Impactful Corporate Award from the Future Trends Ahead & Awards 2024, reflecting its full compliance with the principles of good governance, demonstrating performance that is recognized at both the national and international level, promoting national economic growth, focusing on supply chain operations with the ability to further develop businesses for other agencies.



Ethisphere (The 2024 World's Most Ethical Companies)

Charoen Pokphand Group has been selected as one of the World's Most Ethical Companies for the fourth consecutive year in 2024.



Thailand Top Company Awards 2023

Makro has won the MOST TRUSTED BRAND Award from the Thailand Top Company Awards 2023 for being the best Thai business with a strong brand establishment that is recognized for both its quality and service, providing good customer experiences. This reflects Makro's success in winning the hearts of every customer group.



Global Good Governance Awards

Charoen Pokphand Foods Public Company Limited has received two honorary awards from the world-class Global Good Governance Awards (3G Awards) 2023, organized by the UK-based Cambridge IFA International Financial Advisory as an organization with commitment and outstanding performance in driving sustainable development and implementing social and environmental stewardship projects.

About this Report

Sustainability Report Preparation Guidelines

Charoen Pokphand Group recognizes that sustainability issues have always been at the forefront of our stakeholders' interest. Current circumstances, including intensifying climate change, growing demand for sustainable products, and increased attention to natural resources protection have elevated stakeholders' interest in the Group's sustainability operations to a new level. For this reason, the Group regularly discloses our sustainability performance in all dimensions across various channels to ensure that all stakeholder groups can access information of their interest in a convenient and rapid manner. This Sustainability Report is one of the primary channels that the Group utilizes to communicate our sustainability performance, including the risk and opportunity analysis of each issue in order to explore appropriate management guidelines.

The Sustainability Report 2023 has been prepared based on various reporting standards and frameworks, including the Global Reporting Initiative:



The Sustainability, Good Governance, and Corporate Communication Operating Committee has assigned the Sustainability, Good Governance, and Corporate Communication (SGC) Office to be the main body in compiling the contents of the Sustainability Report 2023, which were then submitted to the Sustainability Committee for review to ensure accuracy and approval for disclosure.

Access to our Reports



More information available in
<https://www.cpgroupglobal.com/en/document/sustainability-reports>



Reporting Scope

Charoen Pokphand Group has been publishing and disclosing the Sustainability Report on an annual basis since 2016. The Sustainability Report 2023 marks the eighth edition, encompassing the operations of the Group and its 14 business groups both in Thailand and internationally from 1 January and 31 December 2023. Upon compiling information from subsidiaries, the Group has taken into account subsidiaries where the Group holds shares of greater than or equal to 10% with the authority to control operations. The reporting scope in 2023 expanded from 2022, now including additional reporting data covering All Now Group, and Altermim Company Limited.

The contents of the Sustainability Report 2023 cover all three dimensions of sustainability performance, namely economic and governance, social and environmental, the results and direction in implementing the Group's 15 strategic sustainability targets that are of interests to stakeholders, guidelines for creating long-term value for issues that are critical to stakeholders and the Group, as well as analysis of global and industry-specific trends to identify positive and negative impacts, with corresponding management strategies for correction or mitigation.



Third-Party Report Assurance

The integrity and accuracy of information disclosed in the Sustainability Report is one of Charoen Pokphand Group's principal areas of focus as these elements support the Group's commitment to become a fully transparent organization. For this reason, the Group has commissioned an independent third-party consultant to verify the integrity, accuracy, and consistency of the Report's contents according to the GRI Standards 2021 at the moderate level and AA1000AS v3 Assurance Standard.

In 2023, Charoen Pokphand Group increased indicators for assurance in line with changes with the industry as well as critical issues of the Group and stakeholders.

Furthermore, in order to provide better coverage for our business operations, Charoen Pokphand Group required the consultant to verify and assure the accuracy of all 20 indicators, which is one indicator more than 2022. Besides the indicator-based assurance, the Group also directed the consultant to audit the materiality assessment process and results, management guidelines for each material issues, progress, consistency, and challenges of the Group's Sustainability Goals 2030 as well as an audit of the Enterprise Risk Management System to ensure ethical and responsible business practices by both the Group and our suppliers.

Indicators Validated by External Third Party

Indicator	2021	2022	2023
GRI 2-23 Policy Commitment	■		
GRI 2-24 Embedding Policy Commitments		■	■
GRI 2-25 Process to Remediate Negative Impacts		■	■
GRI 2-26 Mechanisms for Seeking Advice and Raising Concerns	■	■	■
GRI 301-1 Materials Used by Weight or Volume		■	■
GRI 301-2 Recycled Input Materials Used		■	
GRI 302-1 Energy Consumption within Organization	■	■	■
GRI 303-3 Water Withdrawal	■	■	■
GRI 303-4 Water Discharge	■	■	■
GRI 303-5 Water Consumption	■	■	■
GRI 305-1 Direct (Scope 1) GHG Emissions	■	■	■
GRI 305-2 Energy Indirect (Scope 2) GHG Emissions	■	■	■

Indicator	2021	2022	2023
GRI 305-3 Other Indirect (Scope 3) GHG Emissions	■	■	■
GRI 305-7 Nitrogen oxides (Nox), Sulfur oxides (Sox), and other significant air emissions	■	■	■
GRI 306-3 Waste Generated	■	■	■
GRI 306-4 Waste Diverted from Disposal	■	■	■
GRI 306-5 Waste Directed to Disposal	■	■	■
GRI 308-1 New Suppliers that were Screened using Environmental Criteria			■
GRI 403-9 Work-related Injury	■	■	■
GRI 403-10 Work-related Ill Health	■	■	■
GRI 414-1 New Suppliers that were Screened using Social Criteria			■
Food Loss and Food Waste		■	■

More information available on [page 256-271](#)

Our Reporting Theme

Charoen Pokphand Group places importance on caring for, supporting and encouraging our suppliers and business partners in upstream businesses to conduct business in consistent with and in support of the Group’s Sustainability Goals without violating applicable requirements and laws. For this reason, throughout the past century, the Group has continuously collaborated with suppliers and business partners to offer training to enable understanding of requirements, develop operational guidelines and exchange knowledge and innovations to promote sustainable operations.

Charoen Pokphand Group has composed the contents of the Sustainability Report 2023 and presented case studies under the theme of **“Inclusive Supply Chain Actions for Sustainable Tomorrow”** to show stakeholders how to transfer the goals and guidelines of the Group’s sustainability operations to our suppliers and business partners.

Links to Other Reports and Website of Charoen Pokphand Group

Charoen Pokphand Group has published reports on specific matters to provide detailed explanations about the guidelines and performance of each topic. Similar to the contents of the Sustainability Report, these thematic reports have been subject to the SGC Operating Committee’s review and approval. In 2023, the Group published a total of eight thematic reports.



[Double & Dynamic Materiality Assessment Report 2023](#)



[Stakeholder Engagement Report 2023](#)



[Sustainability Performance Report 2023](#)



[Sustainable Development Goals Report 2023](#)



[Task Force on Climate-related Financial Disclosure \(TCFD\) Report 2023](#)



[Biodiversity \(TNFD\) Report 2023](#)



[Corporate Governance Report 2022](#)



[Human Rights Report 2022](#)



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Our Portfolio

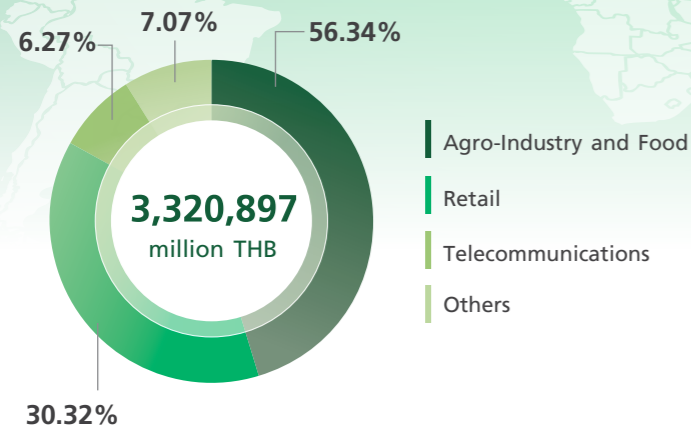
Charoen Pokphand Group's Vision

“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”

Proportion of Sales and Employees by Country



Proportion of Sales by Business Line



Tax Paid to Government



Overview of Charoen Pokphand Group

Charoen Pokphand Group Company Limited serves as the parent company of Charoen Pokphand Group. Acting as a holding company, it holds shares of subsidiaries in Thailand and 21 countries and economies worldwide.

Charoen Pokphand Group operates a diverse business covering eight main business lines and 14 business groups. Business lines consists of Agro-industry and Food, Retail and Distribution, Media and Telecommunication, E-Commerce and Digital, Property Development, Automotive and Industrial Products, Pharmaceuticals, and Finance and Banking.

21 Countries and Economies

8 Main Business Lines

14 Business Groups

	Thailand (Headquarter)	China	Others	Total
Production Plants (plants)	127	104	99	330
Livestock/Aquaculture Farms (farms)	433	212	430	1,075
7-Eleven Stores (branches)	14,545	-	85	14,630
Makro Stores (branches)	160	-	8	168
Lotus's Hypermarkets/Supermarkets/Mini-Supermarkets and Lotus's Supercenters (branches)	2,454	83	68	2,605
Research/Development Centers (centers)	44	42	5	91
Employees (persons)	287,179	86,762	78,853	452,794
Main Business Line	(A B C D) (E F G)	(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



C.P. Group Value Chain

Charoen Pokphand Group operates a diverse business covering Agro-industry and Food, Retail and Distribution, Media and Telecommunication, E-Commerce and Digital, Property Development, Automotive and Industrial Products, Pharmaceuticals, and Finance and Banking. The Group has been integrating the strengths of each business group to sustainably maximize benefits and deliver utmost value to the country, the people and the Company. Furthermore, the Group has also been conducting integrated risk assessment across the value chain to efficiently manage risks, particularly in sustainability.

8 Main Business Lines cover 14 Business Groups

- 1 Agro-Industry and Food Business Group
- 2 Feed Ingredients Trading Business Group
- 3 Crop Integration Business Group
- 4 Pet Food Business Group
- 5 Seeds, Fertilizers and Plant Protection Products Business Group
- 6 Pharmaceuticals Business Group
- 7 Automotive Business Group
- 8 Packaging Business Group
- 9 Retail and Distribution Business Group
- 10 International Trading Business Group
- 11 E-Commerce and Digital Business Group
- 12 Telecommunication Business Group
- 13 Finance and Banking Business Group
- 14 Property Development Business Group





Our Business

Charoen Pokphand Group Co., Ltd. serves as parent company of Charoen 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.

8 Business Lines
14 Business Groups
21 Countries and Economies

1. Agro-Industry and Food Business

- Charoen Pokphand Foods Public Company Limited ¹ 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
- Charoen Pokphand Pakistan (Pvt.) Limited
- Chia Tai Feedmill Pte. Limited
- Chia Tai Company Limited and its subsidiaries
- C.P. Intertrade Company Limited and its subsidiaries
- Charoen Pokphand Produce Company Limited and its subsidiaries
- Charoen Pokphand Agriculture Company Limited
- Charoen Pokphand Engineering Company Limited
- Perfect Companion Group Company Limited

2. Retail and Distribution Business

- CP ALL Public Company Limited ¹ and its subsidiaries
- CP Axtra Public Company Limited and its subsidiaries
- C.P. Lotus Corporation

3. Media and Telecommunications Business

- True Corporation Public Company Limited ¹ and its subsidiaries

4. E-Commerce and Digital Business

- Ascend Group 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
- CP Future City Development 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

- ADVANCE PHARMA Company Limited
- CPBIO
- CP Pharmaceutical Group

8. Financial and Investment Business

- Zheng Xin Bank Company Limited

Others

- Thana Telecom Company Limited and its subsidiaries
- Leadership Development Charoen Pokphand Group Company Limited
- K.S.P. Equipment Company Limited
- Kasetphand Industry Company Limited
- All Now Logistics Company Limited
- Alter Vim Company Limited
- Asia Era One Company Limited
- CP Medical Center Company Limited
- CP Social Impact Company Limited
- CP Seeding Social Impact Company Limited

Remark: ¹ Company that is listed in Stock Exchange

More information available in

[Business Line](#)



Analysis of Operating Context

Charoen Pokphand Group conducts an analysis of the Group’s operating context on an annual basis. The analysis results are integrated into the processes of enterprise risk management and materiality assessment, enabling the Group to develop corporate strategies that appropriately accommodate changes. In analyzing the operating context, the Group considers relevant factors, such as changes across the value chain, changes in regulations and laws, regional variability and market trends.



Agro-Industry and Food Business

Under present circumstances, the Agro-Industry and Food Business faces a range of challenges, including environmental impact management, food safety and quality certification, adaptation to consumer needs and technological development. Poor management of these areas will lead to a loss of competitiveness. Therefore, the business group has introduced technology and digitalization into agriculture to reduce environmental impact and conserve natural resources. In addition, it implements traceability in operations to enhance food safety and prevent non-compliance with applicable requirements and laws.

Retail and Distribution Business

The Retail and Distribution Business has faced challenges, such as intense competition, rapidly changing consumer demands and the need for digital transformation. To address these challenges, the business group has formulated strategies and adopted various measures, such as expanding e-commerce platforms, providing customers with omnichannel access to products for a seamless shopping experience, and using digital technology in data analysis to better understand and predict customer demands. These efforts are aimed at maintaining competitiveness and effectively meeting the needs of evolving markets.



Media and Telecommunications Business

The Media and Telecommunications Business face challenges, such as rapidly advancing technology, high competition, and changing consumer expectations. To effectively address these challenges, the business group has invested in upgrading its network infrastructure to support 5G technology and has improved customer service with AI. In addition, the business group focuses on strategic cooperation with various sectors to create a fast and reliable service experience.



E-Commerce and Digital Business

In an era where technology and digitalization play a crucial role in business operations and daily life, operations have become fast-paced. Nevertheless, the E-Commerce and Digital Business intense market competition, faces challenges such as cyber security threats, and the need for continuous innovation. To address these challenges, the business group has implemented strong cybersecurity measures to protect customer data and transactions. It has also invested in advanced data analytics and AI tools to personalize customer experience and enhance operational efficiency.

Property Development Business

The Property Development Business faces numerous challenges, including market volatility, changes in building regulations and the increasing demand for sustainable and smart living. To address these challenges, the business group has adopted sustainable building practices, integrated green technology and energy saving systems. In addition, it focuses on smart home innovation by leveraging the Internet of Thing and automation to enhance the living experience and contribute to environmental protection.





Automotive and Industrial Products Business

Global situations, including international conflicts, climate change and evaluating consumer demands, are driving supply chain disruptions, technological progress and the transition to electric and autonomous vehicles. Consequently, the Automotive and Industrial Products Business needs to adjust its operational strategies to meet these challenges. The business group has begun to increase the flexibility of its supply chain by focusing on procurement from new sources and reducing dependence on a single source. It has invested in R&D to remain at the forefront of technological innovation, with a focus on electric vehicle components and advanced manufacturing processes. In addition, the business group has also established strategic partnerships with technology companies to accelerate the development of autonomous driving technology, maintaining competitiveness in the rapidly evolving automotive industry.



Finance and Banking Business

The Finance and Banking Business faces challenges, such as market volatility, regulatory changes and cybersecurity risks. To address these challenges, the business group has implemented robust risk management strategies, including diversifying its investment portfolio and protecting market volatility. Cybersecurity measures have also been streamlined to safeguard sensitive financial information and transactions. In addition, the business group remains agile and responsive to regulatory changes as it closely monitors industry regulations and adjusts investment strategies accordingly. Strategic partnerships and the collaborations with Fintech are also being pursued to leverage innovative technologies and maintain competitiveness in the financial sector.



Pharmaceuticals Business

The outbreak of COVID-19 has prompted the people to focus their attention on health and hygiene. This increased interest has led international organizations to issue more stringent regulations in order to ensure consumers' safety and good health. These stricter regulations have led to higher R&D costs as well as more intense market competition. Consequently, the Pharmaceuticals Business has enhanced its compliance processes by implementing advanced quality control systems and maintaining transparent communication with regulatory agencies. The business group has increased investment in R&D to create and launch new products more efficiency. Additionally, It has also pursued strategic partnerships and cooperation with pharmaceutical companies and research institutions to share knowledge, reduce costs, and accelerate the development of new medicines, ensuring that these medicines remain competitive and effective in meeting to market demands.

Others

In order to promote our vision and respond to changing market and consumer demands, Charoen Pokphand Group has established other business groups, including Green Energy Business, Transportation Business and Medical Service Business. The purpose of establishing these businesses is to minimize climate change impacts, reduce social inequality, and increase convenience in accessing necessary resources.



Six Core Values

The Six Core Values have shaped our personnel to share a common believe, behavior and action, enabling the Group to overcome numerous obstacles and drive economic, social and environmental growth. This collective commitment ensures that we can sustainably deliver benefits to the next generation.



Three Benefits

No business organization in the world can achieve growth, stability and strength independently. It requires the strength of the people, society and the country by its side. Likewise, Charoen Pokphand Group has been able to lead the organization to grow sustainably as we adhere to the “Three Benefits Principle” throughout our existence. The Three Benefits include benefits for the country of investment, benefits for the people in the country of investment and benefits for the Company. The Group has cultivated this value since our founding days to ensure that our actions can create benefits for the country of investment and empower our business to grow.



Speed with Quality

Upon operating business in a borderless world like today’s, the key to business survival and sustainable growth is “speed” and “quality” to enable the business to keep up with changes in technology, news and information, consumer behaviors, and trade rules and regulations. Therefore, the Group must think fast and act quickly without compromising on quality. This key policy is upheld and practiced throughout the organization.



Simplification

Charoen Pokphand Group holds investments in 21 countries and economies, operating through more than 200 subsidiaries and employing over 450,000 employees. The Group places importance on streamlining processes and procedures, using innovation and technology to simplify operations for improved efficiency and effectiveness. “Simplification” is, thus, an important practice which has brought and will continue to bring success to the Group.



Accept Change

The world is overflowing with changes in terms of social conditions, economy, politics, technology and consumer behaviors as well as climate change and unexpected disasters. Therefore, one of Charoen Pokphand Group’s key strategies to empower sustainability is “Accept Change” which has always enabled us to evolve with the world. These changes have prompted the Group to continuously adapt, research, study and explore new opportunities while striving to meet all the needs of consumers and the country.



Innovate

When conducting business, creativity is the driving force for advancement in all aspects, from ideas through to methods, processes, products and services. Just as the world is never at a standstill, businesses must always innovate. Accordingly, Charoen Pokphand Group’s employees are given the tools and supports needed to create “innovation”. Meanwhile, all organizations under the Group are determined to become an “innovative organization” which will undoubtedly result in the creation of the best products and services for consumers.



Integrity

Charoen Pokphand Group has operated with integrity for the past century. Even now, as the Group branches out into various businesses, integrity remains the cornerstone of our organization. We firmly believe that business that focuses solely on enriching itself without regard to these values cannot operate in the long term and will eventually erode the trust of suppliers, partners and stakeholders. Whether selling one piece of product or hundreds of tons of products, one must always adhere to “integrity and honesty”.





Sustainability Governance

As a leading company in the agricultural business and food industry, Charoen Pokphand Group firmly commits to implementing sustainability across our value chain. In this chapter, we will discuss the roles and responsibilities of the Sustainability Committee and other committees associated with governing the operations of the Group and our subsidiaries in order to ensure that all parties achieve sustainability excellence and are prepared to face new, complex challenges. At the same time, the Group has promoted social and environmental stewardship, social equality and economic flexibility. In addition, this chapter describes stakeholder engagement as well as the integration of stakeholders' issues of interest into the Group's materiality assessment, which is a crucial process for reviewing strategies and defining further plans of action.



Sustainability Governance	34
External Impact Analysis	38
Emerging Risk Factors	41
Stakeholder Engagement	43
Materiality Assessment	46
Sustainability Strategy and Goals	50
Value Creation Process	52
Supporting the UN SDGs	54
Cooperation for Sustainable Development	56

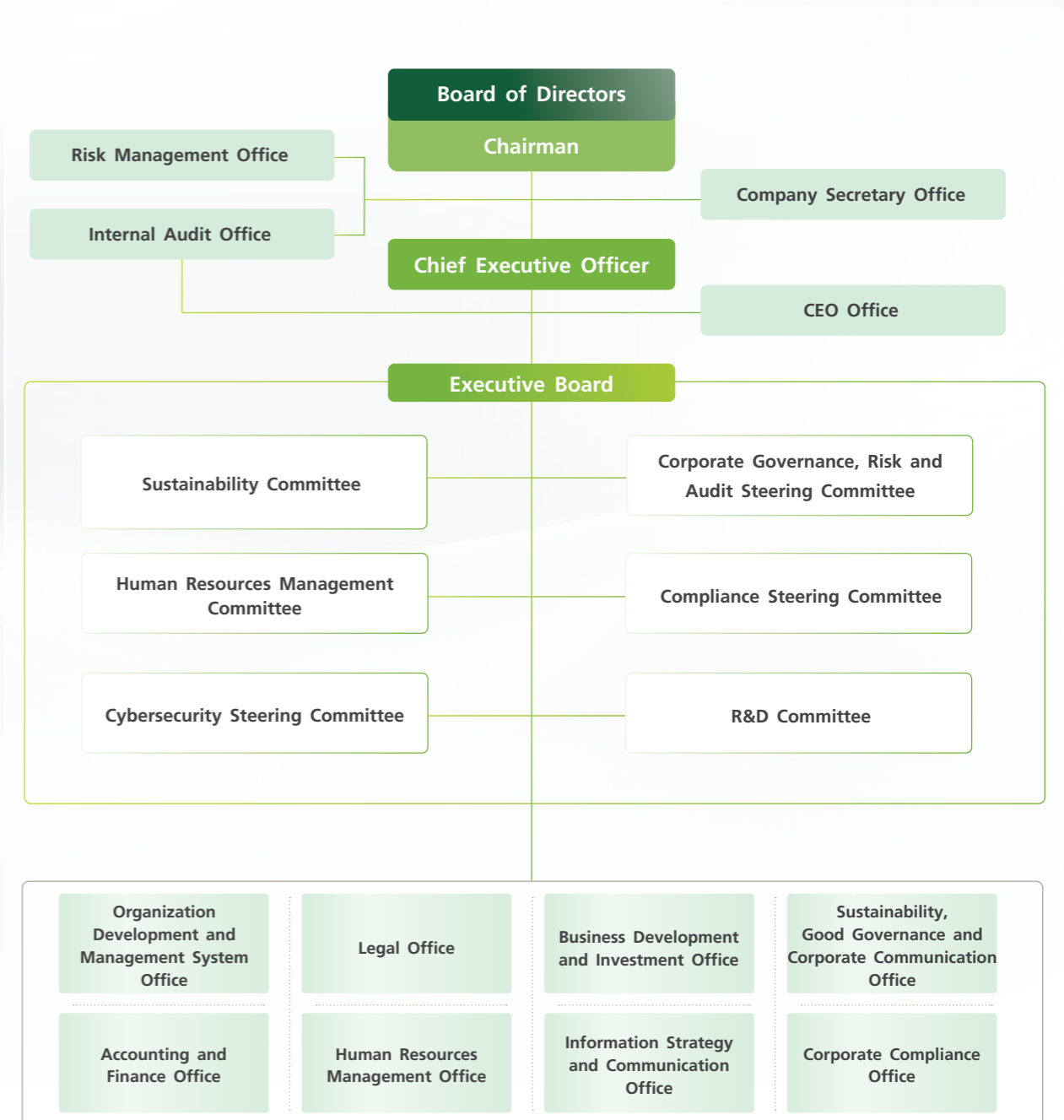
Sustainability Governance



In order to enable continuity in business development and the comprehensive integration of sustainability as part of business operations and key decision-making processes, the Board of Directors has appointed Charoen Pokphand Group’s Executive Board to ensure that the overall operations of the Group and our subsidiaries, covering 21 countries and economies, are in line with the corporate direction and vision. Major changes in 2023 included the appointment of Dr. Teerapon Tanomsakyut as Chief Sustainability and Strategic Development Officer and the establishment of the Sustainability Committee and other committees related to sustainability under the Executive Board (See Corporate Governance Structure). These committees work in collaboration with internal and external agencies to jointly drive sustainability operations with efficiency and effectiveness. Each committee consists of senior executives and other individuals with relevant experience and expertise that can lead each area of operations towards targeted success.

Charoen Pokphand Group continually supports executives and employees with access to learning as well as new experiences and skills, which do not only equip our personnel with knowledge to benefit current operations, but also prepare them for the rapid changes to come. For this reason, throughout the year, executives and employees have participated in seminars and training programs organized by third parties and the Group’s internal business units. In 2023, the Group focused our attention on topics such as value chain-wide operations towards becoming a Net Zero Organization, waste reduction, sustainable resource consumption and reduction of social inequality through the promotion of future education.

Charoen Pokphand Group is committed to conducting business on the basis of sustainability, ethics and transparency to create a more sustainable and better tomorrow for all stakeholders. Therefore, the Group has incorporated progress on achieving the Group’s 2030 sustainability Goals as one of the key performance indicators (KPI) in the performance and remuneration assessment of the Chief Executive Officer and other related management executives.





Structures and Roles of Sustainability-related Committees

Sustainability Committee

Ensure that sustainability operations of Charoen Pokphand Group and subsidiaries comply with sustainability goals and strategies, announce and review related policies, monitor compliance with policies and guidelines, evaluate performance according to indicators. In addition, the committee is also responsible for building good relationships with stakeholders, analyzing and managing sustainability risks and opportunities, such as climate change, biodiversity and supply chain security, and many more.

Human Resources Management Committee

Oversee that Charoen Pokphand Group’s human resources operations are consistent with human resources strategy, define and review human resources strategy, drive operations in line with the strategy and meet comparable international standards. The Committee is chaired by the Chief Human Resources Officer and comprises executives from related lines of work.

Cybersecurity Steering Committee

Drive and execute cybersecurity operations in accordance with established policies and guidelines, respond to incidents and define business continuity plans. The Committee meets regularly every 6 months. It consists of the Chief Digital Officer as Chairman and IT or cybersecurity executives from business groups as committee members.

Corporate Governance, Risk and Audit Steering Committee

Support the Executive Board in ensuring that Charoen Pokphand Group’s operations are in accordance with corporate governance principles and that the Group implements effective risk management, internal control and audit while contemplating strategies, plans and guidelines for corporate governance. The Committee regularly reports performance to the Executive Board.

Compliance Steering Committee

Consider, screen and review policies, standards and guidelines related to compliance, ensure the availability of an efficient, independent compliance system and evaluate investigation reports on complaints, grievances or information from stakeholders. The Committee reports to the Executive Board on a regular basis.

R&D Committee

Determine R&D direction and decisions that are environmentally friendly and can cater to market needs. The Committee reports directly to the Chief Executive Officer and the Chairman of the Group, respectively.



The Next Chapter: Towards Sustainability Goals

Charoen Pokphand Group has been operating our businesses sustainably over the past 103 years by adhering to the principles of “integrity and honesty” and the “Three Benefits”, which take into consideration, first and foremost, the country, followed by the people and the organization. The implementation of targets and indicators to drive integration throughout the Group is vital while engagement within and beyond the organization is key.

Welcoming opinions from all perspectives to bring improvements to the organization contributes to the Group’s flexibility in responding to the challenges of global economic, social and environmental changes.

Accordingly, the Group’s business operations from the next 100 years must be driven by the “creation of a system” to achieve sustainability in all dimensions. Business operations and sustainability must become one and the same in order to maximize benefits for society and the country.

Our next chapter towards sustainability will unite all business groups in efficiently driving sustainable development in concert with the business. We will initiated projects to address the five core challenges the Chief Executive Officer has identified, namely 1. Navigating the organization towards net zero emissions, 2. Aiming to become a zero-waste organization, 3. Developing sustainability products and services, 4. Developing a new generation to drive sustainable grow, and 5. Fostering a shared corporate culture of sustainability.

We have full confidence that with every step we take in the next century of business operations, our accomplishments will contribute to the creation of a sustainable future in all dimensions, whether economic, social or environmental, for our communities, societies, countries and world throughout the 100 years to come.



Our next chapter towards sustainability will unite all business groups in efficiently driving sustainable development in concert with the business.

Dr. Teerapon Tanomsakyut
Chief Sustainability and Strategic Development Officer
Charoen Pokphand Group

External Impact Analysis

The constantly changing business context has prompted Charoen Pokphand Group to acknowledge the importance of effective enterprise risk management which is the foundation of sustainable operations. The Group has implemented a comprehensive risk analysis approach from various perspectives, including issues related to all Group businesses, suppliers and all stakeholder groups. Furthermore, impacts are analyzed during different periods of time in order to assess the impact level of potential risks and determine mitigation measures. In addition, the Group has incorporated material sustainability issues into the analysis and assessment

of enterprise risks and emerging risks to ensure that enterprise risk management does not take into account only business-related issues, but also the risks and impacts on governance, society, and environment.

Charoen Pokphand Group analyzes enterprise risks and emerging risks on an annual basis and reviews the identified risk level, including risk management measures or plans, for continual impact mitigation. In 2023, significant enterprise risks consist of the following issues:

Risk Factor Mapping



Wars and International Conflicts

Risk Type: Geopolitical

Capital Impacted: Manufacturing Human Relationship

Relevant Sustainability Issues: Corporate Governance | Human Rights and Labor Practices | Innovation | Responsible Supply Chain Management

Charoen Pokphand Group imports essential raw materials for production processes from different sources around the world. The Group also exports products to various countries. Wars and international conflicts, however, have delayed or obstructed imports and exports, potentially causing business disruption. In addition, market volatility, stringent rules and regulations, safety concerns and human rights violations are the consequences of wars and international conflicts.

Risk Management

Monitoring situations closely, assessing impacts and opportunities that may occur along the value chain, and preparing appropriate measures to accommodate different factors, e.g., addressing regulatory changes, procuring raw materials from new or alternative sources, improving production formulae in the case of switching to alternative raw materials, increasing safety for employees and relevant individuals working in areas at risk.

Stringent Requirements and Laws Related to Climate Change Prevention

Risk Type: Environmental

Capital Impacted: Relationship Natural

Relevant Sustainability Issues: Climate Resilience | Responsible Supply Chain Management

Climate change is a major global risk. Therefore, many countries have issued regulations and laws related to greenhouse gas reduction. These requirements, which vary between countries, can cause difficulty in overseas operations, especially raw material and product import or export. Additionally, in some cases, businesses may not be able to comply with the requirements or within specified timeframe, resulting in business disruption.

Risk Management

Joining membership in domestic and international organizations related to climate change management to regularly keep track of changes in legal requirements to improve and align goals and operational plans with the impending changes. In addition, the Group consistently communicates with to suppliers and business partners to ensure a common operational direction with the Group in order to jointly create a stable supply chain.





Human Rights Violations in the Value Chain

Risk Type: Social

Capital Impacted: Financial Human Relationship

Relevant Sustainability Issues : Human Rights and Labor Practices | Responsible Supply Chain Management

Human rights violations can cause wide-ranging impacts on, for example, employees, suppliers, communities and the image of Charoen Pokphand Group. These can be monetary or non-monetary. Potential risks from the lack of appropriate control and acts of non-compliance may put the Group at risk of losing stakeholder confidence and cause extensive impacts on businesses.

Risk Management

Charoen Pokphand Group and our businesses implement Human Rights Due Diligence (HRDD) and Human Rights Impact Assessment (HRIA) to enable all business groups to define measures and continuously enhance their human rights managements.

Disinformation Attacks

Risk Type: Technology

Capital Impacted: Intellectual Relationship

Relevant Sustainability Issues: Cybersecurity and Data Protection

Nowadays, technology and digitalization play crucial roles in our lives and businesses as they contribute greatly to speed and efficiency. However, technological and digital advancements also pose cyber threats which are more than just system hacking to steal essential information, e.g., operational data, trading information and personal information, and many more., but also involves the misuse of corporate information, e.g., communicating inaccurate information or distorting information to the public to create dissatisfaction or misunderstanding towards Charoen Pokphand Group. These threats present risks to the organization's reputation, stakeholder confidence and business continuity.

Risk Management

Announcing cyber-related policies and guidelines covering activities of the Group, employees and suppliers. Communicating such policies and other related knowledge to executives, employees and suppliers to raise awareness about cyber threats and prevention. Furthermore, the Group regularly conducts tests on our security system through a third party and tracks unusual cyber activities according to international standards.

Emerging Risk Factors

In addition to analyzing and identifying current risks, the analysis of emerging risks is also vital to the business operations of Charoen Pokphand Group, which houses wide-ranging businesses with highly complex supply chains. Therefore, having an action plan or a plan to address potential future risks will help the Group to maintain the ability to proactively manage emerging risks, improve strategic decision-making, seize new opportunities, mitigate potential threats, retain competitive advantage in a rapidly evolving environment and sustainably deliver value to the society and environment.

Biodiversity Loss and Ecosystem Collapse

Risk Type: Environmental

Capital Impacted: Manufacturing Natural

Relevant Sustainability Issues: Climate Resilience | Ecosystem and Biodiversity Protection | Responsible Supply Chain Management

Biodiversity loss and ecosystem collapse are caused by factors such as habitat destruction, deforestation, pollution, overexploitation of natural resources, climate change and invasive alien species. These activities, which are the result of human actions, disturb the ecosystem, degrade habitats and lead to decreased biodiversity as well as the loss of genetic diversity and ecosystem services.

Biodiversity loss and ecosystem collapse is critical to Charoen Pokphand Group due to our dependence on natural resources and ecosystem services to carry out operations, such as agriculture and aquaculture, and many more. Therefore, changes in biodiversity and ecosystem integrity can directly affect the availability of raw materials, water resources, pollination services and the overall flexibility of the supply chain. Furthermore, biodiversity loss and ecosystem collapse also pose regulatory, reputational and market access risks for Charoen Pokphand Group. Social expectations and stakeholder demands also play a key role. Consumers, investors and civil society organization are focusing more on companies that demonstrate environmental responsibility, biodiversity conservation and sustainable business operations. Thus,

it is crucial for the Group to find solutions to the problem of biodiversity loss and ecosystem collapse.

Risk Management

Charoen Pokphand Group has established comprehensive mitigation measures to manage risks associated with biodiversity loss and ecosystem collapse. This includes prioritizing sustainable sourcing practices of, for example, agricultural products and seafood, promoting aquaculture, ensuring responsible forest management and investing in biodiversity conservation initiatives. The Group also conducts rigorous environmental impact assessments to assess potential impacts on biodiversity and ecosystems, engages with stakeholders to promote collaborative work and decision-making and invests in research and innovation for sustainable technologies and practices. Moreover, the Group strictly complies with environmental laws and regulations while actively supporting biodiversity-friendly agriculture and aquaculture. These endeavors are a demonstration of the Group's commitment to biodiversity and ecosystem protection as well as our determination to make positive contributions to environmental sustainability and conservation efforts.

Non-Compliance with Sustainability Requirements in the Supply Chain

Risk Type: Social

Capital Impacted: Manufacturing Relationship

Relevant Sustainability Issues: Corporate Governance | Responsible Supply Chain Management

Charoen Pokphand Group has a complex supply chain involving a wide range of suppliers. The operations of some suppliers may be non-compliant with relevant ethical requirements of each country and the Group. Issues at risk include labor rights violation, unethical sourcing, human rights violation and lack of transparency in the supply chain. Violations by suppliers can impact the Group in terms of, e.g., reputational damage, stakeholder distrust and supply chain disruptions.

Risk Management

Charoen Pokphand Group must employ diverse strategies to minimize the risk of non-compliance with ethical requirements in the supply chain. This includes implementing the Supplier Code of Conduct, establishing procurement contract guidelines, conducting thorough due diligence on suppliers, and imposing punishments on suppliers with evaluation results below the specified criteria or found to have violated requirements. In addition, the Group has initiated traceability and transparency using technology such as blockchain and supply chain management systems, and many more. This technology has helped the Group to accurately track and monitor suppliers' activities.



Stakeholder Engagement

Charoen Pokphand Group highlights the importance of listening to and encouraging the participation of stakeholders because the relationship with stakeholders and their opinions are the driving force that will navigate the Group towards progress and stability over the next 100 years. The feedback and suggestions from stakeholders enable the Group to gain an understanding of global market changes which can be used to identify opportunities and minimize risks as well as formulate strategies and operational plans to create positive change at both the local and international levels.

Charoen Pokphand Group has a process for identifying and prioritizing key stakeholders through regular discussions with relevant internal departments and experts to ensure that all stakeholder groups receive communication and manage issues of concern in a correct and appropriate manner. The Group identifies stakeholders based on the nature

of their participation and prioritizes stakeholders based on their influence on the Group's operations and impacts from the Group's operations or strategies on stakeholders at present and in the future. Furthermore, the Group also reviews stakeholder expectations from various grievance and participation channels, including annual stakeholder engagement surveys. The Group utilizes such information to determine operational guidelines that promote good relationships and mutual trust. In 2023, issues that are of interest and concern to stakeholders include climate adaptation and greenhouse gas emissions, protection and restoration of nature, waste management and circular economy, and education and lifelong learning.

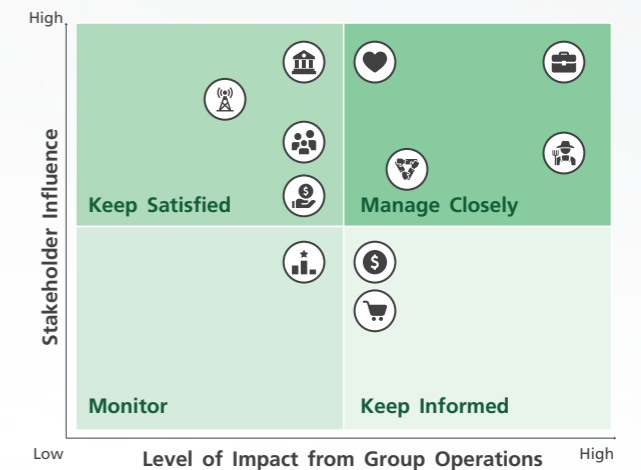
More information available in



[Stakeholder Engagement Report 2023](#)

Stakeholder Identification and Prioritization

- Farmers
- Communities and Societies
- Suppliers
- Creditors
- Employees and Families
- NGOs
- Governments
- Competitors
- Media
- Shareholders and Investors
- Customers and Consumers



	Importance of Engagement	Issues of Interest	Response Actions	Values for Stakeholders
<p>Farmers</p>	<p>Farmers are the key stakeholders in the procurement of essential raw materials for Charoen Pokphand Group's operations. Engaging with farmers is thus integral to maintaining the stability of the value chain.</p>	<ul style="list-style-type: none"> Farmer capacity building Adequate and rapid access to resources Income guarantee Fair business practices Product quality control 	<ul style="list-style-type: none"> Supporting sustainable farming to reduce environmental impacts Promoting technology to improve product quality Guaranteeing source of income Making fair contracts in accordance with laws and regulations 	<ul style="list-style-type: none"> Creation of stable jobs, careers and income Environmental protection and preservation Security of global food system
<p>Communities and Societies</p>	<p>Building positive relationships with communities and societies is crucial in order to maintain good reputation, promote trust and support the achievement of Charoen Pokphand Group's operational goals.</p>	<ul style="list-style-type: none"> Participation in improving community quality of life Employment promotion in communities Impact from business operations on societies, communities and environment Adoption of innovation to improve work processes 	<ul style="list-style-type: none"> Organizing projects to improve the quality of life of communities and vulnerable groups Supporting employment and building businesses in communities Conducting projects to develop knowledge of communities and societies, especially in innovation and technology 	<ul style="list-style-type: none"> Employment within communities Strong societies and communities Environmental protection and preservation
<p>Suppliers</p>	<p>Suppliers associated with the procurement of essential products, services and resources that contribute to Charoen Pokphand Group's efficient operations and rapid response to customer needs.</p>	<ul style="list-style-type: none"> Supplier capacity enhancement for efficient and systematic business operations Protection of human rights and reduction of environmental impacts Fair business operations 	<ul style="list-style-type: none"> Formulating strategy for responsible supply chain management Communicating and auditing suppliers, announcing the implementation of the Supplier Code of Conduct to enable equal and fair treatment of all suppliers 	<ul style="list-style-type: none"> Supplier knowledge and capability development Competitiveness in global market Security of global food system Environmental protection and preservation
<p>Creditors</p>	<p>Creditors supports Charoen Pokphand Group to conduct our operations seamlessly; therefore, it is crucial to strictly abide by the conditions stipulated in the loan agreement.</p>	<ul style="list-style-type: none"> Good corporate governance Transparent and effective performance disclosure Reinforcement of business competitiveness Giving back to society 	<ul style="list-style-type: none"> Conducting business in accordance with the laws and good governance principles Strictly complying with creditors' terms and conditions Collaborating with relevant agencies to improve operational efficiency and societies 	<ul style="list-style-type: none"> Financial and economic stability of the country Ethical business operations Long-term partnership
<p>Employees and Families</p>	<p>Employees and families are the main driving forces that lead Charoen Pokphand Group towards our goals, thus a positive working environment is created.</p>	<ul style="list-style-type: none"> Capacity development and career advancement support Implementation of human rights principles Workplace environment, occupational health and safety Operational agility 	<ul style="list-style-type: none"> Continuously developing employee capacity Establishing and enforcing human rights guidelines Announcing the implementation of the Safety, Occupational Health and Environment Management Standards 	<ul style="list-style-type: none"> Stability in career field Knowledge and skills for growth Safety and equality

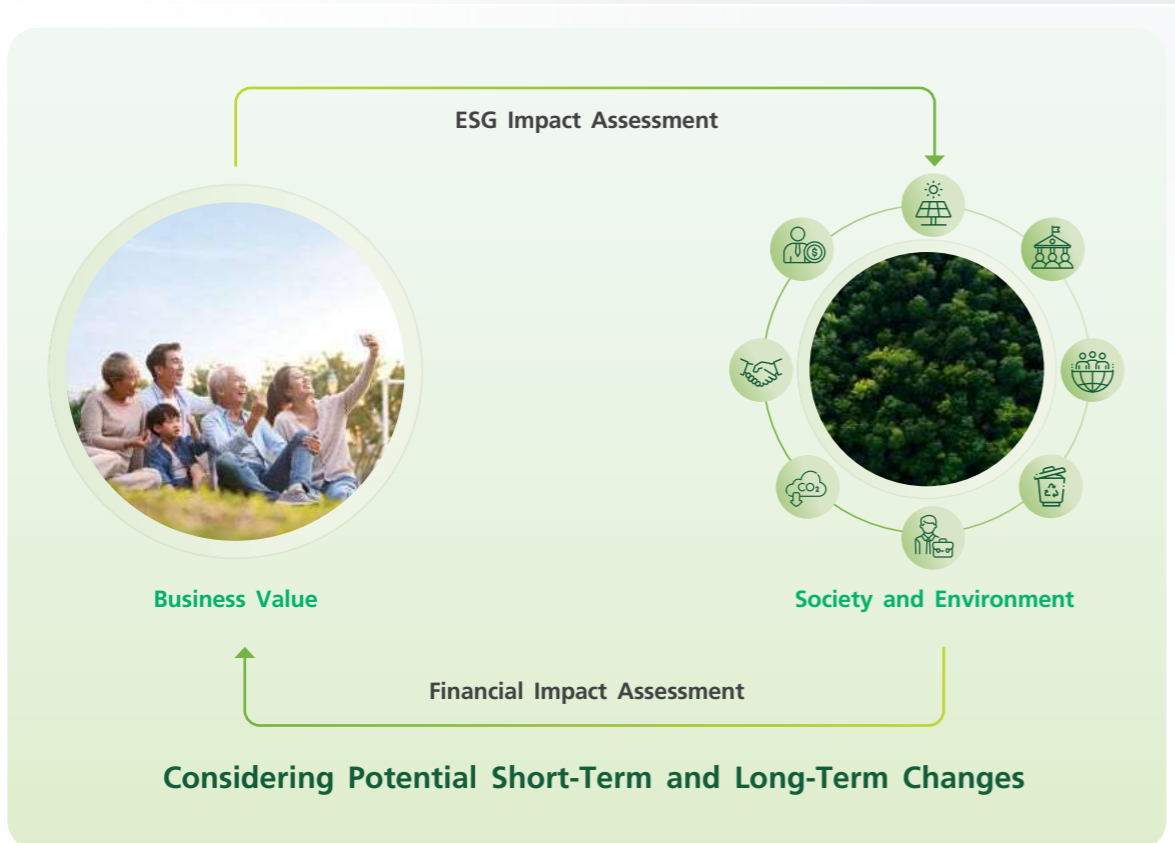
	Importance of Engagement	Issues of Interest	Response Actions	Values for Stakeholders
<p>NGOs</p>	<p>NGOs influence public opinion and policymaking. Engagement is thus important to understand society's concerns.</p>	<ul style="list-style-type: none"> Impacts from business operations on societies, communities and environment Promotion of social well-being Full and transparent information disclosure to the public 	<ul style="list-style-type: none"> Welcoming opinions and jointly discussing impact prevention measures Regularly and transparently communicating and disclosing useful information to related parties 	<ul style="list-style-type: none"> Long-term partnership for social and environmental development Ethical business operations
<p>Governments</p>	<p>Effective engagement with the government is essential for ensuring compliance and efficient risk management.</p>	<ul style="list-style-type: none"> Compliance with relevant laws and regulations Being a model of socially and environmentally responsible business operations 	<ul style="list-style-type: none"> Monitoring and strictly obeying relevant laws and regulations Collaborating and supporting the development of projects that create benefit for the country and communities 	<ul style="list-style-type: none"> Financial and economic stability of the country Development of the country's infrastructure Ethical business operations
<p>Competitors</p>	<p>Tracking and understanding competitor's strategies, strengths and weaknesses is essential for maintaining a competitive advantage in the market.</p>	<ul style="list-style-type: none"> Compliance with competition ethics, laws and trade regulations Giving back to society 	<ul style="list-style-type: none"> Following rules/ethics of good competition No action is taken to obtain trade secrets from competitors Not damaging competitor's reputation through slander without truth 	<ul style="list-style-type: none"> Initiation of production and product innovations Maintaining quality of products and services Partnership for social and environmental development
<p>Media</p>	<p>The media influences opinions about Charoen Pokphand Group's products, services and activities. The Group therefore engages with the media strategically and transparently.</p>	<ul style="list-style-type: none"> Corporate governance Full and transparent disclosure of information Social, community and environmental impacts from operations 	<ul style="list-style-type: none"> Developing good relations with the media Providing useful information based on facts and keeping up to date with circumstances 	<ul style="list-style-type: none"> Ethical business operations Transparent and rapid disclosure of information
<p>Shareholders / Investors</p>	<p>Shareholder/investor's investment promotes efficient business operations. Charoen Pokphand Group focuses on transparent engagement with shareholders and investors.</p>	<ul style="list-style-type: none"> Corporate governance Risk management Full and transparent disclosure of information Enhancement of business competitiveness 	<ul style="list-style-type: none"> Conducting business according to good governance principles and company regulations Announcing the implementation of Risk Management Policy and Guidelines Disclosing performance with transparency 	<ul style="list-style-type: none"> Financial and economic stability of the country Ethical business operations
<p>Customers and Consumers</p>	<p>Charoen Pokphand Group aims to create new products and services that cater to the needs of customers and consumers as well as strengthen customer trust.</p>	<ul style="list-style-type: none"> Development of products and services for consumer health Product traceability Reduction of redundancy in purchasing system Personal data security 	<ul style="list-style-type: none"> Developing products that promote good health and well-being for consumers of each age group Developing a traceability system Developing a convenient and connected online purchasing system 	<ul style="list-style-type: none"> Initiation of production and product innovations Maintaining quality of products and services Sustainable procurement system

Materiality Assessment

Charoen Pokphand Group implements an integrated process for identifying material sustainability issues that incorporate an inside-out perspective. The process takes into account the impacts and risks from the Group’s operations that produce external impacts on stakeholders. Meanwhile, the process also considers external influences on the operations of the Group or an outside-in perspective. This is called Double Materiality. At the same time, the Group also contemplates changes and the financial impact level of each sustainability issue that may occur over time. This process is called Dynamic Materiality.

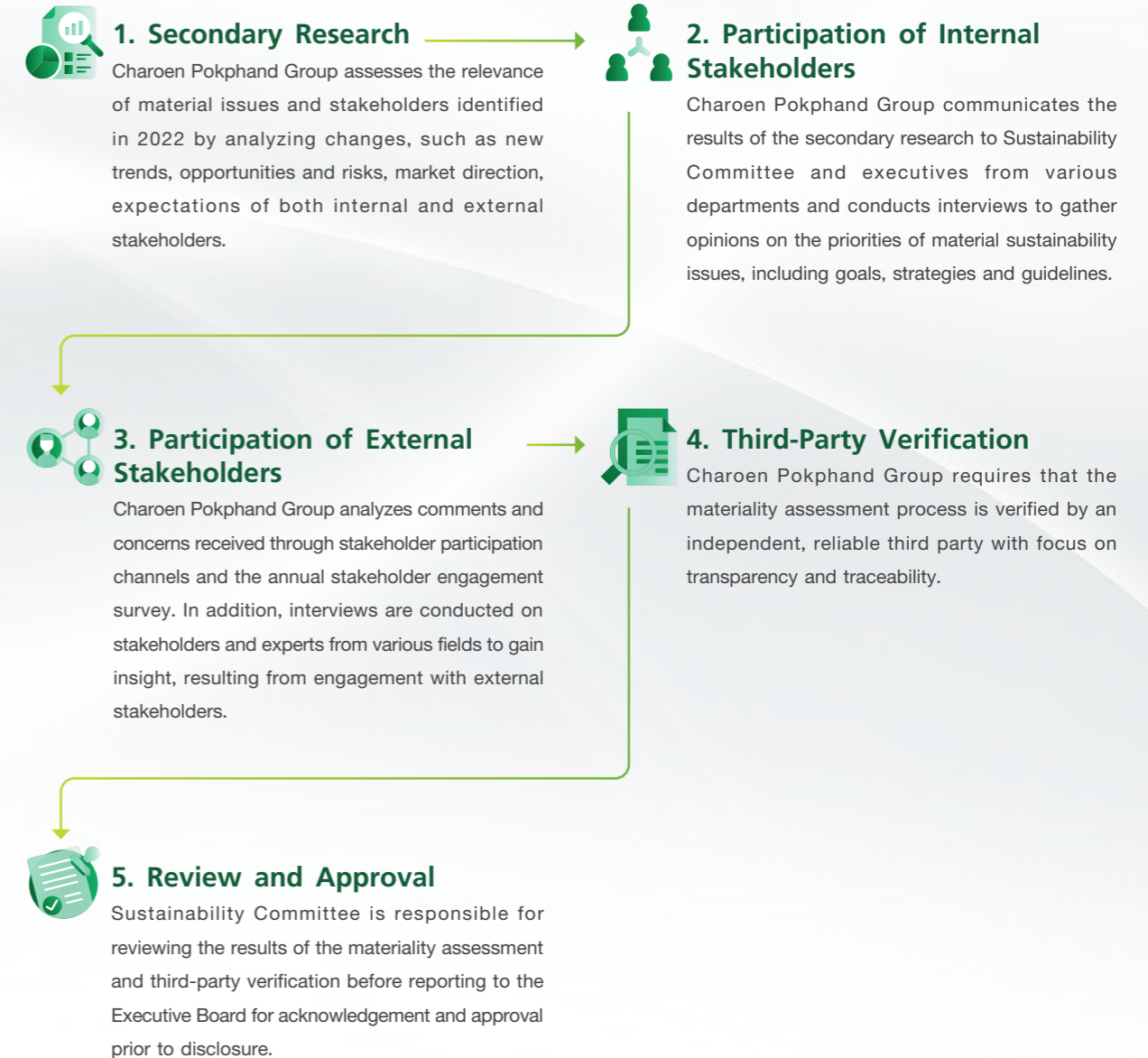
Charoen Pokphand Group identifies material sustainability issues related to the Group and stakeholders based on the AA1000 Stakeholder Engagement Standards every three years and reviews the prioritization of issues on an annual basis in order to deliberate on their consistency with trends and stakeholder expectations. Strategies and operational guidelines are adjusted to adopt to changes that have occurred. The assessment results are submitted to the Sustainability Committee, then reported to the Executive Board and the Board of Directors.

Double and Dynamic Materiality Assessment



Reviewing Material Sustainability Issues in 2023

In 2023, Charoen Pokphand Group conducted a review of the prioritization and consistency of material sustainability issues based on the following five key steps:



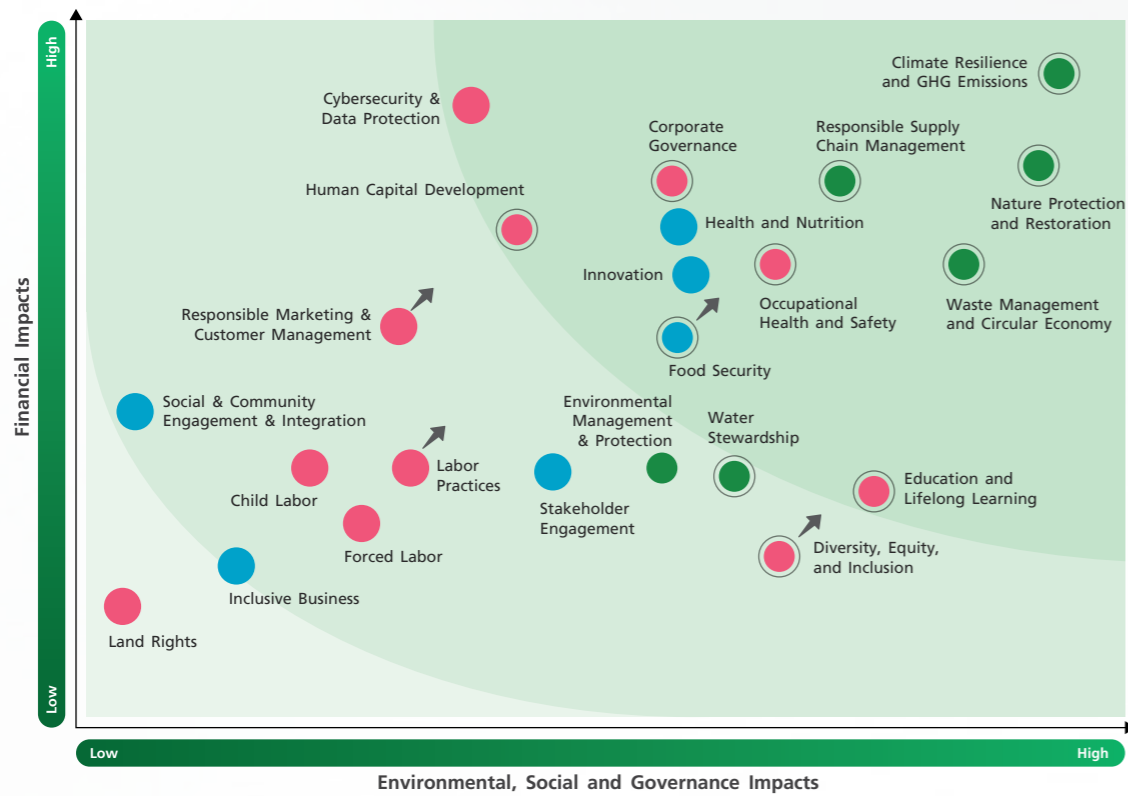
Results of Materiality Review 2023

Based on the Materiality Review for 2023, the material issues identified in 2022 remained the same; however, certain issues have been re-prioritized, such as responsible supply chain management which has been moved up due to significant external impact on the Group, especially suppliers' non-compliance with laws and regulations. Meanwhile, stakeholders are also shifting their focus to the acquisition of raw materials to produce goods and services. Meanwhile,

the issue of environmental management and protection has been downgraded due to Group's stringent policies and continuous operations.

In addition, the Materiality Review 2023 and its results have been audited by a reliable, independent third party. Details and assurance statements can be found on page 272-273.

Prioritization of Significant Material Issues for C.P. Group and Stakeholders



- HEART: Living Right
- HEALTH: Living Well
- HOME: Living Together
- C.P. Group Material Issues
- ↗ Emerging Topics

Material Issues	Impacts on Economy, Society, Environment and Human Rights	Impact Type
 Climate Resilience and GHG Emissions	Climate change directly impacts the Group's operations and stakeholders. Adhering to sustainable practices not only improves environmental, social and governance performance, but also protects human rights by supporting access to resources.	Realized negative impact -
 Nature Protection and Restoration	Healthy ecosystems and biodiversity are essential for maintaining the abundance of natural resources. They also promote communities' access to clean water, fertile land and other necessary resources for well-being.	Realized negative impact -
 Responsible Supply Chain Management	Sustainable sourcing reduces environmental impacts, such as deforestation and pollution, and promotes fair labor practices and human rights protection across the supply network.	Realized positive impact +
 Waste Management and Circular Economy	Adopting effective waste management practices helps to reduce environmental pollution and conserve resources. Additionally, the implementation of the circular economy model promotes sustainable use of resources, support the local economy and promote innovation.	Realized positive impact +
 Corporate Governance	A strong governance framework ensures transparency, responsibility and ethical decision-making which are necessary for environmental risk management, promotion of social responsibility and maintenance of high business operation standards.	Realized positive impact +
 Occupational Health and Safety	Occupational health and safety directly impacts the well-being of employees and stakeholders in communities. Occupational health measures help to ensure a safe and healthy work environment, reduce workplace accidents, injuries and illnesses.	Realized negative impact -
 Education and Lifelong Learning	The Group encourages children and youth to have access to skills and knowledge necessary for life and a stable career. This also helps to reduce social inequality.	Realized positive impact +
 Food Security	Ensuring food sufficiency and security involves sustainable agricultural practices and efficient supply chains. It also supports human rights by providing access to nutritious and affordable food.	Potential negative impact -

More information available in

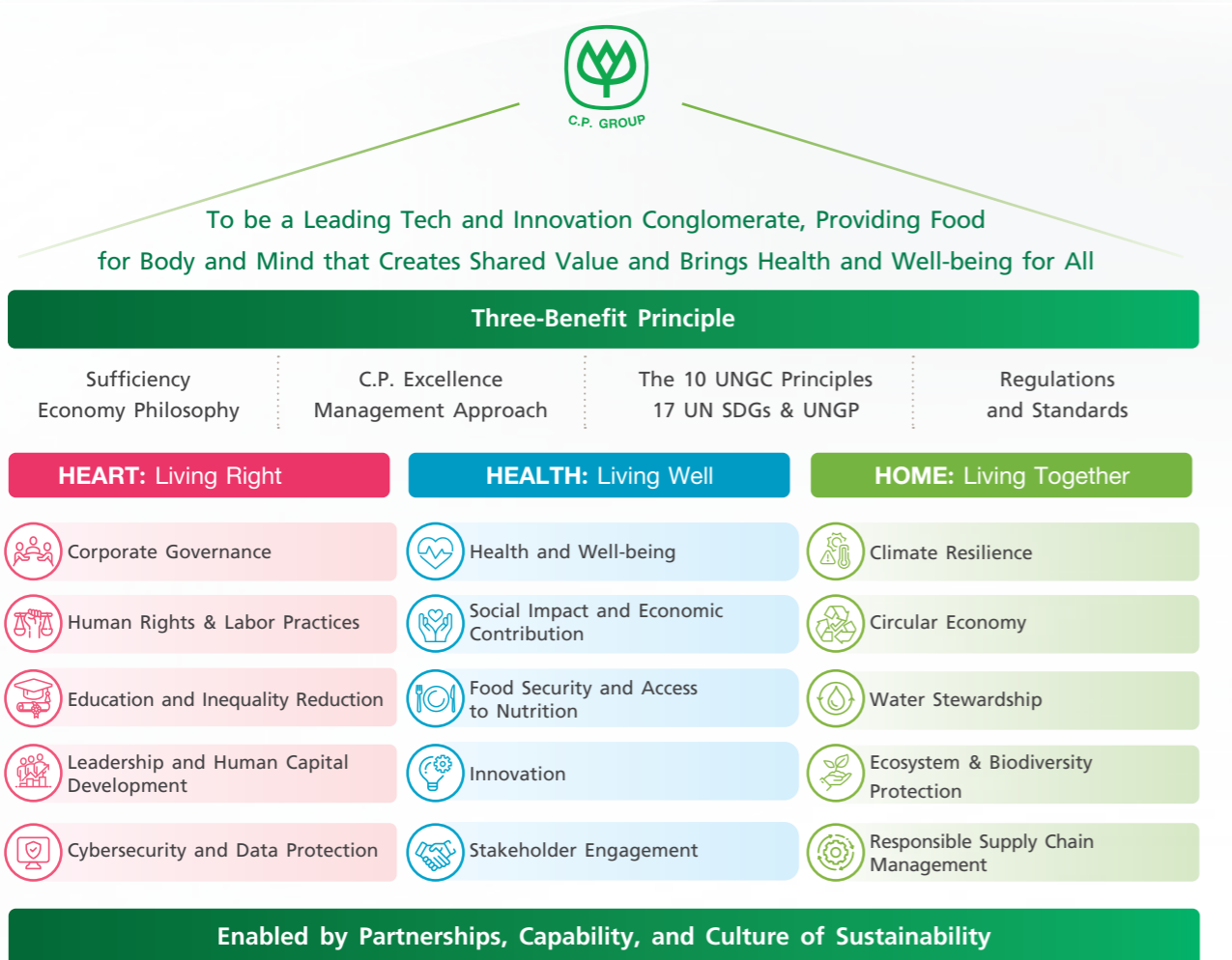


[Double & Dynamic Materiality Assessment Report 2023](#)

Sustainability Strategy and Goals

Charoen Pokphand Group has set sustainability strategies and goals towards 2030 that cover all three dimensions of sustainability, namely economy, society and environment. They serve as the operational guidelines of the Group and our subsidiaries which have been implemented to contribute beneficial results to both the organization and our stakeholders. The strategy and goals are reviewed annually. In 2023, they were verified by an independent external auditor.

For 2023, the 15 sustainability goals have been retained, three of which have been adopted as strategies and main goals, namely net-zero emissions, zero waste and education and social inequality reduction. The emphasis on these three issues appropriately responds to the concerns and interests of stakeholders while reducing risks to the Group's business operations.



Key Approaches



Net Zero Organization



Over the past several years, the issues of climate change adaptation and greenhouse gas reduction have caught the attention of the global community and stakeholders. Likewise, Charoen Pokphand Group places importance on this issue as we are well aware that the Group's operations along the value chain emit a large amount of greenhouse gas. Therefore, in order to reduce impacts and create stability, the Group has set the goal to achieve carbon neutrality by 2030 and to become a net zero organization by 2050. The Group plans to implement environmentally friendly technology and clean energy within the organization as well as collaborate with stakeholders, especially suppliers, to calculate the amount of greenhouse gas emissions and adopt suitable technology for reducing greenhouse gas emissions.



Zero Waste Organization



Charoen Pokphand Group acknowledges that a large quantity of waste occurs from production, transportation and consumption processes. Not only do they impact terrestrial and marine environment, but they also affect people's health. For this reason, the Group has committed to become a zero-waste organization by 2030. One of the strategies the Group relies on to achieve this goal is to operate according to the principles of circular economy which focuses on resource efficiency. In addition, the Group also promotes systematic plastic management, aiming to eliminate problematic or unnecessary packaging in the organization and reducing single-use plastic packaging through collaborative projects with various sectors.

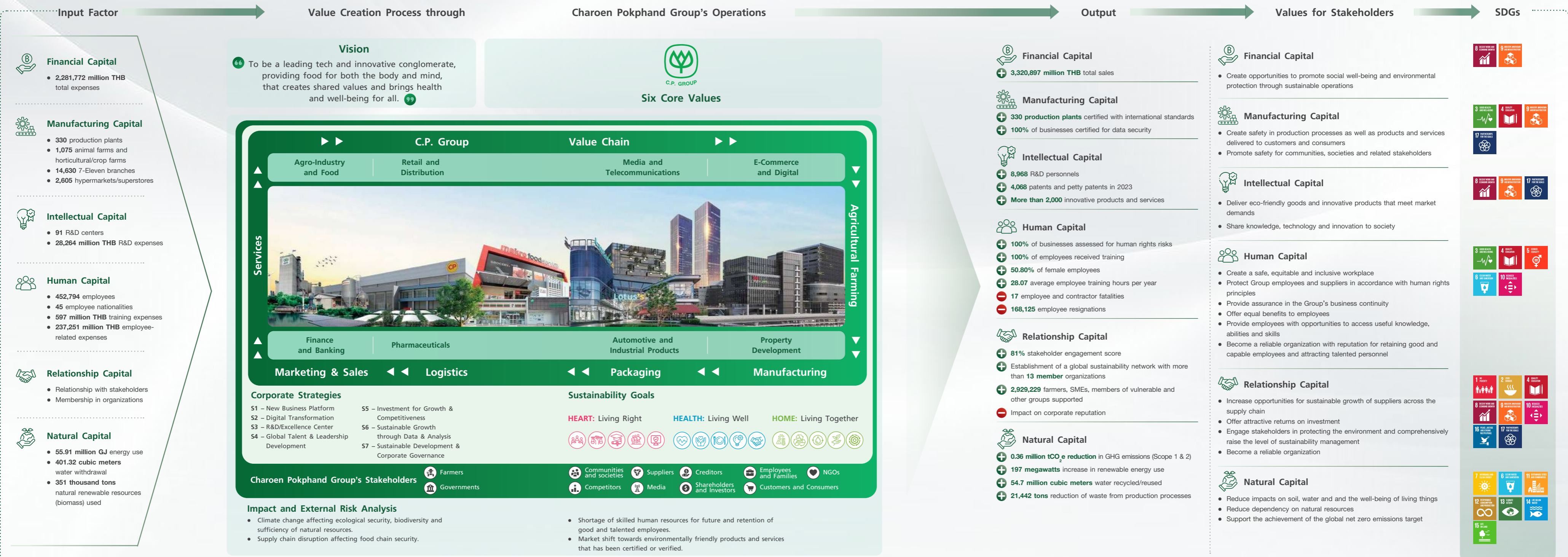


Organization that Reduces Social Inequality



The outbreak of COVID-19 combined with current situations and risks, such as economic recession, international conflicts, climate change and labor market demands have further aggravated the problem of social inequality. Charoen Pokphand Group is therefore committed to playing a part in reducing inequality. The Group implements strategies and operational goals in many areas through two key strategies. The first strategy involves leveraging IT to promote access to quality education for youth and underprivileged people nationwide and collaborating with partners from various sectors to expand the scope of operations. Under the second strategy, the Group aims to continually develop new knowledge and skills for our employees and suppliers so that all parties can operate with full efficiency and have opportunity for growth in an era where technology and digitalization are rapidly changing.

Value Creation Process



Supporting the UN SDGs

Over the past decade, sustainability has taken a leading role in the operations of governments and the private sector. Sustainability has become a strategic imperative that drives management and business operations towards a more responsible and equal future. It is not only the government and private sectors who are attaching importance to sustainability issues, but the public are also focusing their attention on them. Nowadays, the demand for sustainability-conscious products and services is on the rise, a trend that is like to persist. Therefore, adopting a globally recognized sustainability framework, such as the Sustainable Development Goals (SDGs), will help organizations to comprehensively analyze risks, opportunities and impacts related to business operations.

Charoen Pokphand Group continues to render our support to the achievement of the SDGs every year. The Group reviews SDGs priorities related to our business operations and stakeholders to provide assurance that the Group's operations will focus on activities with maximum impact. In the review process, the Group has taken into account operational directions, corporate strategies, sustainability strategies, Group activities along the value chain and stakeholder opinions.

Based on the review of the Sustainable Development Goals (SDGs) prioritization in 2023, all eight SDG goals remain strategically important to Charoen Pokphand Group. The Group's performance in climate change and circular economy, which support SDG 12 and SDG 13, is lagging significantly behind the Group's annual targets. Accordingly, the Group has reviewed our operational guidelines to enable the achievement of goals and effectively support the SDGs.

More information available in



[Sustainable Development Goals Report 2023](#)

SUSTAINABLE DEVELOPMENT GOALS	CPG Activities, Strategy and Goals			Prioritization	Related Content
	CPG Value Chain	Corporate Strategy	CPG Sustainability Goals		
SDG 1: No Poverty	■ ■ ■	■ ■ ■	■ ■ ■	●	• Social Impact and Economic Contribution
SDG 2: Zero Hunger	■ ■ ■	■ ■ ■	■ ■ ■	●	• Food Security and Access to Nutrition • Health and Well-being
SDG 3: Good Health and Well-being	■ ■ ■	■ ■ ■	■ ■ ■	●	• Food Security and Access to Nutrition
SDG 4: Quality Education	■ ■ ■	■ ■ ■	■ ■ ■	●	• Education and Inequality Reduction • Leadership Human Capital Development
SDG 5: Gender Equality	■ ■ ■	■ ■ ■	■ ■ ■	●	• Human Rights and Labor Practices
SDG 6: Clean Water and Sanitation	■ ■ ■	■ ■ ■	■ ■ ■	●	• Water Stewardship
SDG 7: Affordable and Clean Energy	■ ■ ■	■ ■ ■	■ ■ ■	●	• Climate Resilience
SDG 8: Decent Work and Economic Growth	■ ■ ■	■ ■ ■	■ ■ ■	●	• Human Rights and Labor Practices • Social Impact Economic Contribution
SDG 9: Industry, Innovation and Infrastructure	■ ■ ■	■ ■ ■	■ ■ ■	●	• Innovation
SDG 10: Reduced Inequality	■ ■ ■	■ ■ ■	■ ■ ■	●	• Human Rights and Labor Practices
SDG 11: Sustainable Cities and Communities	■ ■ ■	■ ■ ■	■ ■ ■	●	• Climate Resilience
SDG 12: Responsible Consumption and Production	■ ■ ■	■ ■ ■	■ ■ ■	●	• Climate Resilience • Circular Economy • Responsible Supply Chain Management
SDG 13: Climate Action	■ ■ ■	■ ■ ■	■ ■ ■	●	• Climate Resilience
SDG 14: Life below Water	■ ■ ■	■ ■ ■	■ ■ ■	●	• Ecosystem and Biodiversity Protection
SDG 15: Life on Land	■ ■ ■	■ ■ ■	■ ■ ■	●	• Ecosystem and Biodiversity Protection
SDG 16: Peace, Justice and Strong Institutions	■ ■ ■	■ ■ ■	■ ■ ■	●	• Corporate Governance
SDG 17: Partnership for the Goals	■ ■ ■	■ ■ ■	■ ■ ■	●	• Stakeholder Engagement • Cybersecurity Data Protection

Connection: ■ ■ ■ Medium ■ ■ ■ High ■ ■ ■ Very High ● Strategically Important Goals ● Important Goals

Strategically Important Goals

3 GOOD HEALTH AND WELL-BEING

The Group aims to upgrade health and hygiene levels with focus on food research and development as well as essential medical supplies

More than 400,000 persons have access to "MORDEE" platform

4 QUALITY EDUCATION

The Group focuses on expanding borderless communication networks along with developing knowledge and skills needed for the future world to enable equal growth for all

48,361,902 persons Children, youth and adults supported with access to education and necessary skill development

8 DECENT WORK AND ECONOMIC GROWTH

The Group performs human rights risk assessment across the Group and plans to expand its coverage to the entire supply chain

0 case Complaints about illegal employment within the Group and supply chain

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

The Group provides opportunities for suppliers and partners to participate in developing eco-friendly products that reduce natural resources consumption

94.49% Percentage of packaging that are reusable, recyclable and compostable

13 CLIMATE ACTION

The Group targets to achieve net-zero emissions by 2050. Relevant action plans include alternative energy transition, renewable energy in the organization, and reduction of GHG emissions in the value chain

0.36 million tons Carbon dioxide equivalent to reduced GHG in 2023

14 LIFE BELOW WATER

The Group collaborates with partners from the public, private and community sectors on marine resources conservation

17 provinces Coastal provinces in Thailand with marine resources conservation projects

15 LIFE ON LAND

The Group has announced the Zero Biodiversity Impact Target and has been accelerating the rehabilitation process and protection of forest resources through partnerships

11.29 million trees planted worldwide

17 PARTNERSHIPS FOR THE GOALS

The Group places great importance on becoming a member of national and international sustainability networks in order to advance towards a sustainable and better future for all

13 organizations Organizations on sustainability with which the Group has affiliation and continued operation

Cooperation for Sustainable Development

Charoen Pokphand Group recognizes that cooperation from all sectors is integral to the achievement of international goals related to environmental protection and the enhancement of the quality of life of societies. For this reason, the Group has joined partnership or membership in as well as rendered our full support to a number of national and international organizations to create sustainable results and benefits for all. In addition, in order to ensure transparency in our collaboration with external organizations, the Group takes into consideration operational goals, guidelines and past performance of said organization. Then, the corresponding department informs the executives in the respective line of work. In the case

of sustainability-related organizations, the Sustainability, Good Governance, and Corporate Communication Operating Committee will engage in considering the membership or support. In addition, the Group also requires regular monitoring on said organization's performance. If operations are deemed to not be transparent or consistent with the Group's objectives or do not meet established goals, the Group will review the membership situation or further support for the organization. In 2023, the Group did not find any violations or discrepancies in organizations in which the Group is a member or provides support.



World Economic Forum (WEF)



Main Objective

WEF is an international organization for cooperation focusing on collaborating with member organizations, whether governments, businesses, educational institutions and civil societies, to resolve critical challenges facing the world. In the past year, WEF's work focused on tackling climate change, social inequality and technological progress.

Charoen Pokphand Group's Collaborative Approach

Charoen Pokphand Group participates continuously in WEF seminars and attends the annual WEF conference to contribute insights and build network with global leaders. The Group has exchanged knowledge and expertise in various fields such as sustainable agriculture, renewable energy and digital technology development.



The World Business Council for Sustainable Development (WBCSD)



Main Objective

WBCSD is committed to promoting sustainability in the business sector, whether in terms of encouraging cooperation between stakeholders, promoting responsible business operations and adjusting activities in line with the United Nations Sustainable Development Goals (SDGs). It emphasizes on social inequality reduction and environmental protection.



Charoen Pokphand Group's Collaborative Approach

Charoen Pokphand Group has shared knowledge with member organizations at the WBCSD Annual Meeting and forms part of the Business Commission to Tackle Inequality (BCTI) and the Food Reform for Sustainability and Health (FReSH) to alleviate food shortages occurring in many countries worldwide.



UN Global Compact (UNGC)



Main Objective

UNGC aims to promote sustainable development and responsible business practices around the world by mobilizing businesses to align with the Sustainable Development Goals (SDGs), encouraging ethical practices in human rights, labor standards, environment and anti-corruption measures.



Charoen Pokphand Group's Collaborative Approach

In addition to becoming a member and strictly adhering to the Ten Principles of UNGC, Charoen Pokphand Group is also one of the founding members of the Global Compact Network Thailand (GCNT) to extensively promote the UNGC's principles. In 2023, the Group focused on working with UNGC to enhance the basic education system for Thailand's youth.

More information available in



[Contributions to Various Sectors](#)



Main Objective

Connex ED is a collaborative project between the public, private and people sectors to drive the country's education system towards international standards and jointly build the basis for sustainable national development.



Charoen Pokphand Group's Collaborative Approach

Charoen Pokphand Group joins in sustainably driving and raising the standard of basic education and leadership development, increasing competitiveness and reducing inequality in societies through education, which is the basis of national development.



The Thai Chamber of Commerce



Main Objectives

To be a principal institution in commerce and services of the country, utilizing information, knowledge, networks, and strong cooperation to enhance competitiveness and drive Thailand's sustainable growth in the global market. One of the objectives of the organization is to protect the climate and limit the increase in global temperatures according to international standards.



Charoen Pokphand Group Collaborative Approach

Charoen Pokphand Group collaborates with the private sector in 30 strategic committees, including the Strategic Committee for Sustainability in areas of ESG, energy, circular economy, and environment, to drive sustainable economic growth for the country.

Membership in Climate Change Prevention Organizations

Charoen Pokphand Group has set the goal to become carbon neutral by 2030 and aims to achieve Net Zero by 2050. Such is consistent with the Science-based targets and the Paris Agreement. In addition, the Group is aware that the achievement of these targets can be challenging and requires cooperation from all parties in order to jointly accomplish the

goals. For this reason, the Group has cooperated with and supported external partners who hold the same goals and guidelines for preventing climate change. Moreover, Charoen Pokphand Group has defined roles and responsibilities for participating or providing support as follows:

Level	Roles and Duties
Director/CEO	<ul style="list-style-type: none"> Representing the Group in supporting the organization's operations to drive climate change prevention Proposing guidelines that promote the operations of the Group and the organization Being a representative in sharing knowledge and expertise in various platforms
Management	<ul style="list-style-type: none"> Participating in meetings with the organization and offering opinions regarding operations Proposing guidelines that promote the operations of the Group and the organization Being a representative in sharing knowledge and expertise in various platforms
Employee/Officer	<ul style="list-style-type: none"> Participating in meetings with the organization and offering opinions regarding operations Providing precise and accurate information to stakeholders to create broad participation



Thailand Institute of Packaging and Recycling Management for Sustainable Environment (TIPMSE)



Main Objective

TIPMSE focuses on promoting sustainable packaging and recycling practices in Thailand, support environmentally friendly packaging materials, improve the recycling system, educate stakeholders about sustainability, support innovation and collaborate with partners from various sectors to implement environmentally friendly policies and projects.



Charoen Pokphand Group's Collaborative Approach

Charoen Pokphand Group joins in creating cooperation between the government, private and public sectors to promote continuous separation of used packaging and recycled materials.



HEART

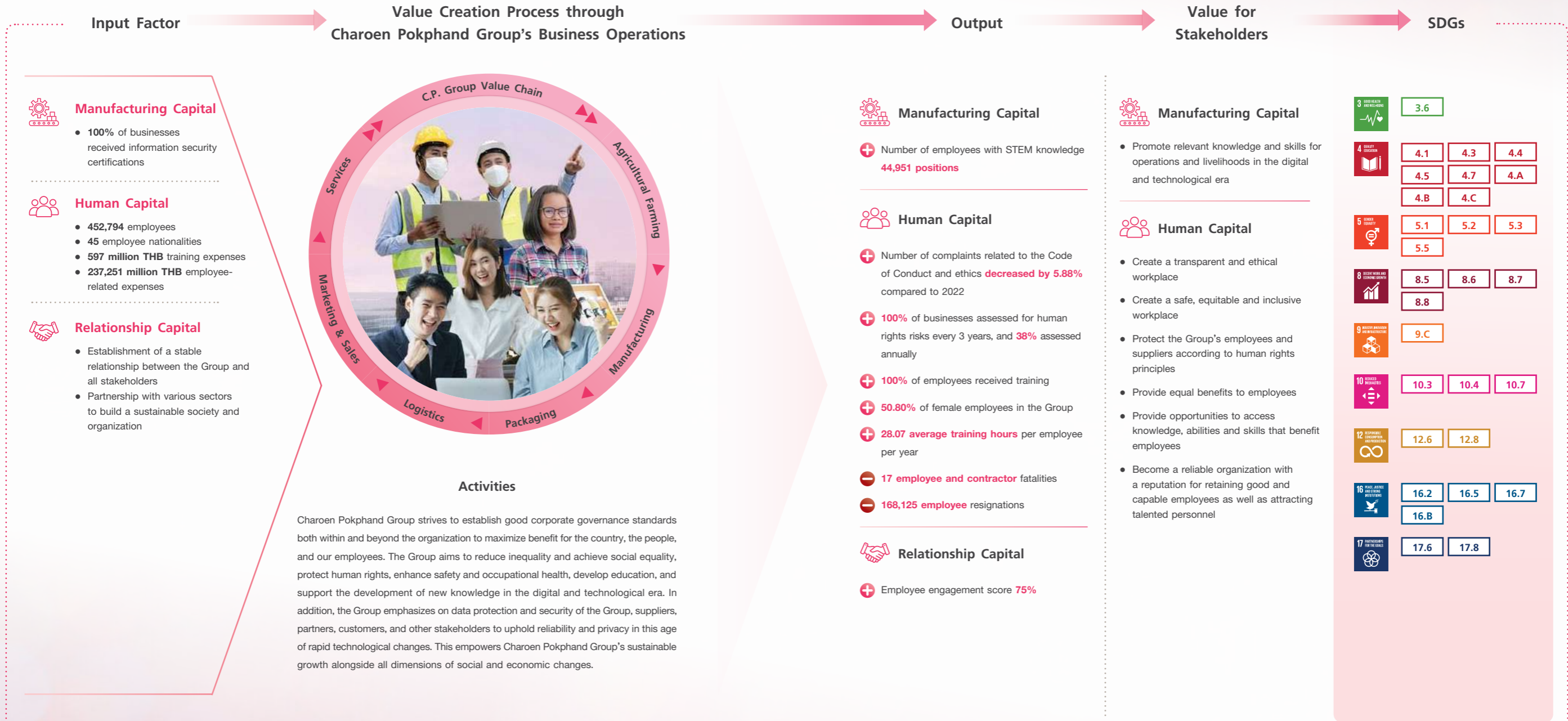
Living Right

Conducting business based on good corporate governance and embracing transparency in all activities contributes to the achievement of Charoen Pokphand Group's goal to become a sustainable organization. Therefore, the Group has assigned the Board of Directors and the Executive Board to continuously monitor performance and provide appropriate advice to support operational excellence. Besides overall governance, the Board emphasizes protecting human rights along the value chain, ensuring employees are equipped with complete knowledge and skills, and supporting education for youth to promote equality within the organization and society. The Group has also extended our operational guidelines to suppliers to align their operations with the Group's standards, enabling the delivery of products and services that meet market and customer demands and ensuring their sustainable growth alongside the Group. In addition to the aforementioned issues, the Group also gives priority to cybersecurity and data protection of both the organization and our customers to build trust and ensure the security of information.



Corporate Governance	64
Human Rights and Labor Practices	76
Education and Inequality Reduction	90
Leadership and Human Capital Development	100
Cybersecurity & Data Protection	112

Value Creation Process



Input Factor

Value Creation Process through Charoen Pokphand Group's Business Operations

Output

Value for Stakeholders

SDGs

Manufacturing Capital

- 100% of businesses received information security certifications

Human Capital

- 452,794 employees
- 45 employee nationalities
- 597 million THB training expenses
- 237,251 million THB employee-related expenses

Relationship Capital

- Establishment of a stable relationship between the Group and all stakeholders
- Partnership with various sectors to build a sustainable society and organization



Activities

Charoen Pokphand Group strives to establish good corporate governance standards both within and beyond the organization to maximize benefit for the country, the people, and our employees. The Group aims to reduce inequality and achieve social equality, protect human rights, enhance safety and occupational health, develop education, and support the development of new knowledge in the digital and technological era. In addition, the Group emphasizes on data protection and security of the Group, suppliers, partners, customers, and other stakeholders to uphold reliability and privacy in this age of rapid technological changes. This empowers Charoen Pokphand Group's sustainable growth alongside all dimensions of social and economic changes.

Manufacturing Capital

- + Number of employees with STEM knowledge **44,951 positions**

Human Capital

- + Number of complaints related to the Code of Conduct and ethics **decreased by 5.88%** compared to 2022
- + **100%** of businesses assessed for human rights risks every 3 years, and **38%** assessed annually
- + **100%** of employees received training
- + **50.80%** of female employees in the Group
- + **28.07 average training hours** per employee per year
- **17 employee and contractor fatalities**
- **168,125 employee resignations**

Relationship Capital

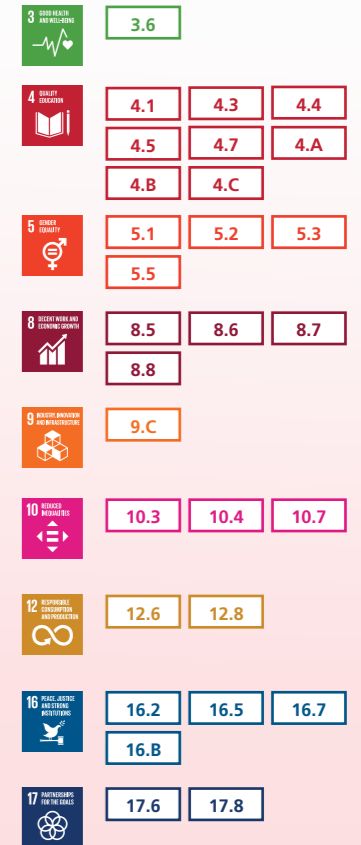
- + Employee engagement score **75%**

Manufacturing Capital

- Promote relevant knowledge and skills for operations and livelihoods in the digital and technological era

Human Capital

- Create a transparent and ethical workplace
- Create a safe, equitable and inclusive workplace
- Protect the Group's employees and suppliers according to human rights principles
- Provide equal benefits to employees
- Provide opportunities to access knowledge, abilities and skills that benefit employees
- Become a reliable organization with a reputation for retaining good and capable employees as well as attracting talented personnel





Corporate Governance

Conducting business in accordance with the principles of Good Corporate Governance is the fundamental cornerstone in building investor confidence and promoting a positive corporate image which lead to the sustainable achievement of business goals. The Group gives priority to transparency and the complete, accurate and timely disclosure of corporate news and updates. Thus, investors and all stakeholders are provided with easy and convenient access to information related to the Group’s business operations. Meanwhile, the Board, executives and employees demonstrate accountability and independence in their actions, with checks and balances in place to prevent the abuse of power. The Board is responsible for governing the company’s management in a transparent and efficient manner. Executives are in charge of managing businesses in accordance with established corporate governance policies and frameworks. Employees have the duty to ethically and responsibly perform their work. The Group ensures equal treatment and fairness for all groups of stakeholders, resulting in management efficiency. We also implement a strict internal audit system to avert risks and audit the organization’s performance.

Supporting the SDGs



12.6 Integrate sustainability information into the reporting cycle



16.5 Reduce corruption and bribery in all their forms
16.7 Ensure responsive decision-making
16.b Promote non-discrimination for sustainable development

➤ **More information available in**

- [Sustainable Development Goals Report 2023](#)
- [Sustainability Performance Report 2023](#)

Key Performance 2023

84%

Executive Board Performance Full Board Evaluation

86%

Executive Board Performance Individual Evaluation

100%

of employees passed the Code of Conduct training and test

Goals and Progress

All businesses receive corporate governance assessment



Future Workplans



Develop Group-level policies and guidelines covering all three dimensions of sustainability.



Enhance efficiency of digital platforms for corporate governance, risk management and compliance.

Corporate Governance

Charoen Pokphand Group recognizes that ethical and transparent corporate governance leads to the fair treatment of all stakeholders and the equal protection of human rights. It also increases confidence and promotes the Group’s positive image. Moreover, a strong corporate governance system also ensures the efficiency of business operations and compliance with applicable laws, regulations and policies. Therefore, the Group’s and our subsidiaries encourage all personnel to adhere to the Code of Conduct and the Corporate Governance Policy, Which been established according to business contexts and socio-economic changes. This enables both the Group and our subsidiaries to adapt to changing business environments and strengthen business competitiveness.



Fostering ethics and good governance is the groundwork for advancing the organization toward excellence and sustainability.

Mr. Suphachai Chearavanont
Chief Executive Officer,
Charoen Pokphand Group

Board of Directors

The Board of Directors comprises 11 directors, of which 10 are non-executive directors and one is executive director who holds the position of Chief Executive Officer (CEO). The positions of Chairman of the Board and CEO are separate; the Chairman of the Board is responsible for governance while the CEO implements strategies and policies, thus creating a system of checks and balances. All directors are diverse in terms of skills, knowledge, experience, expertise, age, gender, race, nationality and domicile. Such diversity is significant in defining the Group’s vision, missions, values, strategic directions, policies and goals.

Executive Board

Charoen Pokphand Group’s Executive Board consists of the Chief Executive Officer and top executives of each business group. The Executive Board is responsible for governing the alignment of the Group’s operational activities with established strategies, guidelines, policies and practices. The Executive Board is diverse in terms of skills, knowledge, expertise, age, gender, nationality, race, domicile and experience in various fields of work, enabling them to oversee the Group’s multifaceted operations with efficiency.

Knowledge and Skills of the Board of Directors and the Executive Board

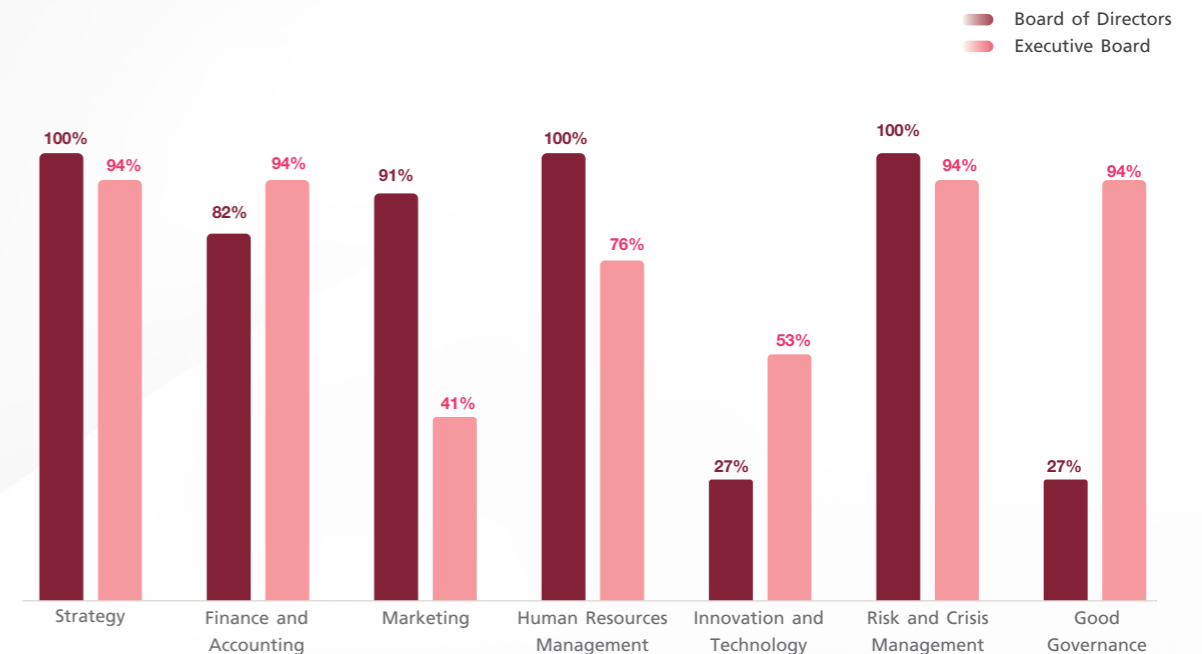
The Board of Directors and the Executive Board possess knowledge, expertise and skills that are related to the business operations of Charoen Pokphand Group as well as an understanding of changes relating to internal and external risk factors that may have significant impacts on the Group’s businesses.

relevant global and industrial trends, the Group encourages the directors to regularly participate in knowledge building activities, e.g., training, seminars, meetings to exchange work experience, organized by government regulatory agencies or independent organizations, such as the Thai Institute of Directors Association (IOD), as well as the Group’s internal activities.

In order to provide assurance to stakeholders that Charoen Pokphand Group is capable of handling new challenges and is equipped with a strategic plan that is in line with

➤ **More information available in**
[Corporate Governance](#)

Skill Matrix of the Board of Directors and the Executive Board in line with the Global Industry Classification Standard (GICS) for Industrial Conglomerates Industry



Enhancing Corporate Governance

Charoen Pokphand Group continuously strives to uplift corporate governance to meet international standards and ensure that a common standard is implemented across the Group. We place great importance on establishing an effective and accountable a governance structure and digitalizing governance processes. In 2023, the Group has taken the following actions to achieve tangible results:



The Group raises awareness among executives and employees as well as promotes ethical work behavior to build a corporate culture of ethics and compliance within all business groups. In addition, the Group also supports and promotes the capacity of our suppliers under the business ethics framework by integrating sustainability guidelines in terms of governance, society and environment into the supplier management process across the supply chain, leading to sustainable mutual business growth.

CASE STUDY

Train the Trainer: Group-level Policy and Guidelines

Charoen Pokphand Group organized training courses on four Group-level policies and guidelines, namely Anti-Fraud and Anti-Corruption, Gifts and Benefits, Whistleblowing, and Anti-Money Laundering and Counter-Terrorist Financing and Proliferation of Weapons of Mass Destruction Policy and Guidelines for representatives of subsidiaries under the Train the Trainer Program in Thailand and abroad. As a result, business group representatives gained an understanding of the policies and guidelines' contents and are able to transfer the knowledge to their company, thus leading to Group-wide implementation as well as an efficient internal control system to reinforce prevention and opposition to all forms of corruption.



316 business group representatives passed the training

- Relationship Capital
- Human Capital

CASE STUDY

CG Network Recognition Awards 2023



Charoen Pokphand Group's corporate governance is implemented in accordance with the sustainability goal strategy with cooperation from business group representatives, or **CG Network**, who have been appointed by the CEO of each business group. This has contributed to continuous progress in corporate governance according to goals and plans. In order to incentivize executives and employees to participate in driving good governance operations and strengthening the CG Network, the Group hosts the "CG Network Recognition Awards" on an annual basis.

The award presentation supports the implementation of a common corporate governance standard for business groups and allows the Group to regularly follow up on their corporate governance performance. It also enables knowledge and experience sharing among the CG Network, resulting in enhanced operational standards and employee awareness of ethical work performance.

68 business groups awarded, comprising 21 domestic business groups and 45 overseas and China-based business groups

- Relationship Capital
- Human Capital

CG Network 171 persons

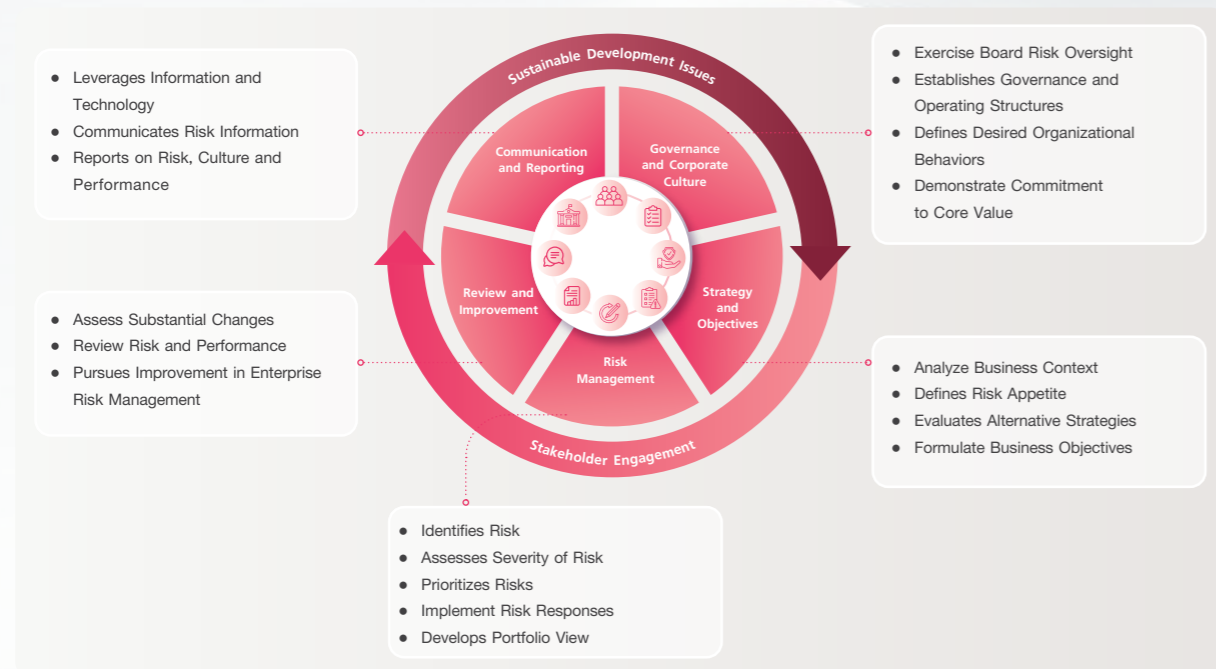
- Relationship Capital
- Human Capital

Enterprise Risk Management

Charoen Pokphand Group places importance on enterprise risk management because a comprehensive risk management process will help the Group achieve our corporate vision and sustainability targets efficiently. Charoen Pokphand Group has established the Enterprise Risk Management Office. The Chief Enterprise Risk Officer oversees and ensures that risk management operations are in accordance with international frameworks such as COSO. Additionally, the Corporate Governance, Risk and Audit Steering Committee monitors and oversees the Group's overall risk management in order to screen performance and provide recommendation to the management for improvement to yield higher efficiency. In addition, the Group has integrated the risk management process into all work processes and decisions to enable appropriate and timely operations, including the delivery of products and services that are safe for society and the environment.

In order to identify enterprise risk factors, the Enterprise Risk Management Office, executives, risk owners and regulatory agencies have jointly analyzed and identified risks which must be carried out annually. A quarterly review of severity and likelihood is also conducted by taking internal and external environment as well as economic, social, political, technology trends, market and regulation changes and relevant stakeholder views into consideration to comprehensively determine and assess risks while ensuring that the organization will be able to cope with any unexpected events. Charoen Pokphand Group has established the Risk Management Policy and Guidelines to strengthen effective risk management across the organization. The Group requires that the Risk Management Policy and Guidelines be reviewed at least once a year or when there are significant changes.

Risk Management Framework



Creating a Risk Management Culture

The Board of Directors, executives, employees and risk owners are responsible for assessing, monitoring and supporting effective risk management. Charoen Pokphand Group encourages a corporate culture through the establishment of risk management policy and risk appetite statement to raise

awareness and provide recommendation for defining guidelines to ensure that all activities under the designated work are in line with the risk appetite framework to achieve a corporate culture in risk management.

CASE STUDY



Training on Charoen Pokphand Group's Risk Management Framework and Enterprise Risk Assessment

In 2023, Charoen Pokphand Group organized risk management training programs for various departments to create awareness of risk management and understanding of roles and responsibilities in governing enterprise risk management. The training program includes Risk Control Efficiency, organized for executives and departments in charge of business group risk management with the objective to create understanding about risk control measures for executives and employees. The Enterprise Risk Management Assessment program was organized for executives and employees of business groups to enable

understanding about the Group's standard risk management guidelines, helping executives and employees to identify, assess and develop their own risk management plans. Meanwhile, the Risk Management Network/Champion allows relevant individuals to exchange knowledge on operating procedures from various perspectives. Seminars were also organized for executives and the heads of risk management business units.

Number of participants in 2023
827 persons

Relationship Capital

Human Capital

Compliance

Compliance Management

Charoen Pokphand Group has published the Corporate Compliance Policy in Thai, Chinese and English. The policy has been publicly announced to communicate our intentions regarding compliance and to set a common operational direction for employees worldwide and stakeholders. Relevant actions have been taken to comprehensively implement this policy. In addition, the Group has established the Compliance

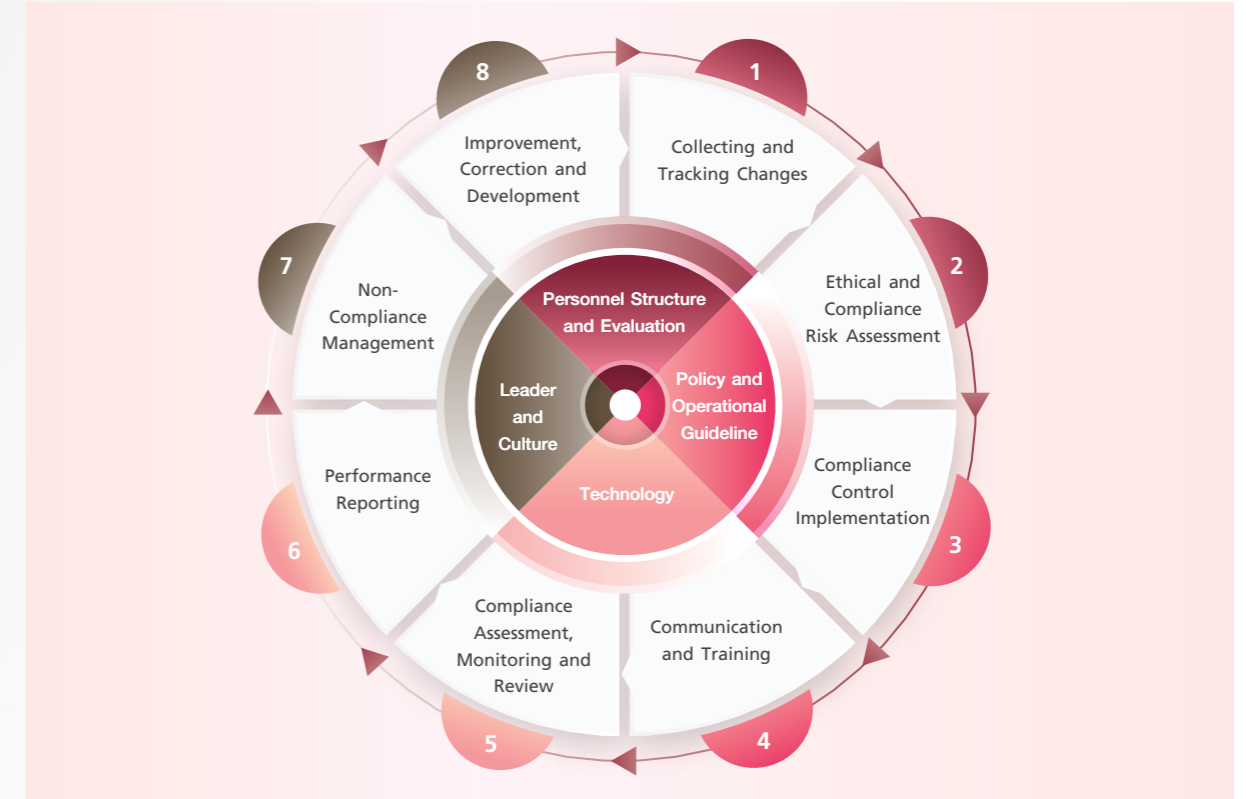
Governance Framework according to global guidelines and standards, including the development of an information system to monitor, report and evaluate compliance performance of subsidiaries. This system is linked to the Group's ethics and compliance risk management and compliance audit. It also supports governance and sustainable decision-making.

Compliance Structure

The Compliance Framework consists of four fundamental structures:

- 1. Tone from the Top and Corporate Culture:** Each procedure must start from the top management, e.g., defining policies and corporate values, emphasizing compliance at all levels of operations and creating a corporate culture that allows employees and stakeholders, including suppliers, and many more, to participate in and realize the importance of complying with rules in all processes in order to establish a corporate culture.
- 2. Defining Reporting Structure, Personnel and Indicators** as tools for governing compliance across the organization.
- 3. Defining Policies and Guidelines** for clarity and in writing so that they can be used as references.
- 4. Establishing IT System for Governance** to facilitate an efficient compliance process that is timely, accurate, reliable and secure according to the information confidentiality classification, and is implemented under a common standard across the Group. It supports sustainability governance and decision-making by effectively taking into account moderation, reasonableness, immunity, knowledge and morality at all levels, in line with the Group's values.

Based on the four main infrastructures, the Group has developed eight compliance governance sub-processes leading to concrete practices as follows:



In 2023, Charoen Pokphand Group focused on developing processes to govern compliance with international standards to ensure that the Group's compliance efforts are recognized and trusted by stakeholders at the global level, for example:

- Utilizing information from ethical and compliance risk assessments, non-compliance and whistleblowing reports as well as compliance survey results conducted on the Group's personnel to streamline control measures and develop training and communication programs, improve Compliance Maturity Self-Assessment criteria in order to upgrade compliance governance systems of business groups to meet international standards.
- Continuously develop IT systems, such as GRC platform and Regulatory and Compliance Management System, to boost efficiency and effectiveness in governance.





Grievance Process

Charoen Pokphand Group has launched six channels to receive grievances, namely post, e-mail, telephone, website, CPG Connect application and the Compliance Office. The whistleblower or complainant, including any affected

parties in the investigation process, shall be taken into consideration for compensation and remedy for damages based on appropriate and fair measures.

Number of Complaints Relating to Employee Misconduct and Management Measures in 2023

	2023			Management Measures			
	No. of Cases	Under Investigation	Completed	Verbal Warning	Written Warning	Suspension	Dismissal
Complaints Relating to Ethics and Morality (case)							
Fraud	2	-	2	-	-	1	1
Conflict of Interest	2	-	2	-	1	-	1
Non-compliance	5	-	5	5	-	-	-
Discrimination	3	-	3	3	-	-	-
Harassment	3	-	3	2	-	-	1
Corruption	1	-	1	-	1	-	-
Insider Trading	-	-	-	-	-	-	-
Anti-Competitive Behavior	-	-	-	-	-	-	-
Complaints Relating to Information Security (case)							
Violation of Customer Data	-	-	-	-	-	-	-
Total (case)	16	0	16	10	2	1	3

Remark: The number of complaints showed in the table are the numbers that received through Charoen Pokphand Group's website: <https://grc.cpgroupsustainability.com/GRC/whistleblower/WBforms/GlobalWB>

➤ **More information available in**

[Details on Violations of the Code of Conduct and Ethics](#)

Auditing for Transparency

Internal Audit

Charoen Pokphand Group is committed to good corporate governance, honesty, ethics and transparency. Therefore, in order to gain stakeholder confidence, the Group places importance on complying with policies and practices related to corporate governance towards a common direction. Therefore, in 2023, the Group re-audited our subsidiaries' compliance with the Code of Conduct, which was previously conducted in 2020. The Group is aware of the importance of anti-corruption as well as human rights and labor practices. Therefore, we have assessed the effectiveness of the implementation of the Anti-Fraud and Anti-Corruption Policy and Guidelines as well as the Human Rights Due Diligence (HRDD) in accordance with the Group's Human Rights Management and Labor Practices Guidelines by our subsidiaries who are not registered on the Stock Exchange of Thailand. The audit results are then reported to the Group's Corporate Governance, Risk and Audit Steering Committee to enable continuous improvement and compliance

with said rules among the Group's operation level as well as the management of third-parties in order to achieve concrete corporate governance that is ready to take on the rapidly changing challenges of today's world.

The key contents in compliance enhancement include:

1. Assessment and review of corruption risks covering foreign countries with Group operations and the Human Rights Impact Assessment (HRIA) according to the guidelines announced by the Group.
2. Communication of and training on related policies for outsiders to ensure an effective common guideline.
3. Control and monitoring of red flags with tendencies or likelihood leading to non-compliance.

Human Rights and Labor Practices

Human rights trends are evolving rapidly due to several driving factors, such as technological advancement and increasingly stringent regulations. As society becomes more interconnected, the need for companies to adhere to human rights standards in their business operations and supply chains also increases. Issues such as labor rights, workplace safety, diversity and inclusion have gained more attention from stakeholders. Furthermore, emerging trends, such as the digitalization of work processes, large economies and the increase of artificial intelligence, have posed challenges and opportunities for human rights protection. Charoen Pokphand Group has always placed priority on protecting the human rights of our stakeholders. The Group is well aware that adherence to human rights principles not only averts and minimizes impacts on rights holders throughout the value chain, but also prevents and reduces risks for the Group. Moreover, Charoen Pokphand Group considers the effort to extend the scope of human rights management to our suppliers no less important than the management of the internal operating scope. Such will lead to a society of respectful, ethical and sustainable coexistence.

Supporting the SDGs



3.6 Halve the number of deaths and injuries from road traffic accidents



5.1 End all forms of discrimination
5.2 Eliminate all forms of violence
5.3 Eliminate all harmful practices
5.5 Ensure women's full and effective participation



8.5 Achieve productive employment and equal pay
8.7 Eradicate forced labor and child labor
8.8 Promote safe and secure working environments



10.3 Ensure equal opportunities and reduce inequalities
10.4 Adopt social protection policies and achieve greater equality
10.7 Facilitate migration and mobility of people



16.2 End abuse, trafficking and all forms of violence against and torture of children

More information available in

[Sustainable Development Goals Report 2023](#)

[Sustainability Performance Report 2023](#)

Key Performance 2023

100%

C.P. Group's Business Units Assessed for Human Rights Risks

50.80%

Total Female Employees

Lost Time Injury of Employees and Contractors

Employees

Contractors

1.63

case/1,000,000 work hours

1.11

case/1,000,000 work hours

Goals and Progress

100% of businesses periodically conduct human rights impact assessment and tier 1 high-risk suppliers



Future Workplans



Enhance human rights governance in the value chain, especially in areas with rising trends of human rights risks, and develop ready-to-use tools for suppliers.



Establish cooperation in assessing human rights impacts of business groups and Group-level business units to facilitate understanding and build personnel capacity. Also, develop tangible operational guidelines and remedial measures.

Protecting Human Rights throughout the Value Chain

Compliance with International Standards



In 1948, the Universal Declaration of Human Rights was adopted by the United Nations to promote freedom and equality for all regardless of race, gender, color, religion or identity. Later in 2016, the United Nations Guiding Principles on Business and Human Rights (UNGPs) came into force. Charoen Pokphand Group has incorporated both principles into our human rights-related policies, strategies, goals and operational guidelines. Embracing these principles has enabled the Group's comprehensive management of human rights-related risks and opportunities as well as the formulation of effective support measures. Additionally, the Group has been publishing a Human Rights Report annually since 2021 to disclose and communicate performance to stakeholders.

More information available in



[Human Rights Report 2022](#)

Human Rights Management

In the past decade, human rights impacts have intensified in various regions across the globe. Many of these problems are caused by economic recession, insufficient resources to meet demands, and the uncertainty of climate change. As Charoen Pokphand Group operates in some areas with human rights risks, the Group has established the Human Rights Policy and Guidelines to provide assurance to stakeholders, including suppliers and business partners, that our operations throughout the value chain do not involve human rights violation. In addition, the Group also communicates and provides training to employees and suppliers to enable their understanding and the correct implementation of such policy. In this regard, the Human Rights Working Group has been appointed as the key body in driving compliance with relevant policies and plans. Its responsibility also includes following up on human rights risks related to the Group, all business groups and suppliers. The Working Group regularly reports progress and high-risk human rights issues to the Sustainability Committee.

More information on human rights-related policies is available in



[Human Rights and Labor Practices Policy and Guidelines](#)



[Discrimination and Harassment Prevention Policy](#)



[Diversity, Equity and Inclusion Policy](#)



[Foreign Workers Recruitment Policy and Guidelines](#)

Human Rights Due Diligence Process

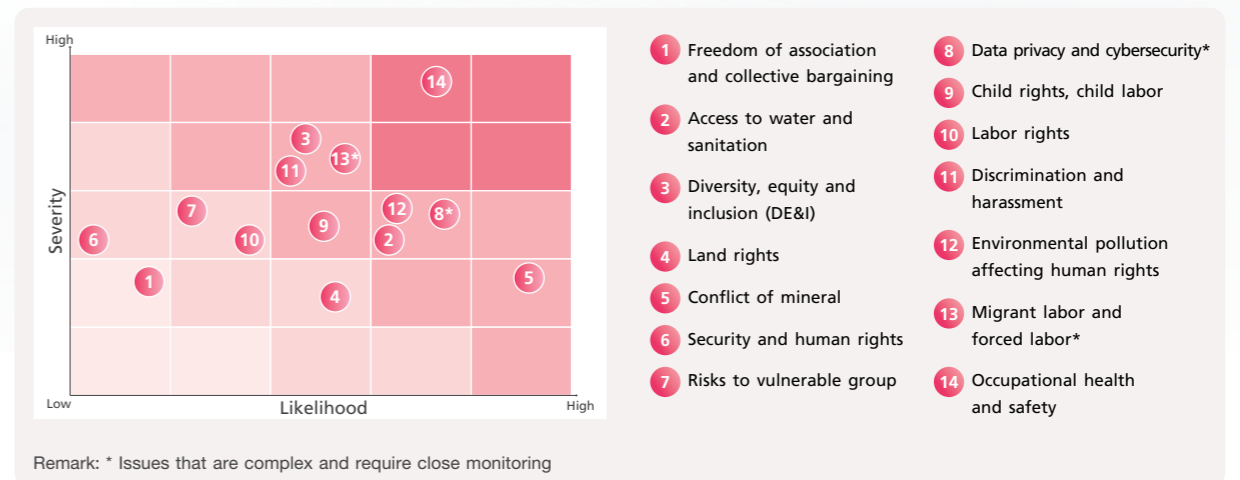
The human rights due diligence process is crucial to Charoen Pokphand Group. This process enables the identification, prevention, mitigation and management of any human rights impacts associated with the Group's operations, products, or services. Additionally, it increases transparency, accountability, and trust for stakeholders by integrating consideration of human rights issues into the decision-making process. Consequently, the Group is able to reinforce our reputation, reduce operational risks and create long-term value for all groups of stakeholders. The Group's key human rights issues in 2023 include:

- Occupational health and safety
- Forced labor and migrant labor
- Data privacy and cybersecurity
- Labor rights and discrimination
- Climate change and human rights

Human Rights Risk Review 2023

Charoen Pokphand Group conducts the human rights risk review on an annual basis. The 2023 review found changes in a number of issues that require close monitoring. These issues include forced labor and migrant labor which is likely to produce greater impacts, especially among the Group's contractors and suppliers in the consumer goods production sector requiring a large quantity of workers, as well as the issue of occupational health and safety among workers and contractors which

has yet to improve as serious accidents are still occurring. Meanwhile, intensifying climate-related problems are also impacting many areas of human rights, for example, water shortages affecting livelihoods, decreasing production, and leading to economic problems. In addition, the increasing number of online transactions is putting customers' sensitive personal information at risk.



At C.P. Group, we understand that there can be no sustainable growth if people are left behind. We want to build a society where there is mutual respect, human rights are protected, basic needs are met, and equal opportunities are available to all.

Dr. Netithorn Praditsarn
Executive Assistant to CEO, Senior Vice President, Global Partnership for Sustainability and Communications, Charoen Pokphand Group

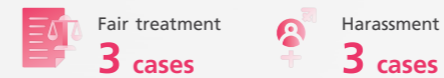
Key Measures on Human Rights Risk Management and Impact Mitigation

	Occupational Health and Safety	Forced Labor and Migrant Labor	Data Privacy and Cybersecurity	Labor Rights and Discrimination	Climate Change and Human Rights
Impacted Stakeholders	Employees, workers and contractors in 5 business units	Migrant labor in the value chains of 10 business units	Customers, employees and workers in 10 business units	Employees and workers in 10 business units	Communities and agricultural sector in 21 countries
Key Businesses	Communications and telecommunications business	Agro-industry and food business, retail business and property business	Retail business	All business groups	All business groups
Example of Incidents	Contractors falling from height, while working on transmission tower	Myanmar labors working for contractors must pay their wages to brokers in order to enter to work in Thailand	Detected signs of unusual usage, e.g. attempts to access customer personal data by external parties, etc.	Employees submitted complaints of harassment by colleagues using disrespectful language	Water shortage resulting from climate change
Correction Plan	Review Work Permit System and work procedures to ensure safety in areas with specific risks and improve SSOP safety procedures	Promote compliance with the Foreign Workers Recruitment Policy to recruitment agencies in the country of origin	Make revisions and improvement to reduce data sets that require storage for safety reasons and educate customers and employees about preventing breaches in transactions associated with the business unit	Communicate about such rights, including disciplinary measures and compensation in case of violation	11 environmental protection policies and measures
Mitigation Plan	Communicate compliance with Life Saving Rules to 470 areas and increase measures to enforce the use of PPE equipment for all concerned employees	Communicate and convey understanding about compliance with the Foreign Workers Recruitment Policy to 470 domestic areas and audit business units in the value chain covering 20 areas	Follow up and notify customers of any unusual transactions, support 470 areas and adopt ISO/IEC 27001:2022	Communicate the progress of complaints, e.g. progress, remediation	Awareness raising and compliance with environmental project campaign policies, such as Net Zero, etc.
Results	Decline in statistics on employees' serious accidents, but no significant changes in contractor statistics	Increase in number of agencies complying with ethical recruitment	Higher cyber threats monitoring, attacks can still be controlled	No significant changes in complaint statistics on such issues	Reduction of greenhouse gas emissions by 9.45% in 2023

Correction and Remedies in 2023

In 2023, Charoen Pokphand Group found three cases of fair treatment and three cases of harassment. Consequently, the perpetrators were punished by dismissal 1 case and other disciplinary measures 5 cases.

Violation to the requirement



Disciplinary measures



CASE STUDY

Human Rights Impact Assessment (HRIA)

In 2023, Charoen Pokphand Group joined efforts with each business group to organize a workshop to assess the status of human rights management as well as actual and potential impacts for business groups, comprising 81 business units from Thailand and oversea. Accordingly, a total of 150 companies in Thailand were assessed. The assessment was conducted in all areas in order to gather in-depth data on the business unit, leading to the discovery of issues that may affect suppliers' rights holders across the supply chain. Based on the assessment, the affected parties can be categorized into employees, workers, contractors, suppliers, communities, and customers. This has enabled the Group to determine corrective approaches to reduce impacts and prevent human rights risks in an effective manner.



100% of business units in Thailand assessed on local human rights impacts

Relationship Capital

Human Capital

Example of Human Rights Risk Assessment

Human Rights Issues	Rights Holder				
	Employee	Workers / Contractors	Suppliers	Communities	Customers
1. Forced Labor	NA	High	High	NA	NA
2. Occupational Health and Safety	High	High	High	NA	High
3. Discrimination	High	High	High	NA	High
4. Data Privacy Breach	High	High	High	NA	High
5. Migrant Labor Right	NA	High	High	NA	NA

Impact Level: Very High, High, Medium, Low, Very Low

Equal Labor Practices

Creating a Culture of Equality

The promotion of diversity and equality in the workplace is among Charoen Pokphand Group’s key topics. The Group recognizes that diversity and equality not only increase innovation, creativity and problem-solving, but they also promote a culture of respect, care and understanding among employees. For this reason, the Group is committed to equal treatment to prevent discrimination and harassment, promote diversity, equality and inclusion. In doing so, the Group works to embed the concepts of fair treatment and mutual acceptance into the organization’s culture by promoting a culture of creativity and an atmosphere conducive to innovation, which constitute one of the Group’s Six Core Values. The Group has implemented the Diversity, Equity and Inclusion Policy as well as the Discrimination and Harassment Prevention Policy as guidelines to ensure equal treatment of employees. Furthermore, the Group has also taken action to promote equality in the organization by, for example, tracking data on employee diversity and equality to assure that all employees are entitled to equal opportunities for

advancement regardless of gender, race, ethnicity, religion, sexual orientation, or other characteristics. In addition, the Group celebrated Pride Month in 2023 to emphasize respect for gender diversity, etc.

Besides these internal operations, Charoen Pokphand Group also promotes respect for diversity and equality to our suppliers using various channels of communication, including the Supplier Code of Conduct and online media, such as CP Knowledge Channel on Youtube and short clips posted on the Group’s sustainability website.

➤ **More information available in**



[Diversity, Equity and Inclusion Policy](#)



[Discrimination and Harassment Prevention Policy](#)

CASE STUDY

Pride month

Over the course of June 2023, Charoen Pokphand Group held activities in celebration of Pride Month to promote pride in diversity within the organization. The Group and the business groups joined hands in organizing activities in various Group premises and public areas to allow participation by both internal and external individuals. Executives from the Group’s Corporate Sustainability Department and Human Resources Department as well as independent third-party organizations took part in the activities.

More than **20** activities

Relationship Capital

Human Capital



Creating a Happy Working Environment

Creating a happy working environment is essential in promoting a positive corporate culture, enhancing employee well-being and driving overall business success. When employees are happy and content in their roles, they become more involved, inspired, and productive. Moreover, employee happiness is linked to higher job satisfaction, reduced turnover rate, and increased retention of top talent. Therefore, Charoen Pokphand Group is committed to ensuring that employees, who are the organization’s most valuable resources, are physically and mentally healthy and happy at work. The Group has taken action in terms of creating a happy workplace and providing benefits to meet different needs or lifestyles, such as health-related welfare covering mental health, flexible working hours, Work-from Home or Work-from Anywhere, suitable work equipment, holidays and vacation days according to legal requirements, additional maternity/paternity leave, accessible workplace for vulnerable and disabled employees, breastfeeding rooms and childcare facilities.

In addition to the Group’s efforts and amenities provided for employees, the Group also conducts a transparent employee performance evaluation on an annual basis. Employees are also permitted to discuss their evaluation results with supervisors regularly even outside the annual evaluation period, thus allowing employees to continuously develop themselves.

CASE STUDY



SMART Office

A happy workplace can boost work efficiency and create positive employee engagement. For this reason, Lotus’s head office designed a space to promote a balance between work life and personal life to enable employees’ happiness and fun in their daily work routine. The flexible office space has been arranged to meet the hybrid work format where onsite work is not a daily requirement. The office space also features a massage chair corner, a coffee corner, a cafeteria offering special prices for employees, and a breastfeeding room equipped with a refrigerator and other amenities. Inclusive restrooms are also available in a bid to promote diversity in the workplace.

Certified by Great Place to Work®, a world-class organization focusing on research and supporting the creation of work culture.

Employee engagement in 2023 was **75%**

Relationship Capital Human Capital

Equal Labor Practices



Charoen Pokphand Group recognizes the importance of the equality and diversity of all employees. The Group allows employees of all genders, ages, and levels to demonstrate their ability to drive operations towards achieving established goals and vision and does not hinder their opportunity for growth. Moreover, the Group promotes necessary knowledge,

competencies, and skills based on operations without discrimination and provides opportunities to, and encourages female executives and employees, including alternative genders, to show their abilities, skills and attitudes while exercising equality in people management.

Promoting Equality in the Organization



44.92%

Proportion of female employees related to income generation



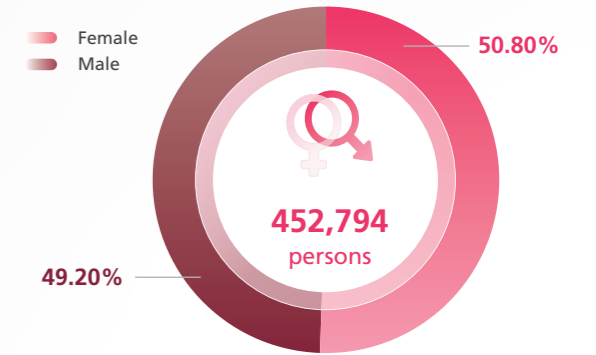
42.20%

Proportion of female employees working in STEM-related

Data on Employee Diversity

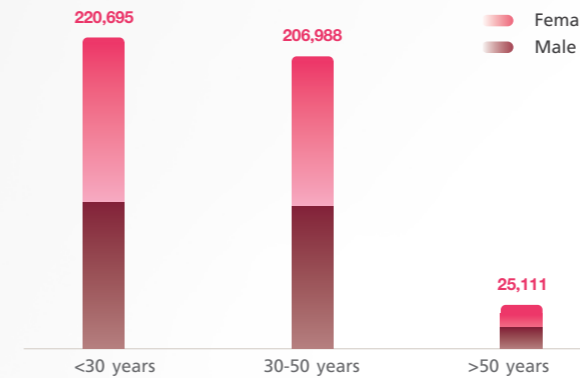
Total Employees

Employment Type	Female (persons)	Male (persons)	Total (persons)
Permanent Employees	221,578	214,471	436,049
Temporary Employees	8,433	8,312	16,745
Total	230,011	222,783	452,794
Full-time Employees	219,987	213,808	433,795
Part-time Employees	1,591	663	2,254
Total	221,578	214,471	436,049



Employees by Age Group

(Persons)



Employees by Level

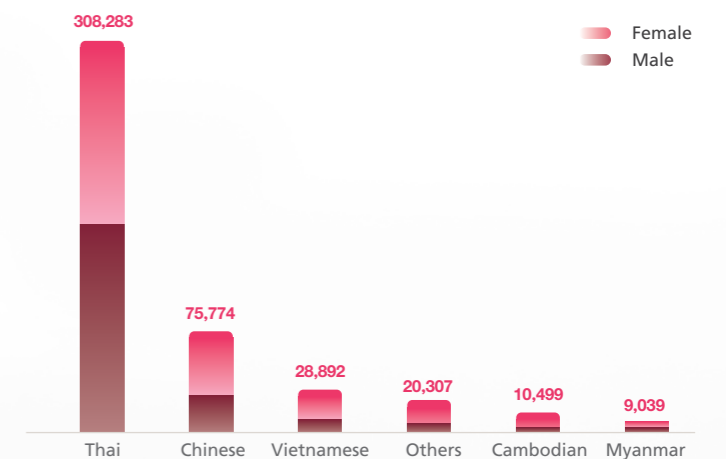
Level	Female (%)	Male (%)	Total (%)
Top Management	26.1	73.9	0.36
Middle Management	37.9	62.1	2.91
Management	43.1	56.9	20.82
Employees/Officers	53.5	46.5	75.91

Employees by Geography

Geography	Female (persons)	Male (persons)	Total (persons)
Thailand	168,786 (37.28%)	118,393 (26.15%)	287,179 (63.43%)
China	32,147 (7.10%)	54,615 (12.06%)	86,762 (19.16%)
Other	29,078 (6.42%)	49,775 (10.99%)	78,853 (17.41%)

Employees by Nationality

(Persons)



Safety and Occupational Health in the Workplace

Safety and Occupational Health Management

Charoen Pokphand Group recognizes the importance and value of people's safety, occupational health, and working environment. The Group also tends to the well-being of employees, suppliers, contractors as well as other groups of stakeholders who may be affected by our operations. For this reason, the Group has announced the Safety, Occupational Health, and Workplace Policy, defined safety goals and indicators, and developed a Priority and Action Plan to enable strict implementation by all business groups in all territories, internal departments, and suppliers in their operations as well as promote the achievement of the goal to become a Zero Accident organization. Additionally, the Group ensures the compliance of the safety, occupational health and

workplace management system with ISO 45001 by supervising, promoting, supporting and enhancing management practices so that the Group's employees and contractors, including suppliers, perform their work with safety, good health and well-being.

In addition, a review of the Safety, Occupational Health, and Workplace Guidelines was conducted, allowing business groups to share their opinions in order to create participation and ensure that the guidelines are suitable and can be put into actual practice.

Occupational Safety Assessment

The safety, occupational health, and suitable working environment for employees are among the key issues of the Group and our stakeholders, especially employees, contractors, and suppliers. The implementation of safety policies, guidelines, regulations, and systems may not yet be adequate for steering the organization towards achieving the Zero Accident goal. Therefore, Charoen Pokphand Group established an occupational safety evaluation process that allows the Group and concerned parties to learn about the actual cause of accidents and define precise prevention plans. In 2023, one of the preventive action plans was requesting department to comply with can find spare standard and Life

Saving Rule that the Group has announced before mitigating works. Once such plans have been put into action, the responsible business unit will perform another assessment of their efficiency.

In addition, Charoen Pokphand Group extended this operational guideline to suppliers to build a safe working environment across the value chain. In 2023, work safety assessments were conducted on each of the Group's business group, such as Charoen Pokphand Foods Business Group, Marketing and Distribution Business Group and China-based business groups.

CASE STUDY

Life Saving Rules

In 2023, Charoen Pokphand Group developed training media in the form of a teaching video about the Life Saving Rules in an endeavor to raise awareness and understanding for employees at all levels. The Group also organized a workshop on the Life Saving Rules to educate business groups on means of reducing accidents as well as exchange operational approaches to uplift management to the international level.



More information is available in



[Life Saving Rules](#)



[Safety, Occupational Health and Environment Management Standards](#)

CASE STUDY

Assessing the Effectiveness of Safety, Occupational Health and Workplace Management



Performed annual assessment covering **100%** of areas.

Human Capital

In 2023, the Marketing and Distribution Business Group (CPALL) promoted knowledge and understanding of the Life Saving Rules to all companies and conducted the annual effectiveness assessment covering 100% of areas, which can be classified into factories, distribution centers, education and branches, totaling 108 areas. The assessment team consists of 357 representatives from all areas who had been appointed by the management. The assessment was performed on the following companies:

CP ALL-DC-Shop: 38 areas, 186 directors; CPRAM: 7 areas, 42 directors; Makro: 45 areas, 49 directors; CP Retailink: 2 areas, 7 directors; Lotus's: 8 areas, 32 directors; and Building: 8 areas, 41 directors.

The assessment put the effectiveness of safety, occupational health, and workplace management at 91.11% and awareness of the Life Saving Rules at 100%.

Data on Occupational Health and Safety

Total Lost Time Injury

1.54 case/1,000,000 hours worked

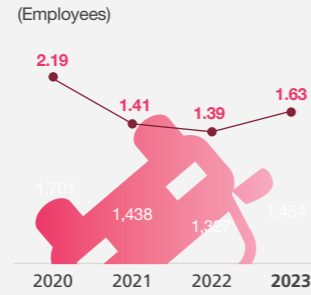


Employees
1.63
case/1,000,000
hours worked

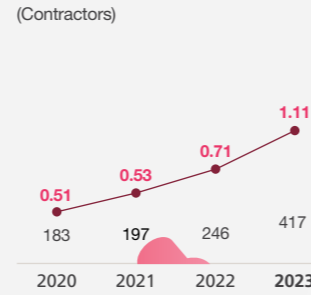


Contractors
1.11
case/1,000,000
hours worked

Lost Time Injury (Employees)



Lost Time Injury (Contractors)



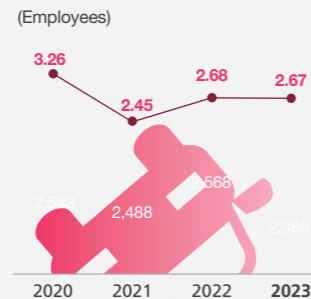
Number of injured cases
Injury rate case/1,000,000 hours worked

Lost Time Injury by Geography

	Employees	Contractors	Total
Thailand	1.51	1.13	1.39
ASEAN	3.48	1.37	2.97
China	1.84	0.47	1.69

Unit: person/1,000,000 hours worked

Recordable Injury (Employees)



Number of injured cases
Injury rate case/1,000,000 hours worked

Recordable Injury (Contractors)

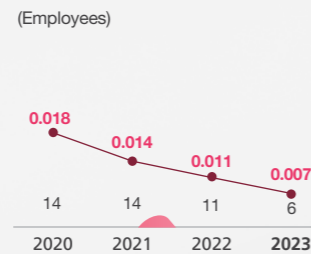


Number of injured cases
Injury rate case/1,000,000 hours worked

Number of Fatalities in 2023 by Cause

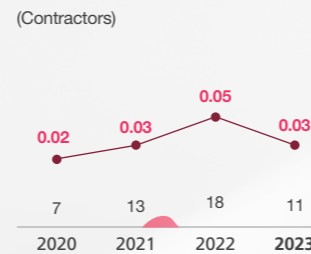
	Employees (persons)	Contractors (persons)	Total (persons)
Vehicle accident	3	8	11
Confined space	3	-	3
Electrocution	-	1	1
Fall from height	-	1	1
Other	-	1	1

Occupational Fatality (Employees)



Number of fatality cases
Fatality rate case/1,000,000 hours worked

Occupational Fatality (Contractors)



Number of fatality cases
Fatality rate case/1,000,000 hours worked

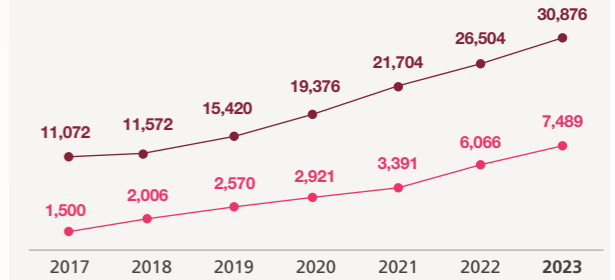
Fleet Safety Management

Charoen Pokphand Group has established the Fleet and Transportation Safety Policy to regulate driving and product transportation in order to ensure the safety of employees, suppliers and products as well as prevent accidents that may cause severe impacts on the environment, society, lives and properties of the organization, suppliers and communities. The Group is committed to enhancing and promoting knowledge and what is best to create quality personnel and suppliers with awareness of safe driving and goods transportation, reduce road accidents and become a key model of learning for communities and society.



Total number of fatalities of freight vehicle drivers of the Group and, suppliers
11 persons
decreased by three cases from 2022

Data on Fleet Safety



Number of drivers who passed training and were issued the Group's driving license (persons)
Number of business partners who passed the Group's driving safety training (persons)

CASE STUDY

Eco-Friendly Transportation

In order to reduce the impact of climate change from the transportation sector, Charoen Pokphand Group supports the use of electric vehicles and assigned task forces from each business group to jointly consider safety measures regarding electric vehicle parking locations, electric charging stations and contingency plans to ensure safety for employees, customers and suppliers.

1,766 electric vehicles used in Group and suppliers' transportation

Relationship Capital

Reduction of GHG emissions by 2,531 tons CO₂e per year from the use of electric vehicles by the Group and suppliers

Natural Capital



Education and Inequality Reduction

The world today is advancing towards Industry 5.0, an era in which humans and technology blend together. Nevertheless, it is concerning that the Thai education system is remaining in Industry 2.0. Surveys have shown that Thai children still lack digital skill, and English proficiency is trailing behind other countries. According to global rankings, Thailand's GDP is ranked 30th and GDP/CAPITA is ranked 73rd. This is a major concern for Thailand's investment in human resources and technology. For this reason, Charoen Pokphand Group is committed to being a part of society that supports the Thai education in keeping up with future challenges. The Group also promotes the establishment of startups and participates in driving Thailand to become an innovation HUB through the creation of a society of sustainable wisdom using the Sustainable Intelligence Transformation Model. The Group supports the potential of Thai children in technology, innovation and artificial intelligence (AI) as well promotes morality, ethics and sustainability in tandem with the basic concepts of love, understanding, stability, confidence and self-esteem. The Group's efforts, which extend into lifelong learning, aim to support access to quality education. This will ultimately lead to the reduction of inequality.

Supporting the SDGs

 <p>4 QUALITY EDUCATION</p>	<p>4.1 Ensure that all girls and boys complete free, equitable and quality primary and secondary education</p> <p>4.4 Increase the number of youth and adults who have relevant skills for employment</p> <p>4.7 Promote education for sustainable development</p> <p>4.a Upgrade education facilities that are child, disability and gender sensitive</p> <p>4.b Expand number of scholarships</p> <p>4.c Increase the supply of qualified teachers</p>	 <p>5 GENDER EQUALITY</p>	<p>5.5 Ensure equal opportunities for leadership at all levels of decision-making</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>8.6 Substantially reduce the proportion of youth not in employment, education or training</p>	 <p>10 REDUCED INEQUALITIES</p>	<p>10.1 Progressively achieve and sustain income growth of the population</p>	 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>17.6 Enhance international cooperation on and access to science, technology and innovation</p>
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➤ **More information available in**

- [Sustainable Development Goals Report 2023](#)
- [Sustainability Performance Report 2023](#)

Key Performance 2023

48,361,902 persons

Number of children, youth and adults with access to quality education and necessary skill development (cumulative data)

142,577 persons

Number of students receiving internships (cumulative data)

193,029 persons


Number of scholarships granted in 2023, an increase of 51,950 scholarships from 2022

Goals and Progress

50 million people received support in the form of access to quality education, lifelong learning or upskilling



Future Workplans

 Support every child to have a computer and become digitally skilled by leveraging technology as a driver, placing emphasis on the development of digital knowledge and skills, such as AI, Coding, Network System, and Communication and Management.

CONNEXT ED Foundation

Cooperation to Uplift the Quality of Education

Connex ED is an example of a national-level project that clearly reflects the “participation of all sectors in education”, resulting in the establishment of quality schools in all areas and granting all Thai children the opportunity to have quality, equal and equitable education while reducing inequality. This collaboration is in line with the goals of Charoen Pokphand Group which aspires to enhance the potential of Thai children in technology, innovation and artificial intelligence in tandem with promoting morality and ethics to elevate the quality of education and produce clearly measurable outcomes.

Business groups under Charoen Pokphand Group collaborated in the effort to develop schools to be compatible with global trends by promoting and enhancing the capacity of school principals and teachers, creating a student-centric curriculum, building digital infrastructure to raise the quality of Thai education in 21st century, establishing an educational foundation, and promoting professionalism, academics, arts and culture, technology and sustainability. Such efforts aim to establish lifelong learning as well as learning through practice in order to create careers and sustainable income.

CASE STUDY



Transforming Education to Cope with Challenges in the Digital Age

True Corporation Public Company Limited held the ICT Talent 2023 Workshop. At present, there are 2,000 public and private ICT Talents who are in charge of 4,100 schools nationwide. They play a key role in the effort to affect changes in the Thai educational society. Based on TDRI’s research, students have higher ICT literacy, 76% of teachers have incorporated technology in teaching while 88% are confident to utilize technology in teaching.

Created 2,000 ICT talents

- Intellectual Capital
- Human Capital

Students with access to education and information data 1.6 million persons

- Intellectual Capital
- Human Capital



We want to be the first mover in any technology that enables access to education and learning contents anywhere, anytime for children nationwide.

Dr. Naetchanok Wipatasinlapin
Head of Strategy & Education,
True Corporation Public Company Limited

Performance of Strategy Implementation and Enhancement of Education Management Quality in 2023 (Cumulative Data)

Transparency
Published information on **5,570 CONNEX ED schools** via www.connexed.org/foundation/

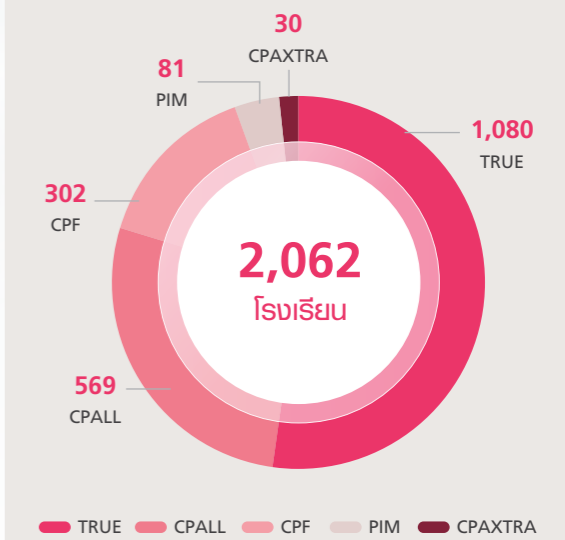
Market Mechanisms
1,567 School Partners
2,000 ICT Talent

High-quality Principals & Teachers
Training for over **60,000 school principals and teachers**

Child-centric & Curriculum
Established **27 Learning Centers**

Digital Infrastructures
3,351 schools with high-speed internet
4,188 computers from 7-Eleven outlets (cumulative data)

Number of Schools under CONNEX ED Foundation Supported by Charoen Pokphand Group’s Affiliated Companies



Sustainable Intelligence Society

Sustainable Intelligence Transformation Model (SI Transformation Model)

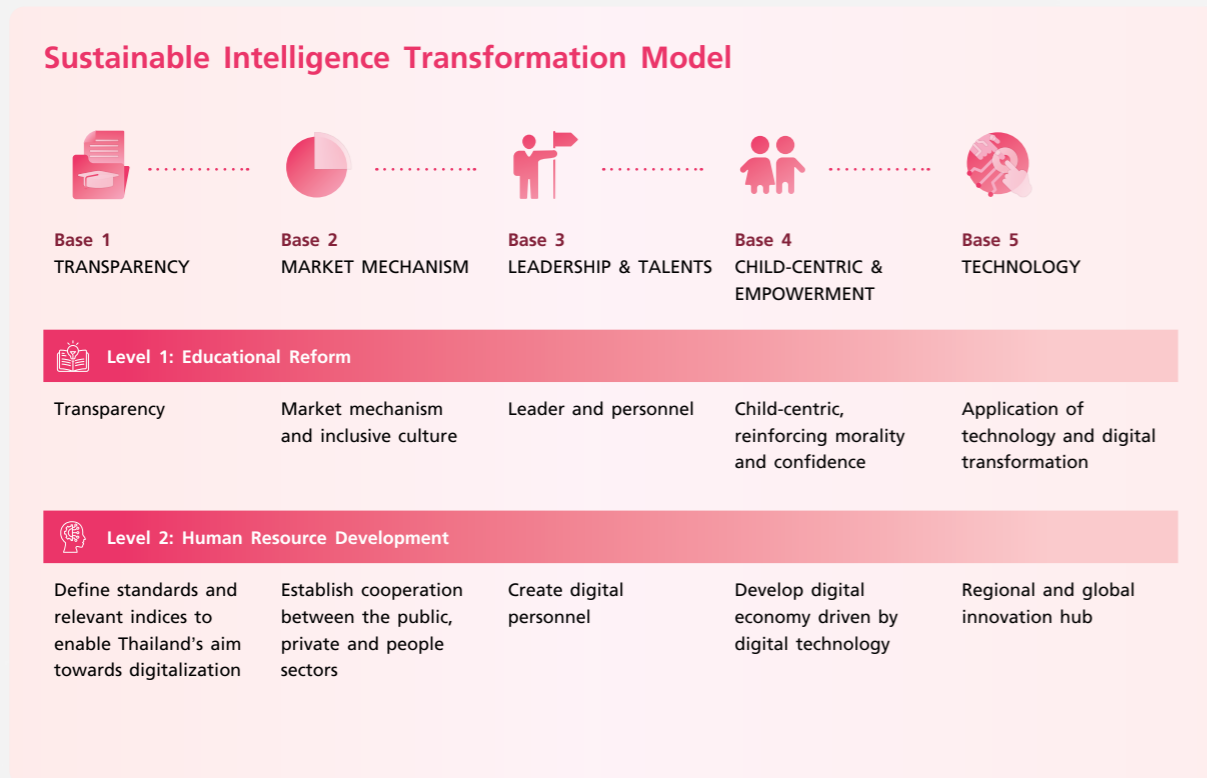
The global economy is entering the 5.0 era, in which man and technology blend together harmoniously. Awareness of sustainability, together with morality and ethics, is also fundamental. This 5.0 era is referred to as Sustainable Intelligence-based, or “SI” Society. In other words, we should work together to ensure “SI Over AI” society.

Currently and in the coming decades, our world continues to face various challenges, such as inequality, volatile changes caused by technology, climate-related changes, shifts in

global economic polarities, changes in consumer behavior and changes related to health. These challenges have widespread impacts on the economy, environment and society. Therefore, it is possible to build knowledge for human resources through an effective education system that adopts the Sustainable Intelligence Transformation (SI Transformation Model). This model combines sustainability with technology, fostering change that begins with people and positive attitudes. The SI Transformation Model can be divided into two levels: reform and human resource development.

Charoen Pokphand Group places importance on and takes part in supporting the effort to enhance the country’s education. Accordingly, the Group collaborates with the public and private sectors by rendering our support to CONNEXT ED Foundation and through our membership in the Global Compact Network Thailand (UNGCNT). These initiatives aim to contribute to educational reform and human resource development, which will guide the Group and the country towards the achievement of SDGs. In the 5.0 economy, particularly, having a growth mindset ready to explore new opportunities in a challenging world, creativity and action-based education in schools are indispensable for entering the working world that measures performance and offers fair compensation. Most importantly, it is essential to have deep awareness of the value of ESG and be capable of applying it in the daily life.

To achieve such goals, all sectors involved in educational development, both public and private, have defined six courses of action, which include incorporating computer science into the curriculum, ensuring that every student has their own computer or laptop computer, setting up a Learning Center in every school, promoting incentive content, ensuring that 3 million people have installed advanced digital system and achieve literacy by 2028, and establishing 20,000 startups by 2027. In this regard, the Group is committed to being a part of society in driving education and creating a society of sustainable wisdom.



Guidelines for Driving Education Supported by Charoen Pokphand Group through Projects and Public-Private Cooperation

- Define computer science as **a compulsory subject**
- Promote incentive contents** during prime time
- Every student **has a computer**
- 3 million people** to have advanced digital skills by 2028
- All schools to have a Learning Center **by 2025**
- 20,000 Startups** by 2027

➤ More details and related projects available in [Education and Inequality Reduction](#)



Promoting Education

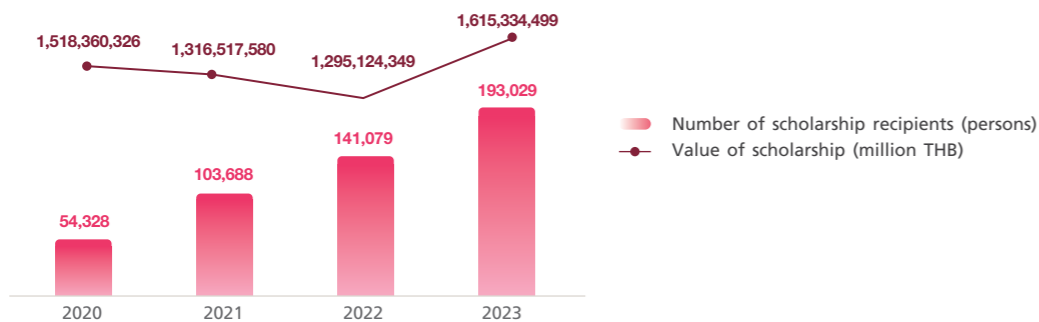
Charoen Pokphand Group Promoting Education



Educational inequality has been a long-standing problem in Thailand due to various aspects of inequality, such as different school quality, inaccessibility to education in remote areas, and shortage of scholarships. Charoen Pokphand Group supports and promotes education both in Thailand and abroad through leveraging our expertise in technology and innovation as

a driving force to increase opportunities for children and youth in accessing beneficial learning resources and continuously ensures correct and safe implementation through various projects as we engage in building the Sustainable Intelligence Society.

Number of Scholarship Recipients and Value of Scholarships



Work-based Education Model More than Education is Practical “Experience”

Promote Thai youth to acquire diverse skills from companies in both Thailand and overseas. PIM, the Corporate University, places importance on developing “people” and has thus built international partnerships with the public, private and education sectors worldwide. This offers students opportunities to gain hands-on experience from leading organizations in various countries in order to practice new skills that meet the trends of global demand.



Driving Education: Internet as the Center of Knowledge

The “Learning Center” plays an important role in creating an educational ecosystem and enhancing the learning process. This allows students to gain experience and enjoy child-centric learning. With continuous expansion, it has received support from both private and government organizations. Currently, there are 27 Learning Centers.

True Digital Academy

A leading digital skill development institution that promotes and develops individuals and organizations in Thailand with compatible skills for the present and future, enabling competition on par with the international level in the business and industrial sectors. The academy offers more than 60 online and classroom training courses, such as Digital Foundations, Data Champion, Digital Marketing and Product Management. In 2023, the academy achieved a Net Promoter Score of as high as 78%.



Promoting Lifelong Learning Opportunities

Lifelong Learning Technical and Professional Skills Training

Charoen Pokphand Group aims to play a part in community development and the reduction of social inequality. Therefore, the Group supports a continuous learning process that enables lifelong learners, creates an ecosystem conducive to learning and inspiration, providing career guidance to generate income, developing knowledge and abilities, training, building professional skills and learning new working methods. The Group also supports children, youth, adults and vulnerable groups to have access to both formal and informal education as well as relevant technical skills for their career.



Enhancing Digital Agriculture Skills, Building “Innovative Agricultural Managers”

The advancement of the digital world has compelled farmers to transform into smart farmers, utilize innovation to boost production efficiency, and create added value for products. Learning through practice has equipped learners with skills to become successful Young Smart Farmers. Ms. Bussabong Ngeesantia, or Jang, owner of “Boonchu Dairy Farm”, alumni of the Faculty of Innovative Agricultural Management, Panyapiwat Institute of Management.

CASE STUDY

Echoes of Learning from Learning Centers

Ban Nong Ngueak School in Lamphun province is a model school that has successfully integrated local wisdom to promote a student-centric learning process, making it possible to tap into the potential of students. Presently, all students are capable of weaving cotton and are equipped with outstanding handicraft design skills. The school has also engaged the participation of the community.

Number of participating children and youth
5,700 persons

Human Capital

Relationship Capital



Providing Employees with Learning Opportunities

CP Aextra Public Company Limited and Panyapiwat Institute of Management have collaborated to offer free education to employees in the form of a two-year restaurant business management course. Employees will be able to apply knowledge from this course to their current work and have greater opportunities to grow at CP Aextra after graduation thanks to their higher educational qualification.



CP Future Campus

CP University shares knowledge to the social, educational and business sectors through the gathering of experienced individuals from Thailand and abroad, including world-renowned academics, at CP Future Campus which grants everyone equal access to education and learning of new things according to different interests anywhere, anytime.

Creating Career Opportunities for Vulnerable Groups

Student representatives with hearing impairments receive training on ingredient selection, drink-making that meets standards, accounting, sales, and service. Meanwhile, the building adjacent to the school fence has been renovated into a café to build careers and to serve as a source of theoretical and practical learning. This initiative develops students to become valuable human resources and creating careers, jobs, money and local economy for communities and society.





Leadership and Human Capital Development

Today, we live in an era where everything is rapidly changing, and societies worldwide are connected through technological and digital advancement. These factors present challenges to organizations, including Charoen Pokphand Group, to develop and equip human resources with skills that are appropriate for the digital and technology era. In this regard, the development of human resources is one of Charoen Pokphand Group's core strategies as we recognize that they are the key players in driving the organization's operations to yield long-term sustainable value for all stakeholders. In order to recruit, attract, develop and retain competent employees, the Group must implement a comprehensive and flexible strategy, whether in terms of employee skill enhancement to develop relevant knowledge and enable its application in the digital era, continuous encouragement of a learning and innovation culture to facilitate employees' adaptation to technological changes, and career advancement opportunities without discrimination. In addition to knowledge and capability development to create competent individuals, we have also implemented Charoen Pokphand Group's Six Core Values in molding our personnel into good people as well as creating a livable society in order to achieve a culture of sustainability across the organization.

Supporting the SDGs



- 4.3 Ensure access for all women and men to quality education
- 4.4 Increase the number of youth and adults who have relevant skills for employment
- 4.5 Eliminate gender disparities in education and ensure equal access to education



- 8.5 Achieve full and productive employment for all women and men, including persons with disabilities

More information available in

[Sustainable Development Goals Report 2023](#)

[Sustainability Performance Report 2023](#)

Key Performance 2023

28.07 hours/person/year

Average training hours in 2023 increased by 32.22% from 2022

100%

Employees received annual performance evaluation

44,951 persons

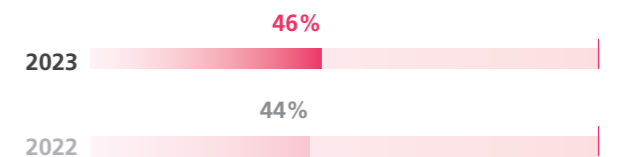
Employees with knowledge in Science, Technology, Engineering, and Mathematics (STEM)

Goals and Progress

All employees receive annual sustainability training



All employees participate in sustainability activities or projects every year



Future Workplans



Collaborate with relevant agencies to jointly develop new generation leaders.



Develop Learning Centers in accordance with the 17 goals of the UN Sustainable Development Goals (SDGs).



Developing Leaders and Human Resources

Charoen Pokphand Group's Human Resources Strategy

Charoen Pokphand Group has implemented the Human Resources Strategy as a framework for managing the pool of more than 400,000 different and diverse employees operating under the Group. With such a large number of personnel distributed across the globe, it is thus essential that the Group focus on personnel capacity development to nurture good and talented individuals to take part in creating the organization's sustainability in this era of change. The Group's Human Resources Strategy puts accent on the creation of an

organization of the future that can harmoniously merge people and machines or technology. It also focuses on attracting and recruiting good and talented people worldwide to become major forces in advancing the Group towards sustainable growth, creating a new generation of leaders through the Action Learning Program conducted by CP Leadership Institute (CPLI), and strengthening the culture of love for the Group by encouraging CP personnel to adhere to the Six Core Values in their operations and feel proud to be an employee of the Group.



Attracting and recruiting good and capable individuals worldwide

- Recruit good and talented individuals to drive strategies and create sustainability for the organization
- Retain high-potential personnel in the long term by assigning challenging tasks and decision-making authorities, with guidance, not directions, from supervisors



Creating leaders and developing future skills

- Emphasize on Action Learning Program
- Create opportunities for digital skill development, problem-solving skills, leadership, capacity, roles, duties and responsibilities as deemed appropriate.



Building startups and modular organizations

- Become a flexible organization that can adapt to change
- Encourage cross-functional work within the Group for comprehensive development of human resources



Strengthening a culture of love for the organization

- Instill the Six Core Values
- Emphasize on creating motivation, love, engagement and pride in being part of the Group

Driving Strategy into Action

In order to effectively put the Human Resources Strategy into practice, Charoen Pokphand Group has established the Human Resources Management Sub-Committee, chaired by Mr. Suphachai Chearavanont, Chief Executive Officer, with Ms. Pimonrat Reephattanavijitkul, Chief People Officer, as Vice Chairperson. The Sub-Committee's members include human resource executives from every business group and country. Its role is to drive and execute personnel strategy, present Group policy on human resources, report human resources performance, collaborate with the CP Leadership Institute to

nurture the Group's leaders into good and talented people in response to the target to become a sustainable organization and share best practices as information and knowledge for the Group's human resources operations. The Human Resources Management Sub-Committee meets on a monthly basis. In 2023, meetings were held to deliberate on important decisions, including developing and reviewing the People Strategy in line with business growth goals through the Group's transition into a bionic organization.

CASE STUDY

Transitioning into a Bionic Organization

Develop and review the People Strategy in line with business growth goals through the Group's transition into a bionic organization that uplifts the organization's capabilities by combining technology and people, attracting and creating digital talents. Merge cooperation between business groups to

create corporate culture in technology and foster an innovation-driven culture to develop bionic leaders at all levels, resulting in a data and technology-centric work format as well as fostering employees' love and pride in the organization.

Charoen Pokphand Group has made investments in human resources which are the Group's most valuable assets. The Group relies on a set of guidelines to determine the value of employees to the organization as part of making appropriate strategic decisions regarding human resources. Individual performances or Human Capital Return on Investment (HCROI) are assessed on an annual basis.

Human Capital Return on Investment (HCROI)



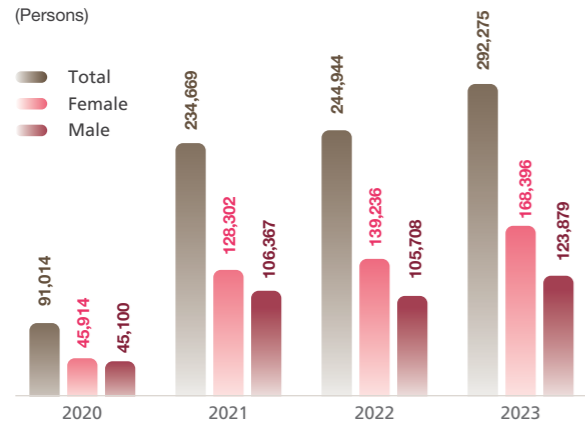
14.02 times

Attracting and Recruiting Good and Talented Individuals Worldwide

Recruiting Talent for Charoen Pokphand Group

In order to enable the organization's success and achievement of established objectives, one of the key factors is good, knowledgeable and talented people who possess qualifications in line with our corporate values. Therefore, Charoen Pokphand Group has integrated the corporate values into our recruitment process to search for good and talented individuals who are ready to grow sustainably with the organization. The Group pays special attention to recruiting new generations from around the world, striving to develop new generations with an entrepreneurial attitude, wisdom, courage to think and act, and discipline while collaborating to develop our personnel through leadership development programs. Recruitments are announced via social media, by referral among friends, through bilateral cooperation with third-party agencies and partners, e.g., Sandbox in collaboration with universities under the Ministry of Higher Education, Science, Research and Innovation, as well as roadshows to leading educational institutions and target countries, etc. With such a commitment, the Group was selected as one of the most attractive employees in the Employer Brand Perception 2023 by Ancor Thailand.

Number of New Hires



CASE STUDY

“Lotus Cup” Project, Search for and Develop Potential of Students in China, Aims to Promote Entrepreneurial Experiences to Create a Foundation for Future Career Development

The “Lotus Cup” project was a collaboration between the Royal Thai Consulate-general in Guangzhou and Charoen Pokphand Group, China. This project was organized to search for and develop potential for Thai and foreign students in China. The project offered students to learn as well as present creative ideas and marketing innovations. Moreover, it also promoted entrepreneurial experiences to create a foundation for future career development. This is a great opportunity for Thai students to participate in business administration through marketing competitions, showcases the power of the new generation to learn, create, and grow through hands-on practice.



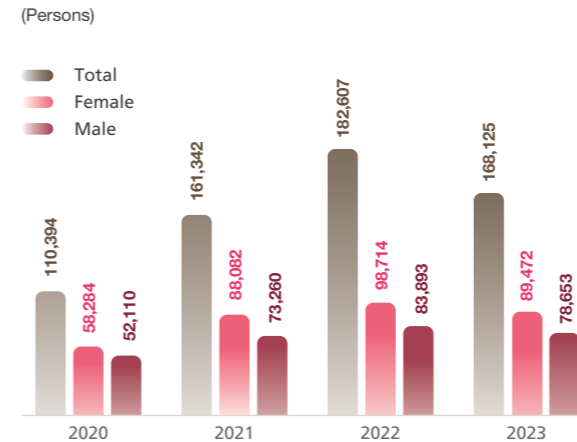
More than 200 students participated

- Relationship Capital
- Human Capital

Retaining Good and Talented Employees

Amidst technological changes, it is crucial that organizations take into account the lifestyle and working attitudes of the new generation and the retention of valuable employees. Charoen Pokphand Group has made improvements to a new grading structure, adjusted the scope of overlapping works, reduced procedures, encouraged the empowerment of new generation leaders in decision-making, and developed knowledge, abilities, and necessary skills for each individual. We have also defined targets, conducted individual performance evaluations with transparency and offered suitable compensation for performance. Employees have equal opportunities and rights to grow in the career of their interest. The Group also provides a range of benefits so that our employees can lead their working lives with comfort and quality. Meanwhile, wages are considered based on appropriateness with the cost of living. In addition, the Group annually assesses employee engagement and uses the results to further improve our personnel management system.

Number of Employee Resignations



Thanks to Charoen Pokphand Group's commitment to retaining good and talented employees, the number of employee turnovers has decreased by 7.93%.

CASE STUDY

Assessing Wages and Compensations to Respond Appropriately to Cost of Living

CP Aextra Public Company Limited is committed to defining wages that correspond to employees' cost of living based on the guidelines of Anker. In 2023, CP Aextra has extended the cost-of-living assessment to significant tier 1 contractors, 2% among whom have already been assessed.



100% total employees have received wages and compensations corresponding to the cost of living

- Financial Capital
- Human Capital

CASE STUDY

Charoen Pokphand Group Company Limited has placed among 50 companies that new generations want to work with in 2023, according to a survey conducted by WorkVenture Technologies Company Limited.



Building Leaders and Developing Future Skills by CP Leadership Institute

Employee Capacity Development



Charoen Pokphand Group is committed to creating new generation leaders and businesses to achieve mutual exponential growth. Therefore, the Group has initiated the Leadership Development Program through the CP Leadership Institute to systematically plan the development of new generation leaders with knowledge, skills and qualifications in line with corporate values and strategies. The program focuses on action learning through the implementation of strategic projects and offers advice from the Group's senior executives and consultants. Emphasis is placed on training participants through action-based practice, thus developing various skill dimensions as well as learning from the experiences of senior executives, speakers with expertise in various fields and exchanging knowledge with other participants to develop new generation leaders to become professional business leaders and joining forces to strengthen the Group's domestic and overseas businesses while collecting, developing and presenting the acquired knowledge to be passed on from generation to generation. The program consists of the following:

- 
CP Senior Leaders Development Program (SLP)
 Focus on enhancing and developing the Group through strategic projects for further development
- 
CP Leaders Development Program (LDP)
 Focus on reforming the supply chain and synergy
- 
CP Potential Leaders Development Program (PLP)
 Focus on business development and team management through sponsoring
- 
CP Future Leaders Development Program (FLP)
 Aim to create fully-equipped new generation leaders

Growing Businesses Exponentially with Leadership Development Program

The Leadership Development Program focuses on developing high-potential leaders. It allows participants to take action, leading to strategic development, improvement of processes, products and services while driving businesses towards exponential growth. In 2023, employees and leaders who attended the program helped to increase the Group's revenue by more than 58,000 million THB.


CASE STUDY

Artificial Intelligence Plus Sale System

The LDP 7 Delivery Team has leveraged artificial intelligence (AI) to process data on search history, purchases, best-selling products and promotional products to display personalized results in an effort to boost sales by allowing customers to add more items immediately. As a result, 27% of customers added more products to their carts while 16.7% completed their orders.

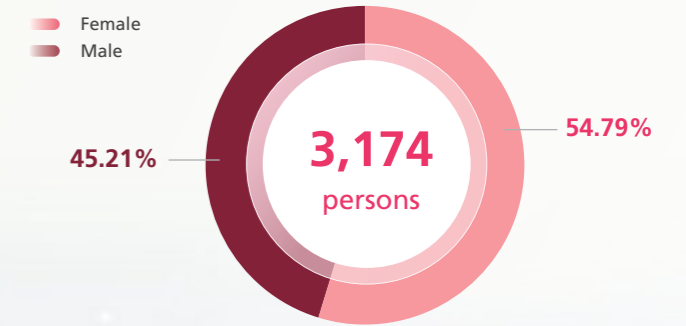
As a result, **27%** of customers add items to their cart while

16.7% complete their order

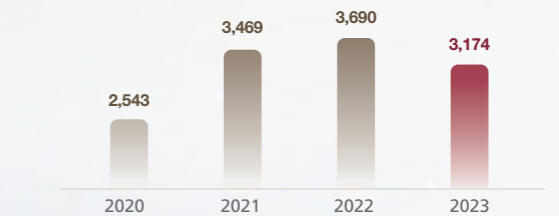
 Financial Capital



Number of Executives and Employees Participating in the Leadership Development Program 2023



Number of participated employee (Persons)



Program	Female (persons)	Male (persons)	Total (persons)
FLP	782	724	1,506
PLP	909	683	1,592
LDP	23	17	40
SLP	25	11	36
Total	1,739	1,435	3,174



CP Leadership Institute strives to equally and thoroughly strengthen employees with quality knowledge and skills, focusing on action-based learning, lifelong learning and a corporate culture that accepts differences and offers equal treatment to everyone.

Ms. Pimonrat Reephattanavijitkul
 Director of CP Leadership Institute and Chief People Officer
 Charoen Pokphand Group

Promoting Employee Knowledge and Abilities

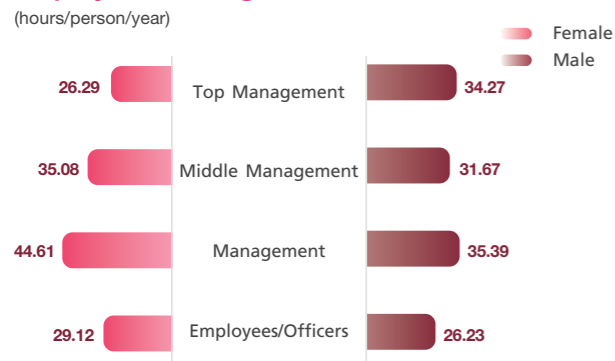
Empowering Employees at all Levels



Nowadays, digitalization and technology are playing a significant role in business growth. Charoen Pokphand Group strives to become a high-efficiency organization by applying technological machinery in operations alongside software that has been developed. However, with more than 400,000 employees worldwide, most of whom are labor-level employees, a key challenge for the Group lies in developing the skills of each and every employee to align with the organization's growth and enabling the effective implementation of digitalization and technology.

For this reason, Charoen Pokphand Group has taken continuous personnel development actions to provide our employees with systematic development, knowledge and abilities, ready to grow steadily and sustainably in their careers with the organization. In addition, the Group has developed more online learning media, in line with the current working format as well as measured learning and performance effectiveness of employees at all levels against established goals to identify competency gaps and further enhance their strengths. Furthermore, the Group enhances necessary skills for employees at all levels through upskilling and reskilling, e.g., application of technology and data analysis, for all employees.

Employee Training Hours



CASE STUDY

Boosting Success with Knowledge Management (KM)

Charoen Pokphand Group, through CP Leadership Institute, has continued to extend our success by creating the Knowledge Management (KM) database using knowledge accumulated from actual work, including observations, challenges and accomplishments. The KM enables rapid and immediate access to knowledge for relevant employees anywhere, anytime through various channels.



More than **2,500** quick and practical E-Learning programs

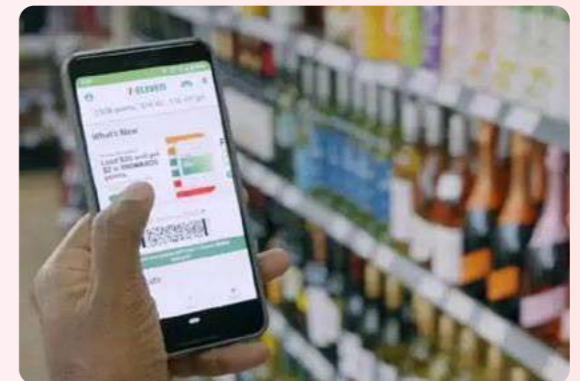
142,000 Easy-to-access Knowledge on Demand

Intellectual Capital Human Capital

CASE STUDY

Developing Personnel for Transition into the Digital Platform Era

Charoen Pokphand Group places importance on continuously developing employees' digital skills. CP ALL Public Company Limited has upgraded employees' digital skills to the intermediate level as well as measured and evaluated essential skills. Available skill development programs include:



- Data Analytic Upskilling for Business Strategy:** learning how to use Advanced Excel for data preparation and analysis
- Process Improvement using Power App & Power Automate:** boosting skills for the use of technological tools
- Advanced Digital Marketing Program:** enhancing digital marketing skills and creating attractive digital markets

96 process improvement projects using technological tools from **1,160** participating employees

Human Capital

Performance Appraisal System and Career Advancement

Charoen Pokphand Group utilizes a range of appraisal methods to suit the nature of the work and to fully reflect the employee's performance, such as Management by Objectives, Multidimensional Performance Appraisal, Team-based Appraisal and Agile Conversations. The Group's appraisals take into account equality with no discrimination or division. The appraisal process begins with defining goals, monitoring and reviewing annual performance closely with supervisors. Besides the appraisals, the Group encourages an environment

conducive to feedback to benefit development, enabling employees to recognize their strengths and weaknesses as well as the formulation of employee capacity development plans.

The results of employee performance appraisals are not only used to determine compensation, but can also be utilized to develop employees' knowledge, abilities and skills to empower their growth in the career path of their interest.



100%

of employees have been appraised and received capacity development and career advancement



24.64%

of employees received internal promotion

Strengthening a Culture of Love

Building a Unified Corporate Culture

Charoen Pokphand Group places importance on building a strong corporate culture which encourages and supports employees to become good and talented individuals with moral, love and pride for the organization. Such endeavor is driven by the strong and continuous cultivation of Charoen Pokphand Group's Six Core Values.

Charoen Pokphand Group has established guidelines for creating a culture of love among employees at all levels from their first day of employment. Accordingly, the Group adheres to the principles of corporate culture according to the 3P Corporate Culture Framework, consisting of:



Process: systematic communication process with the ability to transfer knowledge, experience and corporate vision to employees at all levels.



People: consisting of CP Ambassadors who have been selected from representatives of each business group to drive activities.



Platform: two-way communication platform and learning system that will help with communication, knowledge creation and obtaining feedback from employees through an efficient platform.

CP Love Index Survey

Charoen Pokphand Group conducted the CP Love Index Survey to study the Group's personnel in two dimensions, namely knowledge about the Group's overall business and love for the Group, using a set of behavioral questions that can be translated into the level of employee love for the organization, or the Superfan Index. According to the survey, 35,808 employees, or 38.6%, out of the 92,752 respondents from all business groups are "superfans".



Superfan Index

38.6%

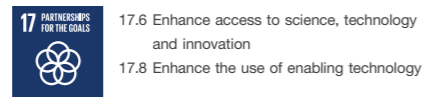
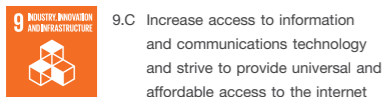
Internal Employee Communication Channels

The Group launched the C.P. LOVE and CP Connect platforms to serve as channels of communication throughout the organization, create engagement and gather opinions from employees. Until 31 December 2023, a total of 47,873 employees have registered to the C.P. LOVE platform, accounting for 66% of the targeted 73,000. The C.P. LOVE platform contains activities, news, and a benefits center for Group employees who can take part in activities to accumulate points and redeem prizes within the Group.

Cybersecurity & Data Protection

Nowadays, technologies are developing by leaps and bounds, and are ready to support operations and facilitate daily lives. At the same time, however, cybercriminals are also evolving tools to breach and gain rapid access to company systems/data. Therefore, cybersecurity and data protection, especially the protection of personal data under the company's responsibility, is extremely crucial for conducting business at present. Without rigorous systems and operations, sensitive data can fall into the hands of cybercriminals, resulting in damage to the organization. For this reason, Charoen Pokphand Group has established policies, procedures and measures for the safety and potential risk prevention of cyber systems and information. The Group has designated responsible personnel and defined systematic measures to be taken in the event of a cyber security breach or data leak in order to avert and minimize potential impacts on the organization and all stakeholder groups. The Group has also shared knowledge and operational guidelines to all suppliers and business partners to build stakeholder confidence in data security.

Supporting the SDGs



➤ More information available in
[Sustainable Development Goals Report 2023](#)
[Sustainability Performance Report 2023](#)

Key Performance 2023

100%

IT infrastructure certified with international IT standards

100%

Business groups conducted self-assessment based on NIST

166,979 persons

Employees who received training on personal data security

Goals and Progress

All business groups certified with international standards on data and information security



Future Workplans

- Update policies and guidelines to cover new potential risks, and to be more updated
- Conduct Rapid Cybersecurity Assessment and C.P.Group Cyber Risk Assessment across the entire Group
- Enhance security program for source code and library

Cybersecurity & Data Protection

Cybersecurity & Data Protection Management

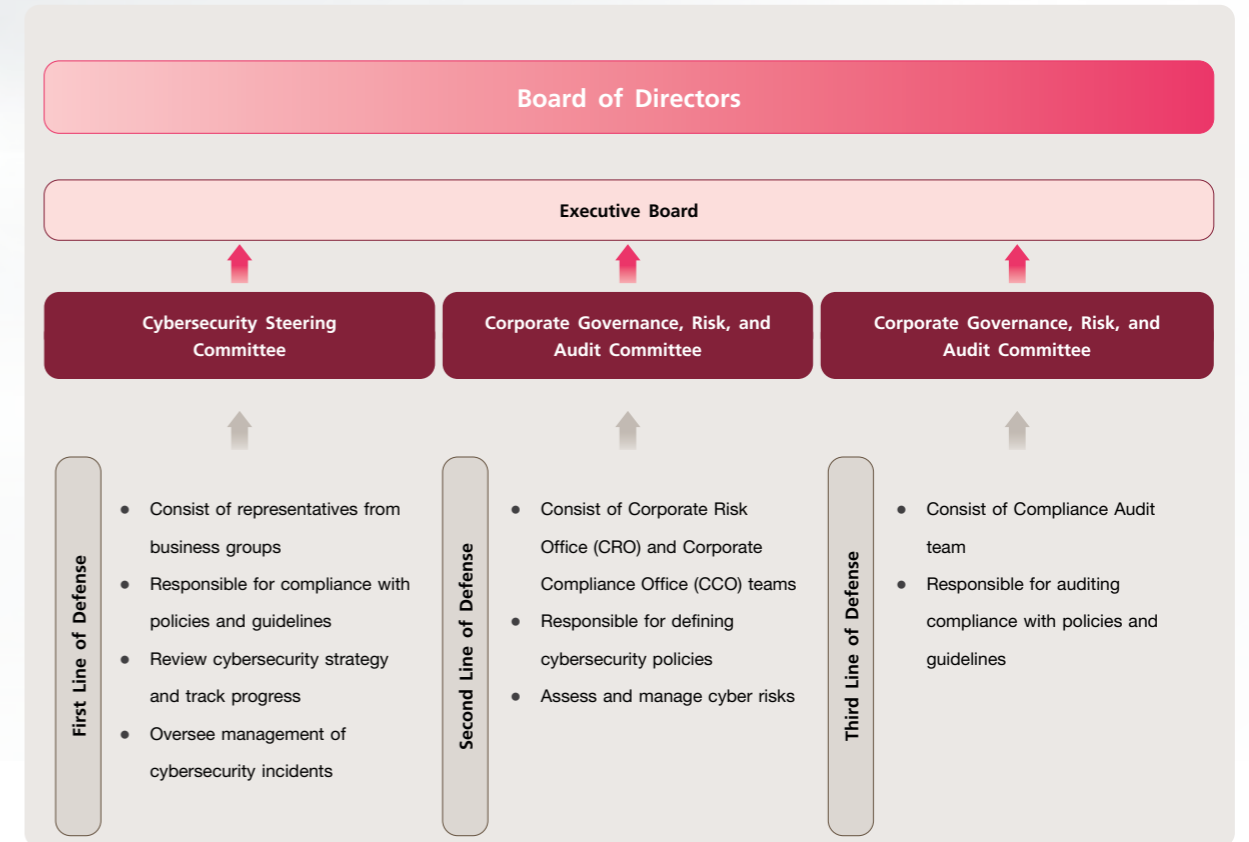
The adoption of technology and digital systems within organizations to increase efficiency and speed of operations is becoming more widespread. While it yields benefits to organizations and stakeholders, but it also inevitably exposes them to cybersecurity risks. Such risks from cyber attacks may impact organizations, customers, or business partners, resulting in financial loss, damaging reputation, and affecting customer confidence. Therefore, to maintain the confidentiality of information belonging to the Group, suppliers, business

partners and customers, Charoen Pokphand Group conducted a review of the cybersecurity guidelines in 2023 to make them more comprehensive and responsive to the heightened risks. Each business group is required to undertake a cyber risk assessment at least once a year or when key business changes, such as business mergers, take place. Risk issues obtained from the assessment are prioritized according to their impact level and likelihood before support measures and remedial guidelines are determined.

Cybersecurity and Data Protection Governance Structure

In order to align cybersecurity and data protection management across the Group as well as maximize the efficiency of operations, Charoen Pokphand Group has established the cybersecurity and data protection governance structure. The Cybersecurity Steering Committee has been established to drive and implement cybersecurity operations, oversee the management of and response to cybersecurity incidents, and manage the adequacy of preparations to mitigate cyber threats and business continuity plans.

The Committee reports performance to the Chief Digital Officer on a regular basis. Members of the Committee consist of IT or cybersecurity executives from different business groups. Any high-risk issue is reported to the Executive Board for decision-making on further steps to be taken.



Cyber Risk Prevention and Data Protection






Cyber Risk Prevention and Data Protection Measures

In addition to the establishment of policies and guidelines to prevent cyber risks and discloses them on our website allowing employees and stakeholders to learn about our operational guidelines, Charoen Pokphand Group also communicates these policies and guidelines to all business groups to enable aligned and standardized practices. Moreover, the Group also encourages all suppliers and business partners to define rigorous policies and operations to prevent cyber and data protection risks, an issue which has been incorporated as one of the requirements in the Supplier Code of Conduct. This raises the awareness and enables the systematic operation of organizations that will become our suppliers. It has also been included as a topic in the supplier audit.

In order to provide all employees with knowledge on cyber risk prevention and data protection as well as enable the sharing of knowledge to suppliers or business partners and the outside society in a correct and clear manner, Charoen Pokphand Group holds an annual training on this topic via the E-learning system in order to raise awareness among employees across the Group. Furthermore, cyber threat response tests, such as sending phishing e-mails to employees, are conducted by business groups to ensure that once a cyber attack or threat occurs, employees will be able to comply with the established policies and guidelines.

Reporting Channels for Concerns

If an employee discovers an action that is considered a violation of the Information Security Policy or encounter suspicious or unusual incidents that concern IT risks and cyber threats, they can blow the whistle or report a complaint via the following channels:

 Website WWW.CPGROUPGLOBAL.COM	 Mail
 Telephone	 CPG CONNECT
 E-mail	 In person


CASE STUDY

Personal Data Protection Act Training and Test

In 2023, Charoen Pokphand Group held the Personal Data Protection Act (PDPA) training and test via the E-learning platform to equip 100% of employees and business groups with fundamental knowledge of PDPA. The course's contents cover the importance of personal data protection, types of personal data, principles and examples of personal data leaks or violations. Employees must take a post-training comprehension test and obtain a score of higher than 80% in order to pass the training.



100% of employees received PDPA training

 **Human Capital**

CPG Cybersecurity Day 2023



In 2023, Charoen Pokphand Group held the “CPG Cybersecurity Day 2023” which brought together the Group’s cybersecurity experts to exchange knowledge and the Group’s digital and cybersecurity directions. Executives who took part in knowledge sharing included the C.P. Group Chief Digital Officer, Mr. Sansern Samaisut, Group Chief Information Officer, and Mr. Prakob Rerkpreedapong, Senior Vice President of CPF IT Center Co., Ltd.

Cyber Vaccine

At present, all sectors are affected by cybercrime scams. Therefore, creating cybersecurity knowledge for the general public is one of Charoen Pokphand Group’s intentions. For this reason, the Group became the first organization to have cooperated with the Royal Thai Police on the “Cyber Vaccine”, which is a pilot project that shares information and raises awareness about cybercrime scams to provide cyber immunity for Thai citizens as well as knowledge and awareness of the various forms of technological crimes.





HEALTH

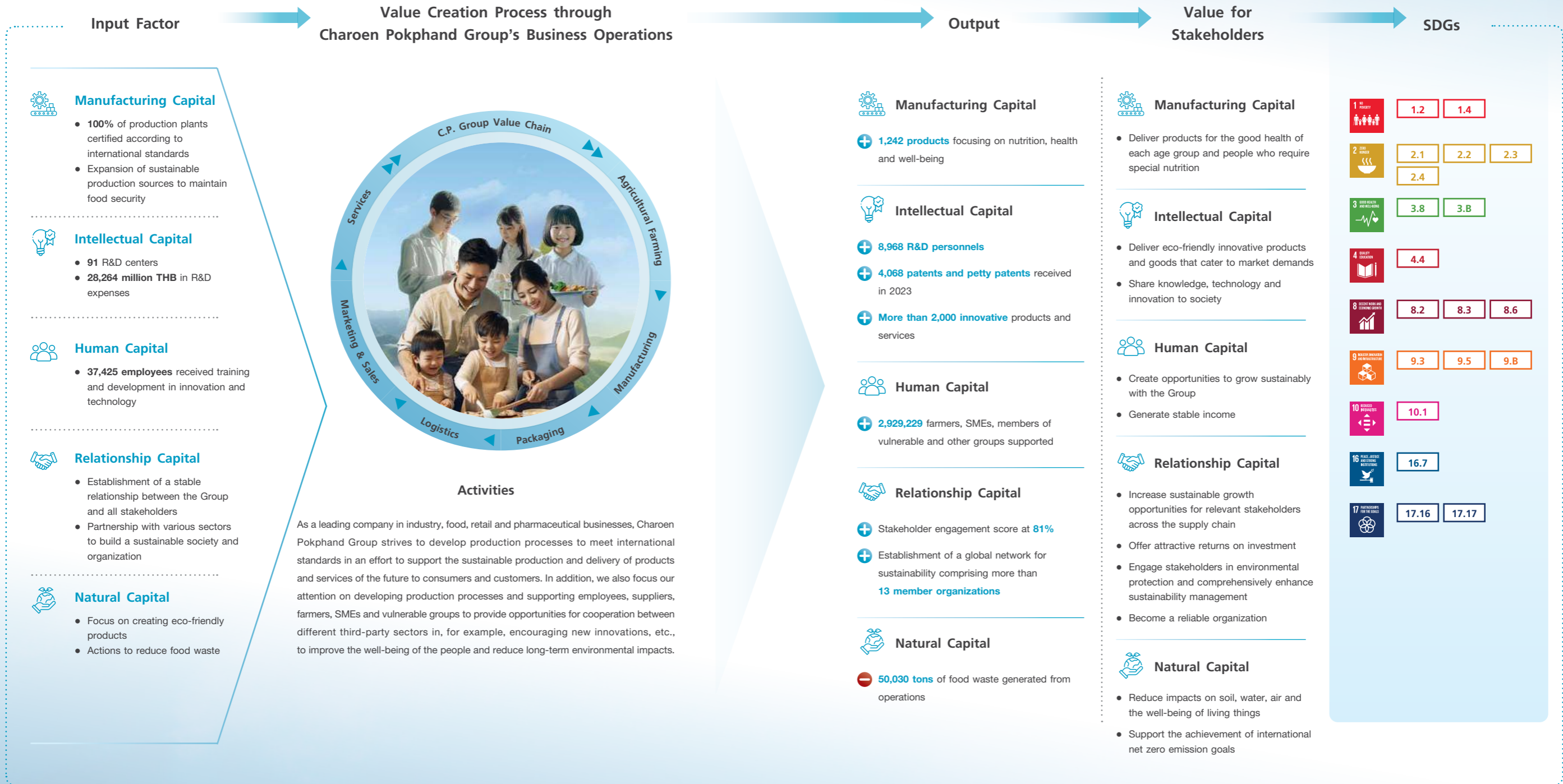
Living Well

In today's world, the significant increase in the demands of the market and consumers for healthy products and services, combined with changes in climate patterns and population structure, have raised the awareness and demand for products and services that are eco-friendly and promote good health for each age group. As a result Charoen Pokphand Group has scaled up our efforts to invent, research and develop innovative products and services as well as to ensure food security and access to nutrition. In addition to internal operations, the Group also supports actions to create value and economic benefits for society. At the same time, we are also pursuing cooperation with third-party organizations, including suppliers, the government and the private sector, to expand our operational guidelines and welcome new ideas that can yield sustainable products and services for everyone while building stakeholder engagement with society.

Health & Well-being	122
Social Impact and Economic Contribution	134
Food Security & Access to Nutrition	148
Innovation	156
Stakeholder Engagement	166



Value Creation Process





Health & Well-being

As a result of the continuously increasing world population each year, and the intensifying climate change posing risks of shortages of plants and animals that are essential food sources, people are lacking access to affordable, safe, and nutritious food. Consequently, a large number of people worldwide are faced with malnutrition which has become a public health concern causing negative impacts on several national economies. As a leader in technology and innovation, Charoen Pokphand Group recognizes that it is our responsibility to drive the creation of enhanced sustainable food production systems. Based on the concept of “For Better Tomorrow”, the Group strives to harness technology and innovation to modify production systems to accommodate the growing demand for food that emphasizes good health and nutritional values. In addition, the Group has concerted efforts with stakeholders in every sector across the value chain to establish traceability which focuses on sourcing raw materials from traceable sources with no adverse environmental impacts. The Group also encourages our suppliers to adopt digital production systems to reduce resource consumption and provide swift responses to customer needs as well as offer full disclosure of nutritional information for the health and well-being of everyone.

Supporting the SDGs



- 2.1 Ensure access by all people to safe, nutritious and sufficient food
- 2.2 End all forms of malnutrition
- 2.4 Ensure sustainable food production systems



- 3.8 Achieve access to quality essential health-care services
- 3.B Support the research and development of vaccines and medicines for communicable diseases, provide access to affordable essential medicines and vaccines

More information available in

[Sustainable Development Goals Report 2023](#)[Sustainability Performance Report 2023](#)

Key Performance 2023

31.7%

Proportion of total sales from health and well-being products and services in 2023

42.3%

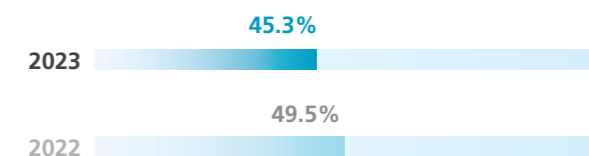
Proportion of food safety complaints decreased as compared to 2022

37.8%

Proportion of products that focus on nutrition, health, and well-being increased from 2022

Goals and Progress

70% of total sales volume derive from B2B and B2C products and services that promote health and well-being



Future Workplan



In collaboration with relevant stakeholders, apply modern technology and science in product development and production processes throughout the value chain to ensure sustainable food production systems for the present and future.



Support and encourage suppliers and farmers in the Contract Farming Scheme to strictly abide by animal welfare policies and requirements.

Promoting Access to Good Health and Well-being for All



As a leader in agro-industry & food, retail and pharmaceutical businesses, Charoen Pokphand Group upholds our commitment to constantly improve our production processes to ensure food security for the global population. In doing so, we rely on innovation as the key to developing quality products and services to promote good health and well-being universally and equally in accordance with the “Health for All” goal of the World Health Organization (WHO). The Group continues to invest in research and develop innovations to create healthy food while employing digital systems and modern technology in production processes to minimize loss, establish stable and sustainable food systems, and create new products and services that embrace sustainable development practices in order to boost positive

contributions to society, and the environment from upstream to downstream. Consequently, all stakeholder groups can rest assured that the Group’s products are of high quality, safe, and certified with national and international standards, such as GMP/GHPs, HACCP, ISO 9001, ISO 22000, GAP, and BAP. Furthermore, the Group has also worked in close partnership with our significant suppliers to develop and manufacture quality and safe products by cultivating a food safety culture to encourage all related parties throughout the supply chain to abide by the same standards. In addition, the Group has introduced Blockchain technology to enhance the traceability system throughout the supply chain to build confidence among customers and consumers.



Proportion of the Group’s Domestic Production Units and Farms Certified by Global Food Safety Initiative (GFSI)

26.1%*

* Data from Thailand and Vietnam

CASE STUDY

10th Safe Orange, Smiling Thais Program

Siam Makro Public Company Limited is committed to ensuring that consumers are provided with consistent quantities of safe food that can be traced back to sustainable production sources. In this regard, the company joined hands with Kasetsart University, Maejo University, and the Ministry of Agriculture and Cooperative to upgrade the “Safe Orange, Smiling Thais” program and raise orange farmers’ cultivation standards to align with GAP. Such an effort ensures that every batch of orange is of high quality, safe from residues, and can be traced via the Makro i-Trace QR code attached to the package or the QR code display sign at the point of sale. The program promotes the production of Thai oranges, creates jobs, and generates sustainable incomes for Thai farmers.



Participating farmers **70** persons

Relationship Capital

Oranges bought from farmers
1,826.60 tons per year

Total orange sales from the project
132 tons per year

Manufacturing Capital



Responsibility towards Animal Welfare and Consumer Health

Rearing Animals According to the Animal Welfare Principles

Animal welfare is linked to the quality and safety of meat foods. It also promotes the stability and sustainability of global food systems. Therefore, Charoen Pokphand Group strives to operate our business with emphasis on research and development in order to enhance animal welfare across the supply chain. We also implement innovation and technology in conjunction with adherence to international animal welfare principles or the Five Freedoms, which ensure that animals can live comfortably, receive adequate food and behave freely. When animals are healthy and free of disease, there is no need for growth hormones and medicines.

In addition, the Group has introduced biosecurity systems to boost the efficiency of disease prevention management on farms in accordance with safe food production guidelines. Moreover, animal welfare committees have also been established in every country with animal farming operations. The Group has also appointed personnel with expertise to systematically drive policies and operations pertaining to animal welfare across company farms, contract farming farms and concerned suppliers in order to ensure that all parties comply with the laws, rules, and regulations of each country where the Group operates as well as the regulations of the European Union which is a key trade partner.

CASE STUDY

Smart Hatchery: Raising Standards for Safe and Quality Food Production



Charoen Pokphand Food Public Company Limited raises the standard of its production processes using modern technology in line with animal welfare principles. CPF has implemented a single stage incubator to improve chick quality and hatch efficiency and a biosecurity system to achieve the highest product quality and safety under the “Smart Hatchery and Automation” project, which also offers traceability throughout the value chain. In addition, automatic control, digital and energy conservation systems have also been deployed, with focus on the appropriate use of resource and eco-friendliness in order to build customer trust and confidence.

Smart Hatchery production capacity **1.3** chicks per week, resulted in saving of **18.8** million THB/year

- Manufacturing Capital
- Financial Capital

Data on Animal Welfare Promotion

Welfare Outcome Measures (WOMs) to assess whether the animals are receiving high welfare standards according to animal welfare principles which directly affects their physical and mental health.

	WOMs	2021	2022	2023
Broiler Chicken	Transport Livability (%)	99.76	99.82	99.80
Layer Chicken	Transport Livability (%)	99.98	99.98	99.59
Meat Duck	Transport Livability (%)	99.84	99.86	99.02
Swine	Sow Livability (%)	95.73	98.02	96.86
Shrimp	Black Scar Lesion (%)	2.09	3.67	3.13
Aquaculture	Transport Livability (%)	n/a	99.90	99.07

Assessment of animal welfare performance in core products of companies in the global value chain 2023.

Animal Welfare Promotion	Performance
Physical environmental enrichment (%)	88.00
Cage-free rearing (million eggs)	110
Physical environmental enrichment (%)	83.34
Sows raised in group gestation pen (%)	42.00
Non-eyestalk ablation of female shrimps (tons)	4,300
Non-fin clipping (%)	100

Responsible Use of Antibiotics

Charoen Pokphand Group aims to create a sustainable food production system and adheres to the principles of responsible and reasonable use of antibiotics throughout the animal rearing process. The Group has also applied modern technology and created innovations to minimize the problems of drug resistance and antibiotic residues in animal products while promoting animal well-being to provide safety and benefits to consumers and the environment. The Group has strictly abided by the guidelines for antimicrobial use in animals across

the global food production chain, covering farms under the Group’s subsidiaries and the Contract Farming Scheme. Accordingly, antibiotics shall only be used for therapeutic purposes in order to uphold animal welfare and administered under veterinary prescription only in response to the demands of society according to the “One Health” principles.

[More information available in Health and Well-being](#)

Aquaculture

Charoen Pokphand Group places great importance on aquatic animal farming operations. We drive research and development into new technologies to enhance animal welfare promotion in order to increase production efficiency, reduce loss, manage farms and data, and plan production and transportation. We seek to fulfill market demands by delivering quality products to customers and consumers. Moreover, the Group takes into account the issues of energy saving, maintenance of environmental balance and reduction of climate change impacts in each and every step of our aquaculture operations. Furthermore, the Group has also transferred knowledge on aquaculture to farmers and suppliers to enable eco-friendly, safe, chemical-free and traceable aquatic farming as well as continuously raising standards to render sustainable benefits to farmers, communities, consumers and the nation.

CASE STUDY

Sustainable Aquaculture

Charoen Pokphand Foods PLC. received the Lifetime Achievement Award in Sustainable Aquaculture from the Center for Responsible Seafood (TCRS), a world-class institution for promoting sustainable seafood production, as a contributor to the global aquaculture industry in pioneering the development of shrimp breeds and modern shrimp farming processes.



CASE STUDY


CP Vietnam Participated in Enhancing Sustainable Aquatic Animal Production and Fishery

CP Vietnam collaborated with partners in “Vung Tau Multispecies Trawl Fishery Improvement Project” in the eastern coast of Vietnam. The project was approved by the MarinTrust Board, an international organization for fishmeal and fish oil standard certification. CP Vietnam has applied knowledge and experience from the “Sustainable Aquaculture Project”, implemented by CPF Thailand’s aquaculture business and approved by the MarinTrust Board, to projects in Ba Ria-Vung Tau in order to promote fishery in accordance with international principles and contribute to the sustainable development of the fishing industry in Vietnam.



100% of fishmeal raw materials can be traced back to the source

7.51% of fishmeal is bycatch and covered by the Fishery Improvement Plan (Vung Tau district)

 Manufacturing Capital

CASE STUDY

CPF Joined Hands with SeaBOS to Raise Aquatic Animals According to Animal Welfare Principles without Growth Accelerators



Charoen Pokphand Food PLC. has collaborated with SeaBOS (Seafood Business for Ocean Stewardship) on a pilot project to develop aquaculture without using antimicrobial and growth hormones. To control germs and pollutants in the ponds, probiotic food formulae were created and shrimp growing in a closed greenhouse using Biofloc was encouraged. This lessens the possibility of introducing pathogens from the outside into the agricultural system. Additionally, the partnership concentrated on developing shrimp breeding techniques to produce robust, clean, and sterile young shrimp. Above all, this advancement facilitates traceability. To prepare Thai farmers for international practices, the business has also been sharing shrimp farming techniques with coalitions of farmers.

Model for farmers on shrimp farming without the use of antibiotic, microorganisms, and growth promoters

 Manufacturing Capital  Relationship Capital

Animal Husbandry

Charoen Pokphand Group places importance on the research and development of innovation and technology for animal feed production in tandem with biosecurity systems which enhance the efficiency of disease prevention management on farms in accordance with safe food production guidelines. The Group also supports and encourages suppliers and farmers in the Contract Farming Scheme to strictly abide by the Group's animal welfare policies and requirements. Meanwhile, we have also worked to build cooperation and networks with suppliers, government agencies, civil society organizations, research and academic institutions, and other concerned stakeholders to raise awareness and establish collaboration to improve animal farming in accordance with animal welfare principles.

CASE STUDY

Good Chicken Production Award



Fujian Chia Tai Food Company Limited, a China-based business group under Charoen Pokphand Group, earned a three-star rating from the Good Chicken Production Award 2023 hosted by Compassion in World Farming International (CIWF). The award recognizes the poultry producer's outstanding performance in animal welfare based on the following requirements:

- Basic requirements (including a maximum stocking density of 33 kg./m² and daily record keeping)
- Committed to indoor environmental enrichment
- Committed to increasing space allowance (stocking density of less than or equal to 30 kg./m²)

The company earned a **Three-Star** rating from Good Chicken Production Awards

Manufacturing Capital Relationship Capital

CASE STUDY

CPF Supports Contract Farmers to Highlight Success of Biosecurity in Creating Food Security

Charoen Pokphand Food PLC. is committed to raising food safety standards from upstream to downstream, especially in animal farming processes. Accordingly, CPF has introduced a biosecurity system which feature a set of measures to prevent the spread of external animal diseases to animals raised on the farms as a means of prevention at the source. The biosecurity system is one of the five principles of CPF's animal husbandry, comprising good breed – good feed – good housing – good management – good disease prevention. CPF has shared the biosecurity system and the integration of automation technology and digitization into the management of 'smart farms' to small farmers or contract farmers in order to obtain safe, disease-free, residue-free products that meet standards and contribute to food security.



100% company and contract farming farms implementing biosecurity system

Manufacturing Capital

45 contract farming operations have joined the antibiotic-free swine farming program throughout the farming process and have been certified by NSF

Human Capital Relationship Capital

Responsibility towards Consumer Safety

Communication for Sustainable Consumption

Charoen Pokphand Group is committed to developing delicious, safe, nutritious food for consumers. Thus, the Group harnesses innovation and modern technology to develop healthy food and beverage products that cater to the health needs of consumers of all genders and ages, including those who require specific nutrition. In addition, the Group is well aware that educating and enhancing consumer knowledge is key to disease prevention, particularly by avoiding risky behaviors and creating an environment conducive to health behavior promotion. Accordingly, the Group has developed a proactive approach in communicating and displaying information on food and other products to offer correct, accurate, transparent consumption knowledge in compliance

with established laws and standards. The information is clearly and accurately displayed, without any kind of exaggeration or distortion of facts. Key information that the Group has displayed or conveyed to consumers include main ingredients, nutritional information, recommended serving amount, storage instructions, usage instructions, consumption information for children and pregnant women to provide consumers with information for decision-making and contribute to delivering affordable nutritious food that respond to the demands of consumers in each age group.



"Healthier Choice" Label Meal Category



คุณค่าทางโภชนาการ			
พลังงาน	น้ำตาล	ไขมัน	โซเดียม
XX	XX	XX	XX
XX	XX	XX	XX
*XX	*XX	*XX	*XX

*XX เป็นข้อมูลเบื้องต้นและอาจเปลี่ยนแปลงได้

Guideline Daily Amounts (GDA) is the display of energy, sugar, fat, and sodium on front of package label. It shows nutrients per unit of packaging in an easy to understand way

- Salmonella-free
- Antibiotic-free
- Hormone-free



Certification of product that can be eaten raw



Certification of antibiotic-free products



- Chicken eggs have been cleaned and sterilized
- Product that can be traceable



Product that has been certified for consumption by national team athletes during training preparation or competition.

Enhancing Health and Well-being for All

Promoting People Well-being

Charoen Pokphand Group recognizes the importance of health and well-being development so that people can gain full and equal access to good health. Therefore, the Group has launched a range of continuous projects to support and promote health in Thailand and abroad, such as health screening projects, e.g., Free Breast Cancer Screening Service with Mobile Mammogram, Preliminary Diabetes Screening, providing support for youth football and athletes in domestic and international competitions, and delivering medical equipment, etc.

Additionally, Charoen Pokphand Group has introduced digital health innovations, such as the MorDee Application, to facilitate healthcare by enabling patients to consult a doctor anywhere, anytime using a smartphone in an area with signal coverage, thus having no need to waste time on the road. The Group has also leveraged the potential of our 5G network combined with digital technology to contribute to the development of new forms of medical service systems, medical treatments, and public health services, consisting of MEC (Multi-access Edge Computing), 5G Smart Ambulance to provide assistance to emergency patients, and 5G Unmanned Vehicle, to boost work efficiency, safety and energy saving.

CASE STUDY

C.P. Group 100 Years : Giving Back Through Blood Donations



Charoen Pokphand Group has joined forces with various sectors in Thailand and abroad to increase access to good health for the people through the “C.P. Group 100 Years : Giving Back Through Blood Donations” project, executed by the Special Project Management Office under the supervision of Mr. Wanlop Chiaravanont, C.P. Group Senior Vice Chairman, in collaboration with the National Blood Center of the Thai Red Cross Society to encourage personnel of all business groups to give back to society by donating blood. From 1991 to 2023, the project received 593,205 units of blood, or a total of 221,653,200 c.c. In 2023 alone, 276 business units held blood donation activities, acquiring 33,492 units, or approximately 13,396,800 c.c. of blood.

13.4 million c.c. Blood donated through the project

Relationship Capital

CASE STUDY



Lotus's Joins Hands with Thais to Fight Cancer

Lotus's, in collaboration with Kanchanabaramee Foundation and the Health Department of Bangkok Metropolitan Administration (BMA), launched free “Breast Cancer Screening Services with Mobile Mammogram” conducted by specialists for the fifth consecutive year. In order to support good health and well-being, Lotus's has thus extended the opportunity to access preliminary cancer screening to Thai people.

946 people participated in the screening service

Relationship Capital

CASE STUDY

True Joins Forces with Siriraj Hospital to Showcase 5G Smart Hospital Innovation and Launch Siriraj Innovation Open Lab



True Corporation Public Company Limited (True) helps Thai people to gain rapid and thorough access to medical and public health services through a collaboration with Siriraj Hospital in the “Siriraj World Class 5G Smart Hospital” project. Through this initiative, True has combined the potential of the 5G network with digital technology to contribute to developing new forms of medical service systems, medical treatments and public health services, consisting of Multi-access Edge Computing (MEC), 5G Smart Ambulance and 5G Unmanned Vehicle to improve work efficiency, safety and energy saving.

Emergency patients receiving assistance 2,700 cases

Relationship Capital

CASE STUDY

King Chulalongkorn Memorial Hospital - CP Group Sends Chartered Flights to Transport Life-Saving Organs to Critical Heart Disease Patients



From March 2020 until now, Charoen Pokphand Group has sponsored 18 chartered flights, through Siam Land Flying Company, free of charge to contribute to shortening ischemic time. As a result, the survival and recovery rates for heart transplant patients have seen significant improvement.

41 organs transported over 3 years

18 pieces 4 pieces 13 pieces 6 pieces

Relationship Capital



Social Impact and Economic Contribution

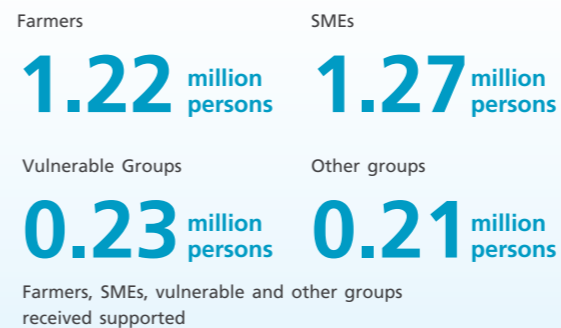
Charoen Pokphand Group strives to build a sustainable organization and recognizes the importance of developing all dimensions of society and communities across the value chain. The Group respects and considers both the positive and negative viewpoints of all concerned stakeholder groups, taking into account potential impacts that may occur on society and communities as a result of our operations. We endeavor to identify, manage, and resolve any negative impacts that may be associated with the Group by adhering to the Human Rights Policy and Guidelines as well as impact remedial measures. Meanwhile, the Group also creates positive contributions by unlocking economic opportunities and well-being for people, such as those in need of assistance, farmers, vulnerable groups, and SMEs, through various projects. The Group regards stakeholders' concerns as lessons for improvement and will use them to explore appropriate measures to build resilience for people in society. This has been incorporated into the organization's strategies for setting policies, guidelines, and preventions against other impacts that may affect confidence in the future.

Supporting the SDGs

 <p>1.2 Reduce the proportion of men, women, and children of all ages living in poverty in all dimensions</p> <p>1.4 Ensure that the vulnerable have access to appropriate technology and financial services</p>	 <p>2.3 Double the agricultural productivity and incomes of small-scale food producers</p>	 <p>4.4 Increase the number of youths and adults who have the relevant skills for employment and entrepreneurship</p>
 <p>8.3 Support decent job creation and entrepreneurship</p> <p>8.6 Reduce the proportion of youth not in employment</p>	 <p>9.3 Increase the access of small-scale industrial and other enterprises to financial services, including affordable credit</p>	 <p>10.1 Progressively achieve and sustain income growth of the bottom 40 percent of the population</p>

More information available in [Sustainable Development Goals Report 2023](#) and [Sustainability Performance Report 2023](#)

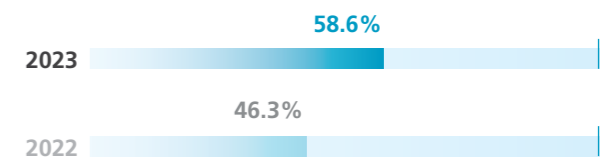
Key Performance 2023



304.67 million THB
Social and community development investment

Goals and Progress

5 million people receive job promotion to generate income for people in need, e.g., farmers, SMEs, and vulnerable groups, across the value chain



Future Workplans

-  Support farmers in production technology in conjunction with sustainable agriculture.
-  Increase opportunities for vulnerable groups and SMEs to access technology on various platforms to create career opportunities.
-  Reduce risks of negative impacts on society and communities located near the projects operated by the Group.

Social Value Creation Strategy

Charoen Pokphand Group has integrated guidelines to improve quality of life and promote sustainable economic development, placing focus on three main target groups, namely farmers, vulnerable groups, and SMEs. We also emphasize on conducting business responsibly throughout the value chain. The Group has established a key strategy to minimize negative impacts, create positive contributions and respond to the concerns of all stakeholder groups, especially communities where the Group operates our business. Although the Group has initiated numerous community-related projects over the years, the analysis of positive and negative impacts may not have yet covered all dimensions, especially in the economic, social and environmental scopes. Accordingly, in 2023, the Group defined guidelines for economic, social and environmental impact valuation for the use of all business groups in evaluating every dimension of social impacts.

Partners from various sectors, including government agencies, the private sector, academics, and civil society, have rendered their cooperation to the implementation of Charoen Pokphand Group's social value creation strategy in an effort to enable the integration of core competencies that will benefit communities and reduce risks of human rights violations, such as rights to livelihoods and income disparity affecting certain groups in the household sector, i.e., vulnerable households, more than others. Nevertheless, as the Group operates near communities, there are bound to be negative impacts on local livelihoods, for instance, risks of higher living costs despite stagnant incomes or safety risks due to increased vehicles. Accordingly, the Group has thoroughly considered these risks and taken actions, such as improving local employment, creating jobs to boost income, raising awareness, and organizing activities to establish good relationships with communities, and many more.



Impact Valuation of Social Value Creation Operations using Social & Human Capital Protocol

Supporting and Improving Livelihoods of Farmers and Fishers

Supporting Farmers

Charoen Pokphand Group has strived to develop and strengthen the agricultural sector while creating shared values for Thai society throughout the course of our business operations. One of the Group's social value creation strategy encompasses career and income promotion for farmers. Having long accumulated knowledge in agriculture, which is an upstream business, the Group is thus capable of imparting knowledge to and building skills for farmers, empowering personnel to transfer knowledge from generation to generation through the participation of partners from various sectors. Charoen Pokphand Group provides support to farmers in terms of finance, management, distribution channels, modern

technology and the use of marketing to lead production so that farmers can produce products that meet standards and current market demands. However, the Group acknowledges that farmers are confronted with risks, such as decreasing agricultural produce due to deteriorating soil quality, adequacy of clean water, and inaccessibility to quality raw materials, which affect the food security system. To manage these potential risks, the Group has established the Sustainable Procurement Policy which highlights the responsible sourcing of agricultural raw materials that do not involve encroachment on protected areas nor deforestation for agriculture.

CASE STUDY

Direct Purchasing from Farmers Project

CP Aextra Public Company Limited has underlined its policy to purchase produce directly from farmers. This move has not only provided consumers with quality, fresh, clean, and safe products at economical prices, but has also offered additional product distribution channels and created stable incomes for local farmers. In 2023, fruits and vegetables purchased from farmers were sold through 2,800 Makro and Lotus's branches. CP Aextra continues to support farmers in various dimensions including through skill and knowledge-building training programs to facilitate further product development and through the establishment of standards that enable the distribution of such products in modern trade stores.



Total purchase value of fruits and vegetables from farmers **9,800 million THB**

Relationship Capital

Improving Well-being for Fishers



Despite not being engaged in the fishing business, Charoen Pokphand Group is one of the largest companies in Thailand that source certain types of raw materials from the sea. The Group is aware that small fish supplied to bycatch fishmeal factories is the result of irresponsible fishing and causes impact on coastal fisheries. Therefore, on 14 August 2015, the Group issued a statement to stop the purchase of fishmeal produced from by-catch, but still maintain the purchase of by-product fishmeal from factories with international standard certification. These are the duties of the private sector in setting suitable standards and engaging in environmental preservation and human rights efforts. In addition, the Group clearly announced our intention to take part in promoting and restoring marine resources. In doing so, the Group invited experts, fisheries academics, civil society and representatives from relevant

government agencies to join a committee to promote the restoration of marine resources and improve fishing practices which will lead to sustainable recovery.

Charoen Pokphand Group recognizes that marine resource conservation and restoration as well as quality of life development and enhancement will improve the quality of life and well-being of artisanal fishers. At the same time, they also contribute to income distribution and job creation for communities. Therefore, the Group joined FLEC (Fishermen Life Enhancement Center) as one of the founding agencies since 2016 to integrate cooperation and combine knowledge of government agencies, private sector and civil society. This collaboration, which consists of Charoen Pokphand Foods Public Company Limited, the Fish Marketing Organization, the Department of Labor Protection and Welfare (DLPW), the Planned Parenthood Association of Thailand (PPAT), Stella Maris Center, Songkhla, PTT Global Chemical Public Company Limited, and GEPP Sa-Ard Co., Ltd., manages and prevents problems of human trafficking and Illegal Unreported and Unregulated (IUU) Fishing. It also endeavors to comprehensively uplift the quality of life for migrant workers and their families in various dimensions.



CASE STUDY

FLEC: Model of Equal Access to Educational Opportunity for “Migrant Children”

Charoen Pokphand Foods Public Company Limited has promoted the Fishermen Life Enhancement Center (FLEC)’s “Learning Room for Children and Migrant Worker Families” program, in Songkhla Province, as a model of integration that supports migrant children in the fishing sector to have equal access to education, enabling them to grow into quality adults. From 2016 until now, FLEC has helped 263 migrant children to gain access to educational opportunities and acquire skills to enhance their quality of life.



Access to educational opportunity
2016 - present **263** persons

Human Capital

CASE STUDY

“SEACOSYSTEM for Sustainable Thai Seas”: Integrated Marine Ecosystem Restoration for Sustainable Income of Fishers

Charoen Pokphand Group has proceeded with a focus on five key aspects, namely 1) driving indicators and standards, 2) expediting policies, 3) community development, 4) economic, social, and environmental development, and 5) innovation and digital technology. The Group also places importance on marine resource conservation in tandem with improving the quality of life of communities, allowing fishers to earn more than 2,500 THB per day for self-support from crabs and aquatic animals while learning how to process their catch to create added value for income generation. At present, the Group has been working with over 100 communities in 21 provinces.



Fishers earn more than
2,500 THB/day for self-support

Relationship Capital Human Capital

Benefited more than **5,550**
artisanal fishing households

Relationship Capital Human Capital

Supporting SMEs

One of the key social value creation strategies that Charoen Pokphand Group has continuously implemented involves providing support to SMEs. In the past, SMEs faced various risks and challenges, such as adaptation to market changes, access to working capital, recruitment of sufficient labor for business operations, application of technology and management, and many more. Without proper assistance, these obstacles may impact the national economy and society's well-being. Therefore, the Group aims to leverage our expertise and cooperation with business partners to support SMEs through a range of projects in order to enhance suppliers' potential, for example, promoting easier access to capital for business operations, offering opportunities to start business operations, supporting product distribution channels to contribute to progress and expansion of entrepreneurs businesses.



In addition, Charoen Pokphand Group encourages community participation in developing products and services that meet international standards in order to raise the potential and competitiveness of local and national economies. The Group has continuously promoted capacity development for SMEs and collaborated with a network of organizations supporting SMEs to acquire higher capabilities and grow stronger to meet the demands of the global trade arena that places greater emphasis on sustainability. Additionally, the Group has a "Platform of Opportunities," operated by CP Seeding Social Impact Co., Ltd., which focuses on economic promotion and creating positive social impacts. This platform opens doors of opportunity for Thai entrepreneurs to discover their maximum potential and introduces Thai products to gain acceptance both nationally and internationally. It meets the demands of the global trade arena, which increasingly emphasizes sustainability.

➤ **More information is available in**
[Platform of Opportunities for Thai Entrepreneurs and Farmers](#)

CASE STUDY

CP Aextra Joined Forces with Makro-Lotus's to Organize "SME FOODIES PARADIS" to Support Local SMEs and Drive Community Economy

CP Aextra joined forces with Makro-Lotus's to expand the platform of opportunities for SMEs and Thai Farmers. This project supported local government policies in driving community economy, and promoting career creation for communities surrounding the branches and distribution centers. The first "SME FOODIES' PARADISE" were organized in 2023 at Lotus's Phra Nakhon Si Ayutthaya branch.



Opened product sales areas in over **2,800** branches of both Makro and Lotus nationwide

Relationship Capital

CASE STUDY



Produced **197** capable new SME entrepreneurs

Relationship Capital Human Capital

Increased number of SME products in 7-Eleven **9,763** items

Relationship Capital

CP ALL and SMEs Thank Thai People's Support for SME Products through 7-Eleven in 2023

In 2023, CP ALL Public Company Limited launched a project to support SMEs' capacity in producing quality products called "Giving & Sharing". This project received support from various groups, including consumers who are important instructors raising questions on product development and 7-Eleven outlets who organized activities and provided a range of knowledge, such as new era marketing, content writing to boost sales, production standards, food technology and innovation. These knowledge and skills have been passed on to communities and local groups, leading to income generation and careers. So far, such effort has yielded an economic value of over 20,000 million THB.

Supporting Vulnerable Groups



Vulnerable populations are more susceptible to threats from risk factors, such as health, social, economic, environmental, and natural disasters. They also lack the capacity to deal with risk factors and their impacts. Thus, it is critical to promote and enhance their quality of life so that these vulnerable populations can achieve equality in society in order to minimize social disparities. Based on the notion that “a strong business foundation must be built hand in hand with the foundation for the quality of life of people in the society”, Charoen Pokphand Group recognizes the need to provide continuous support to people in the society. Over the past several years, the Group has continued to undertake projects to aid vulnerable people, i.e., the disabled, the elderly, children, and the socially disadvantaged. At the same time, we have been focused on promoting careers and building capacity, skills, and knowledge



while also expanding opportunities for sustainable careers of vulnerable groups through collaboration with partners and organizations who collectively act as an important driving force for the sustainable development of communities and society.

CASE STUDY

“Net for Living”: Enhancing Digital Skills for the Elderly

True Corporation Public Company Limited continues to focus on the sustainable growth of the Thai economy and society. Therefore, True has engaged in a collaborative project with the Department of Older Persons (DOP) to promote suitable well-being for the elderly and support the utilization of skills and experiences to provide them with appropriate employment as we strive to close the digital gap that is affecting the country’s elderly group. Accordingly, True held a digital skill training workshop, which is an extension to the “Net for Living” project and responds to the need for social value creation, with a view to impart digital knowledge and skills. True targets to create jobs and income for 500,000 vulnerable populations by 2030.



Training for **900** elderlies in 2023

Relationship Capital Human Capital

CASE STUDY

Pass the Love to Children with Autism in Guilin, China



Guilin Chia Tai Co., Ltd. participated in rehabilitation activities for children with autism at the Rehabilitation Department of the Guilin Social Welfare Institute, a municipal-level institute for rehabilitation and assistance for children with disabilities, housing 9 classes and 87 students. Main activities include rehabilitation training to assist poor children with autism and nutrition promotion. The company also provides training and job placements for parents of children with autism to ensure stable income. As a result, children with autism are offered a variety of activities that enhance their abilities and contribute to the effective treatment of autism.

Support employment and increase family income by more than **60,000** RMB/year

Relationship Capital

Charoen Pokphand for Rural Lives' Development Foundation

Throughout its 36 years of operation based on His Majesty the King's philosophy and in adherence to the Three-benefit Principle which comprises benefits for the country, the people, and the organization, the Charoen Pokphand for Rural Lives' Development Foundation has carried out work related to children, youth and farmers in rural areas. In the beginning, His Majesty King Rama IX had graciously permitted the use of the area within Huai Sai Royal Development Study Center in Cha-am district, Phetchaburi to establish the "Agricultural Youth Vocational Training Center" to enable rural youth outside of compulsory education to have an opportunity to receive vocational training, practice discipline, acquire life skills and

grow into "good person, good citizen with good occupation". From then on, the Charoen Pokphand for Rural Lives' Development Foundation initiated work related to rural people, including underprivileged children and youth, poor farmers and elderly people living in remote rural areas. The Charoen Pokphand for Rural Lives' Development Foundation targets to "create 4 goods, develop 4 areas", including children and youth development, community and farmer development, quality of life development, and environmental protection and restoration. It works in collaboration with 1,089 network partners to create benefits for the country and the people.

Management Process



Performance of Charoen Pokphand for Rural Lives' Development Foundation in 2023



Raising Layer Chickens for School Lunch

- Enhance nutrition for students in 935 schools
- 188,000 students consume protein (eggs)
- 1,981 communities have access to safe food



Nursing Career Development Project

- Until now, 249 youth** have received training and applied the acquired knowledge in their career, leading to self-reliance and stability



Foster Family in Cultural Communities

- Until now, 358 people** have received love and warmth from foster families as well as quality education



Scholarship Students under Royal Patronage (Support HRH Project), Prachuap Khiri Khan

- At present, accumulative number of **249 Students** from border police patrol schools have opportunity to study and stable career.



Integrated Agricultural Project, Buriram

- Promote careers to generate sustainable income, form a community group, increase skills and knowledge
No. of farmers: 3,073 persons



Community Knowledge Exchange Center (Theppaya Park, Songkhla)

- Extend knowledge of the Sufficiency Economy Philosophy
No. of visitors: 6,533 persons



Fish Homes in Songkhla Lake, Songkhla

- Preserve and restore natural resources and the environment, conduct sustainable artisanal fishing
No. of fish homes: 100 homes



Omkoi Model, Chiang Mai

- Preserve and restore natural resources and the environment, improve the quality of life of people in the highland and wildlife
No. of trees planted: 99,000 trees



Forest Areas Protection, Chiang Mai

- Protect watershed areas and trees planted under the Community Forest Maintenance Project to ensure sustainability
Forest area: 1,324 rai

Evaluating the Performance of the Scholarships for Students under the Royal Patronage Project (Support HRH Project)

Scholarships for Students under the Royal Patronage is one of the projects dedicated to develop children's and youth's quality of life. It also responds to the royal initiative of Her Royal Highness Princess Maha Chakri Sirindhorn who is determined to improve the lives of children and youth lacking opportunities in remote areas. The project provides opportunities for students who have completed compulsory education or the highest education level taught in Border Patrol Police Schools to continue their education and transform into good and self-reliant individuals who can develop their communities. Over the course of its operations, the Charoen Pokphand for Rural Lives' Development Foundation has collaborated with organizations and educational institutions to carry out the Scholarships for Students under the Royal Patronage project, creating educational opportunities for students and alumni of Border Patrol Police Schools. During their time in the project, children can acquire life skills at the Agricultural Youth Vocational Training Center in Phetchaburi province.

Social Return on Investment

Charoen Pokphand for Rural Lives' Development Foundation has adopted the Social Return on Investment (SROI) guidelines as a standard framework to evaluate the Scholarships for Students under the Royal Patronage project, covering three dimensions, namely economic, social and environmental, in order to manage the social outcomes from the project implementation in comparison with various investment opportunities in order to select and allocate resources and budgets in a worthwhile and effective manner. The project evaluation scope in 2022 (June 2022 – July 2023) covers the number of students in the project's area in Prachuap Khiri Khan province.

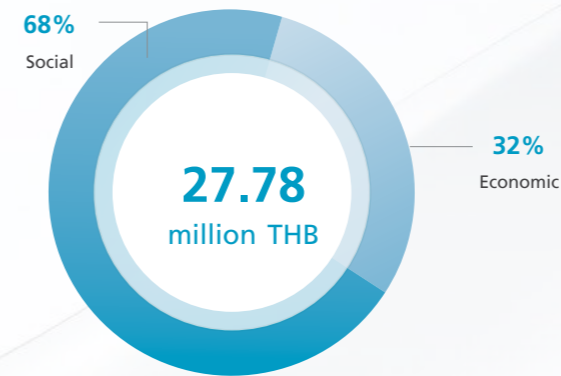


Evaluation Results

The following stakeholders were included in the evaluation of the Social Return on Investment of the Scholarships for Students under the Royal Patronage Project, scholarship students, parents of scholarship students, and border patrol police teachers. This was to consider changes and results. It was found that there are clear results that occurred directly and indirectly to the scholarship students.

Results for Stakeholders

In the evaluation of the results, impacts on stakeholders will be assessed, both positive and negative impacts, and from the evaluation of the results that occurred with the scholarship students during the fiscal year 2018-2022, it was found that there was a total value of results of 27,780,958 Baht. When compared to investments calculated as SROI equal to 1.34.



Economic and Social Results

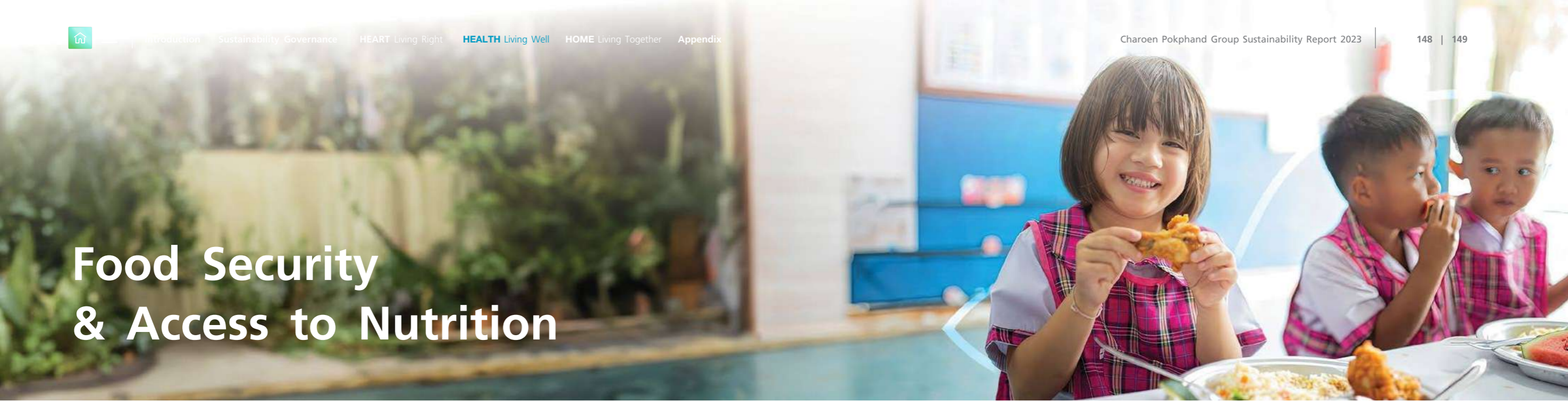
From the evaluation of the economic and social results of the scholarship students, both positive effects and negative effects were found. The economic results representing a total value of 8,974,623 Baht, and social results representing a total value of 18,806,335 Baht. The details of the valuation are as follows:

Economic

- 
Higher Career Opportunities
7,138,446 THB
- 
Reduced Expenses
1,836,176 THB

Social

- 
Confidence and Self-esteem
1,058,138 THB
- 
Leadership
690,900 THB
- 
Learning Experiences
440,000 THB
- 
Having Good Nutrition
8,195,416 THB
- 
Having Good Physical
326,800 THB
- 
Create Volunteerism
8,316,000 THB
- 
Anxiety
-32,917 THB
- 
Sickness and Accident
-188,000 THB



Food Security & Access to Nutrition

Charoen Pokphand Group is well aware of the food insecurity crisis which continues to produce severe and widespread impact across the globe. The United Nations' Food and Agriculture Organization reported that in 2023, between 691 and 783 million people in the world faced hunger. In view of this, approximately 122 million more people faced hunger in 2024 than in 2019, before the COVID-19 pandemic. This is mainly the result of climate change, deteriorating ecosystems, natural disasters, and conflicts ranging from regional to global levels which have lowered agricultural production, increased consumer product prices, and caused malnutrition among people with no income or vulnerable groups. These circumstances have led to violations of the right to food and posed a challenge for Charoen Pokphand Group. Therefore, we have set our focus on driving towards a more sustainable food system and placed importance on technology, innovation, and coordination with international organizations in order to promote and alleviate the impacts of restrictions on access to food as well as to advocate for equal access to food for the better health and well-being of all.

Supporting the SDGs



- 2.1 End hunger and ensure access by all people to safe, nutritious and sufficient food
- 2.2 End all forms of malnutrition

➤ **More information available in**

- [Sustainable Development Goals Report 2023](#)
- [Sustainability Performance Report 2023](#)

Key Performance 2023

30.1%

Percentage of marketing budget to promote health food products

8,802,762 meals

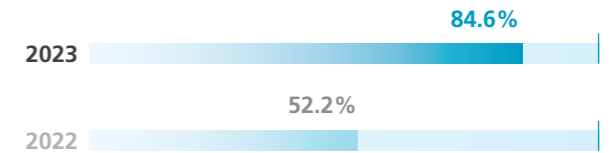
Number of meals donated to unfortunate people, especially children, youth, the poor and people in risky situations

8,459,092 persons

Number of children and youth given access to food and knowledge on food safety and nutrition (accumulative data)

Goals and Progress

10 million children, population and people in need receive access to safe and nutritious food.



Future Workplans

- Extend sustainable agricultural practices across the organization and to farmers.
- Adopt sustainable production and sourcing practices to improve soil health and increase biodiversity.
- Support people, especially vulnerable groups, to have access to affordable, safe, nutritious food.
- Coordinate with other agencies and organizations to initiate a food surplus distribution program.

Food Security Management

In 2022, according to the report of the United Nations' Food and Agriculture Organization, 29.6% of the global population were moderately to severely food insecure, of which approximately 900 million were severely food insecure. The key factor for this lies in the intensifying climate change which has caused global warming, disasters and water shortages affecting crop yield. At the same time, increasing population, decreasing agricultural lands, epidemics and international conflicts have also impacted production and product prices, leading to food insecurity. Therefore, the production of sufficient, quality and nutritious food and beverages to meet the global demand is one of Charoen Pokphand Group's operational goals. The Group places importance on both technology and innovation to create

products for health and develop a range of protein sources to create food of the future as well as environmental awareness and Regenerative Agriculture. Furthermore, the Group has adopted guidelines under the Sustainable Procurement Policy to regulate the production of the Group and our suppliers in order to promote community well-being, consumer health and equal access to adequate health products. In addition, the Group has joined hands with other organizations to support and alleviate impacts from access limitations to food through various projects and activities that create food for the body and mind as well as opportunities to encourage equal access to such values for the better health and well-being of all.

Food Security Management



Reforming Food System for Sustainable Production and Consumption

Developing Food Products to Strengthen Immunity

Nowadays, consumers are promoting their healthcare holistically by fulfilling their lives both socially and mentally. Meanwhile, many parts of the world are entering an aging society. Therefore, the development of new alternative food products and food for better health to boost immunity and reduce risks of chronic non-communicable diseases is one of Charoen Pokphand Group's principal missions. The Group currently boasts a range of 1,242 food products that focus on nutrition, health and well-being, which can be classified into low-fat, low-sugar, low-sodium products, nutritionally adjusted products and improved formula and personalized food products. Furthermore, the Group has also collaborated with companies, organizations and the public sector to facilitate the exchange of knowledge and promote participation through the Group's research projects.

Due to future trends, the growing shortage of food resources and the environmental impacts caused by conventional food production methods, Charoen Pokphand Group has thus introduced the concept of developing food of the future that establishes food security and environmental sustainability. The Group has developed various raw materials to create a new form of food that offers good taste and health benefits, such as alternative proteins using raw materials from high-protein plants and replicating the taste, smell and color of animal products, for example, MEAT ZERO and VG for Love, etc. In addition, the Group has developed more than 971 low carbon footprint and low carbon products to promote consumers' access to quality and safe food along with taking part in mitigating the effects of climate change.

CASE STUDY

Product R&D for Health Conscious Consumers (VG for Love)



CPRAM Company Limited is committed to create quality food that promotes good health and well-being for all consumers. The company developed ready-to-eat food under the VG for Love brand, which is a new food group that targeted on consumers who has a plant-based diet. This product was developed under sustainable development principles, which is in line with CPRAM's Love direction, including Love Health, Love Animals, Love the Environment, and Love the World. The product comes in five categories according to the requirements, such as vegetarian, vegan, vegetarian with dairy, vegetarian with egg, and vegetarian with dairy and egg.

Currently, there are **25** plant-based products VG For Love products creates revenues over **51** million THB

Manufacturing Capital

Developing Products for Sustainable Production and Consumption & Immunity-boosting Products

CPF
Charoen Pokphand Foods (UK)
TASTE INC - Spicy Chargrilled Chicken

- High protein
- Low saturated fat
- Low sodium
- Grilled with charcoal from sustainable source

TOP'S FOODS
Top's Foods (Belgium)
Sweet & Sour Chicken with Rice

- 100% natural ingredients
- Gluten free
- Lactose free
- 80% less plastic packaging

SuperDrob
SuperDrob (Poland)
Vegan Salmon Slices

- Protein from rice
- "V-label" verification and certification in accordance with European Vegetarian Union regulations

Bellisio
Bellisio Foods Inc. (USA)
Michelina's Grande : Rigatoni Alfredo with Chicken & Broccoli

- Vitamin B
- 0% Trans Fat
- Michelina's Grande catered to the needs of consumers during COVID-19 and received the 2023 R&D Teams of the Year Award from the Food Processing Magazine

CP BIO
CP BIO (China)
LifeMelody (Boost children's immunity)

- Bifidobacterium lactis Bi-07: Can reduce cold and flu symptoms and duration
- Phosphatidylserine: Promotes brain function, develops memory, thinking and analytical skills, etc., and stimulate brain function

CP
Charoen Pokphand Foods (China)
Chicken Breast Fried Rice with Quinoa

- Low fat
- Great source of protein
- Rich in fiber

CP
Charoen Pokphand Foods (Singapore)
MEAT ZERO X TASTE ASIA Plant-based Chicken Masala with Chickpea Rice

- Meat free
- Non-GMO soybeans
- Suitable for: vegans, vegetarians and flexitarians

cp Yam
CPRAM (Thailand)
Grilled Chicken Breast Salad with Jasmine and Riceberry Rice

- Protein from chicken breast meat
- Low fat, low saturated fat
- Low cholesterol
- Source of protein

CPF
Charoen Pokphand Foods (Thailand)
CP FI-IT: Black Pepper Chicken Breast Sausage

- High protein equivalent to 5 egg whites
- Reduced fat and sodium
- Chemical-free, safe, free from growth hormones according to animal welfare principles
- 100% tar free, no preservatives
- "Best Food Innovation" award (THAIFEX-Anuga Taste Innovation Show 2023) and "Best World Food Taste 2023" from Belgium

Creating Food Security

A large number of people around the world are suffering from hunger and inaccessibility to food principally due to the rapidly increasing global population, severe climate change that is shrinking agricultural lands and water shortage in many areas disrupting production as well as the current consumption trend which produces more and more food waste. Access to adequate and nutritious food is a fundamental human right to which everyone is entitled. For this reason, food security is a material issue for Charoen Pokphand Group as we commit to promoting good health and well-being in order to reduce food inequality and enable equal access to sufficient hygienic and nutritious health products at affordable prices. Meanwhile, the Group focuses on promoting learning and skill-building

processes related to food production in order to take part in alleviating malnutrition. Additionally, the Group has also joined forces to establish cooperation with various sectors, including raw material farmers, animal farmers, business partners, including educational and government agencies. At the same time, we have utilized innovation and advanced technology to guarantee the production of quality, safe, nutritious food that meets standards, reduces environmental impact and uses resources efficiently. The Group also promotes Regenerative Agriculture in a bid to protect and restore the environment while collaborating with agencies and organizations to deliver food to those in need to create food security and enable universal access to good nutrition for society.



CASE STUDY

Determining Bacillus Mixing Ratio in Organic Fertilizer to Increase Efficiency in Controlling Corn Root Rot and Stem Rot Disease in Myanmar



Farmers in Myanmar’s Shan State had been impacted by an outbreak of corn root rot disease due to frequent rainfall. Besides the low quality of corn yield, some plots may have suffered up to 100% damages. In an endeavor to aid farmers, the Soil Quality Assurance and Fertilizer Research Team in Thailand began to conduct continuous research and development for preventive methods. The team discovered that *Bacillus* B87, when mixed into organic fertilizer, can prevent the rotting of roots and stems. Test results indicated that *Bacillus* B87 can protect farmers’ corn produce from root and stem rot disease, reducing past damage of 440 kg./acre to only 167 kg./acre, or equivalent to 4.4% compared to plots that did not use *Bacillus* B87 organic fertilizer.

In 2023, **38,400** acres of produce were protected

- Manufacturing Capital
- Relationship Capital



CASE STUDY

Sustainable Agriculture

C.P. Intertrade Company Limited, affiliated companies in the rice, transport and service businesses, together with government agencies, have collaborated on a project to develop traceability through the Sustainable Rice Production (SRP) Standard in the Pracharat Rice Scheme in order to encourage our agricultural partners to acquire correct rice cultivation knowledge and ability according to food safety principles, implement an efficient management system and operate on the basis of social and environmental responsibility.



Number of rice products received KHAO C.P. SUSTAINABILITY label **59,574** tons

- Manufacturing Capital

CASE STUDY



Collaborating with Partners to Drive “National Food Bank”

Charoen Pokphand Group is committed to ending hunger and promoting access to safe and nutritious food by delivering food surplus occurring from our operations or safe, edible, unsold portions to vulnerable groups to allow widespread access to nutritious food. In this regard, the Group has joined forces with affiliated companies and partner networks in various countries, such as Scholars of Sustenance (SOS Thailand), Food Aid Foundation and Kechara Soup Kitchen (Malaysia), Food bank (Vietnam) as well as the public and private sectors.

Quantity of safe and nutritious food equivalent to **5.79** million donated meals

Delivered food surplus to over **3.09** million persons

- Relationship Capital
- Natural Capital



Innovation

Today, customer needs, technology, and even the climate are all changing at an accelerated pace. These changes affect production costs, production efficiency, market trends as well as the stability of the supply chain. Charoen Pokphand Group is well aware of the impacts and in response to these rapid changes, innovation acts as one of the essential tools that will enable the Group to cope and keep pace with diverse changes as we progress towards becoming a leader in the business. The Group places importance on the continuous investment, development, and promotion of innovation. Besides our internal efforts, the Group has also collaborated with third-party agencies, such as universities, government agencies, or suppliers, to continually develop innovation in order to deliver new products and services that answer to the needs of customers and market trends, whether in terms of health, eco-friendliness, resource efficiency, etc. The Group has also adopted process and digital innovations in our production processes to maximize efficiency with reasonable costs.

Supporting the SDGs



8.2 Achieve higher levels of economic productivity through technological upgrading and innovation



9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors
9.b Support technology development, research and innovation for value addition to commodities

➤ More information available in

[Sustainable Development Goals Report 2023](#)

[Sustainability Performance Report 2023](#)

Key Performance 2023

4,068 patents

Accumulated patents and petty patents increased from 2022 by 11.2%

2.2%

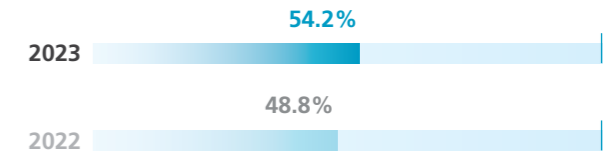
Proportion of revenue from new products and services

28,264 million THB

R&D spending decreased from 2022 by 1.7%

Goals and Progress

7,500 patents and petty patents registered



Future Workplans



Invest in new technologies, such as AI, big data



Develop an innovation knowledge exchange platform to promote innovation within and beyond the organization



Develop Charoen Pokphand Group's innovation ecosystem

Innovation Management for a Better Tomorrow

Innovation Management

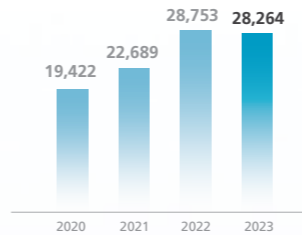
One of Charoen Pokphand Group's innovation strategies is the digitalization of the organization. For this reason, the Group has made investments, allocated personnel and resources, created an atmosphere conducive to innovation as well as developed and shared knowledge to enable continuous innovation. In 2023, the Group established the Innovation Committee to promote the effective collaboration and management of innovation in accordance with the Group's policy and strategic framework.

Furthermore, Charoen Pokphand Group continues to monitor the performance of innovation development, e.g., R&D investment, number of intellectual properties, income generated from new products, and cost reduction as a result of leveraging innovation to boost process efficiency, in order to ensure that efforts to develop innovation and their performance are in line with the Group's direction. Additionally, the Group creates an atmosphere of an innovative organization through the C.P. Innovation Exposition and the One Day Satisfaction Project to inspire employees' creativity for innovation.

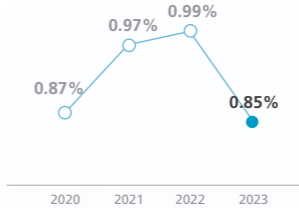


Investment

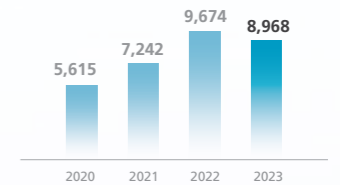
R&D Expenses (million THB)



Percentage of R&D Spending per Revenue



R&D Personnel (persons)



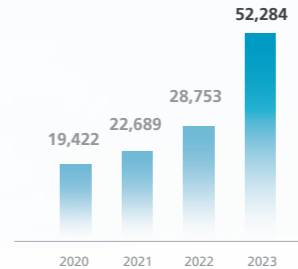
Process

Research Centers
91 centers

Researchers
8,968 persons

Innovators
37,425 persons

No. of One Day Satisfaction Project



Open Innovation
616 projects

Participation in Innovation Projects
46,121 persons

Results

Proportion of Revenue from New Products
2.2%

Proportion of Cost Reduction due to Innovation
2,509 million THB

Number of Intellectual Properties
4,068 items

Developing Process Innovation

Process Innovation



The Group’s sustainable innovation development must focus on customer, and must cover from upstream to downstream. Traceability should be taken into consideration and developed into product sustainability for consumers.

Mr. Narong Chearavanont
Senior Vice Chairman,
Charoen Pokphand Group

Charoen Pokphand Group holds the 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. Therefore, the Group is committed to implementing process innovation and new technologies, such as AI, automation and digital technology, to improve processes and increase production or service efficiency as well as prevent or reduce any impact that may occur on the environment, employees or surrounding communities.

In addition to adopting innovation to enhance process efficiency, Charoen Pokphand Group also encourages all employees to participate in creating new innovations. This is in line with the Group’s corporate values which underlines innovating and accepting change. Based on these two corporate values, the Group strives to encourage and motivate employees at all levels not to cling to current processes. At the same time, we search for new innovations or technologies to enhance process efficiency and promote ease of work.

We also offer opportunities for employees to submit a proposal of their work. If the proposal is deemed worthwhile, the Group will invest in such innovation or technology.

In 2023, Charoen Pokphand Group created 2,085 process innovations, which increased process efficiency and reduced costs more than 2,000 million THB. Furthermore, the Group also provided training about technology or innovation to 16,232 employees. Meanwhile, 46,121 employees have already participated in work improvement or innovation projects. Despite growth in our research and development performance, the Group has not ceased to promote investment in technology or innovation which will boost the efficiency of our production processes, services, or supports in order to meet the direction of business growth.

CASE STUDY



Smart Transportation and Logistics Management Application AXONS Move

Food has limitations on shelf life, it also posting a risk of contamination and damage during transport. Therefore, it is necessary to have an effective management system to help prevent damage and reduce the chance of product contact leading to contamination and food spoilage, as well as reducing the risk of accidents for workers. AXONS has therefore developed the AXONS Move application, which uses Big Data that collects information such as the vehicles’ coordinates, temperature, and speed to analyze and improve logistics routes, reduce delivery times with real-time shipping information reports. This application received a guaranteed award from the Asian Technology Excellence Award in the Smart Technology - Food Manufacturing Solutions category.

30% cost saving

Develop the knowledge and experience of the team to expand into other agricultural businesses.

Financial Capital Human Capital

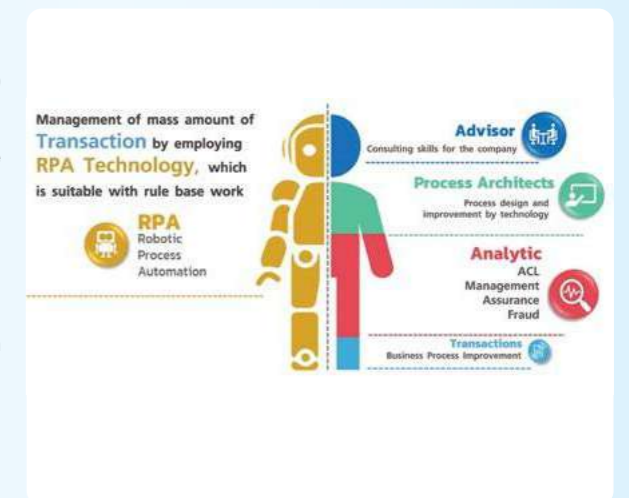
CASE STUDY

Shared Services Center (SSC)

The Shared Services Center (SSC), which is an accounting and financial operations center, has evolved into the 4.0 digital economy era by applying modern innovations, such as Robotic Process Automation (RPA), to replace routine work in order to transform the organization into a pencil structure by 2025 and increase work agility and efficiency. In addition, it focuses on reskilling/upskilling and upgrading the organization’s accountants to become business partners while also employing other technologies, such as Blockchain and ACL, etc.

Income 10-53 million THB/year

Financial Capital



Developing Innovation for Products

Innovative Products



At present, the demands of markets and customers are constantly and rapidly changing. If companies are unable to invent new products or services in response to such needs in a timely manner, they face the risk of losing market space and competitiveness. For this reason, Charoen Pokphand Group has not ceased to develop products and services for the market in order to meet the expectations and needs of customers and society. The Group's criteria for inventing and developing products or services include eco-friendliness, health safety for consumers of all genders and ages, safety and convenience of use, and market demand.

In 2023, Charoen Pokphand Group developed new products and services according to plan and in response to the direction and trends of health, food safety, energy technology and smart homes, for example, Thai Chicken to Space Project, Meat Zero products, antibiotic-free selenium eggs, smart home devices and many other products.



Proportion of income from new products and service should

2.2%



Charoen Pokphand Group's product, Soyirun, receive packaging design award from iF Design Award 2024

Under the commitment and endeavor to continuously improve research and development, in 2023, Charoen Pokphand Group created a total more than 2,000 new products and services which account for 2.2% of our revenue. The Group's research and development efforts will not end here; we will continue to strive to innovate, improve and further develop new products and services.

CASE STUDY

True GIGATEX Intelligent Fiber Router

True GIGATEX Intelligent Fiber Router is an in-house innovation by True Corporation Public Company Limited to improve network and service quality and resolve the problem of monopoly by device manufacturers. Previously, the True high-speed internet service network was monopolized by device manufacturers, i.e., the receiver and transmitter must come from the same manufacturer, although there are six manufacturers, thus leading to restrictions and high costs. The Company, therefore, designed and developed a common language that enables transmitters and receivers from different manufacturers to work together, eliminating any device restrictions.



Income **480 million THB/year**

Financial Capital

Customer increase of **50,000 persons**

Relationship Capital

CASE STUDY

Thailand's First Virus-resistant Pumpkin

"Thong Siam Pumpkin" is the first strain of pumpkin in Thailand that is resistant to SLCCNV (Squash Leaf Curl China Virus) which causes leaf curl disease, resulting in deformed leaves, dwarfing, incomplete or no fruit setting. Chia Tai Business Group has adopted modern innovation and molecular techniques to research and improve Thailand's first variety of pumpkin that can resist SLCCNV effectively. The project won the "Outstanding Innovation" Award in the Research and Development category for the improvement of Thailand's first virus-resistant pumpkin variety, "Thong Siam Pumpkin", and the "Excellent Organization" Award in the Agricultural Innovation category.



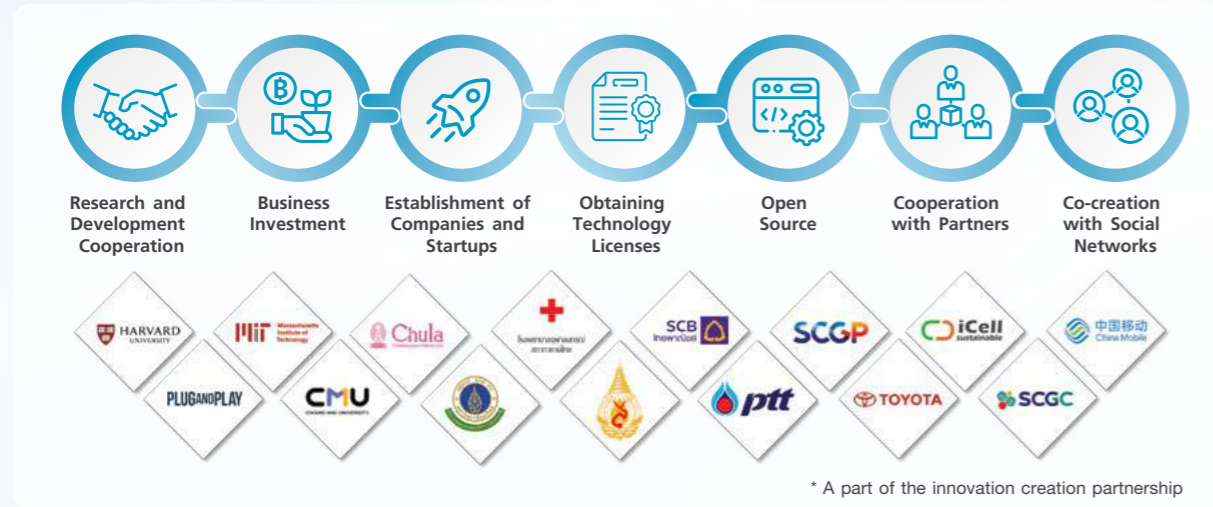
Income **7.38 million THB/year**

Financial Capital

Intellectual Capital

Building Innovation Partnerships

Besides efforts to leverage the Group’s expertise to research and develop innovations, Charoen Pokphand Group firmly believes that collaboration and sharing of knowledge and experiences with third-party agencies will raise our potential and speed in innovation development to the next level. It also opens up opportunities to exchange knowledge and expertise with external agencies, leading to new knowledge. This allows for the widespread and effective extension or implementation of knowledge or innovation.



CASE STUDY

“Nasi Kerabu Bliss Bowl” Plant-based Meat
 “Nasi Kerabu Bliss Bowl” plant-based meat was developed from the uniqueness of local Malay food with emphasis on nutritional value for good health. Produced according to Halal standards, it features tastes that meet the palate of Asian Muslim consumers. This is a collaborative project between Charoen Pokphand Foods Public Company Limited (CPF) and The ProVeg Food Innovation Challenge APAC. CPF provided academic and marketing advice as well as shared knowledge to the Protein-Packed Power Bowl Team, consisting of graduate students from the Food Science and Technology Program, University of Technology Brunei, who placed third in the Challenge.



Achieved the third runner-up award.
 Human Capital

CASE STUDY

Nuclear Medicine Robot to Enhance Efficiency in Thyroid Cancer Treatment with Radioactive Iodine



Chulalongkorn University, the Thai Red Cross Society, in collaboration with True Digital Group, utilized digital technology to elevate medical services by developing innovation that supports thyroid cancer treatment through the use of radioactive iodine. The robot was designed with a combination of human and technology, or Human-Tech Technology. It is commanded and controlled through a tablet and connected via a 5G network to support real-time communication with maximum stability and data security. The innovation has contributed to enhancing service efficiency, lessening burden on medical personnel and reducing radiation exposure for doctors and medical personnel.

Opportunity for income generation
40 million THB/year
 Financial Capital
Service user satisfaction 90%
 Relationship Capital

CASE STUDY

“NimNim Ready-to-eat Egg White Noodles”
 CP ALL Public Company Limited collaborated with business partners to develop products that meet the need to consume food for disease treatment among consumers, such as kidney disease patients or cancer patients who must consume 10-20 egg whites per day but cannot meet such dietary goal. This inspired the development of “NimNim Ready-to-eat Egg White Noodles” which relies on the exchange of ion in brown algae extract, one of the ingredients in egg white noodles, with the ion in salt water used to soak the noodles combined with the nature of egg whites which changes from liquid to solid when cooked. This causes the noodles to set with a soft, sticky texture. The noodles do not contain flour and fat, give low energy and contain complete amino acids. 100 grams of noodles contain high proteins equivalent to three egg whites. The noodles can be stored for one year.



Income 20 million THB/year
 Financial Capital

Stakeholder Engagement

Building stakeholder engagement is an integral activity in running a business as recognition and trust from stakeholders can contribute to operational continuity. Besides supporting business growth, it also assists companies in delivering long-term sustainable value to all stakeholders. In this regard, Charoen Pokphand Group has implemented a comprehensive stakeholder engagement process that is regularly reviewed in an effort to ensure that stakeholders' issues of interest have been fully integrated into the decision-making process. Nevertheless, the Group's business context is what causes our stakeholders to vary. Therefore, diverse communication channels are required to enable each stakeholder group to access information on our operations as well as offer opinions or raise concerns in a convenient and prompt manner. In addition to establishing comprehensive communication channels, the Group also places priority on the transparent and ingenuous disclosure of engagement results.

Supporting the SDGs



16.7 Ensure inclusive and participatory decision-making at all levels



17.16 Enhance the global partnership for Sustainable Development
17.17 Enhance and promote effective public, public-private and civil society partnerships

➤ More information available in

[Sustainable Development Goals Report 2023](#)

[Sustainability Performance Report 2023](#)

Key Performance 2023

81%

Stakeholder satisfaction score increased from 2022 by 1%

78%

Satisfaction score towards communication, listening and response decreased from 2022 by 1%

84%

Satisfaction score towards sustainability effectiveness increased from 2022 by 4%

Goals and Progress

80% engagement score from multi-stakeholder survey



Future Workplans



Develop opinion survey and stakeholder engagement processes



Seek additional cooperation with external partners to initiate projects that promote sustainable development

Stakeholder Engagement Process

Factors supporting Charoen Pokphand Group to maintain our position as a stable and sustainable organization include stakeholder engagement, the integration of interest issues into corporate management processes and the ability to manage impacts from business operations. For this reason, the Group has developed stakeholder engagement guidelines in accordance with AA1000 Stakeholder Engagement Standards 2015 (AA1000SES). In the first step, the Group identifies stakeholders by considering the nature of their participation in the Group, namely dependency, responsibility, tension,

influence, and diverse perspectives. Subsequently, the Group prioritizes stakeholders in order to determine effective stakeholder engagement guidelines and an appropriate timeframe. Finally, the Group proceeds to build engagement with stakeholders according to established plans. This process includes constant communication to provide clear and accurate information, consultation to solicit opinions and suggestions, development of action plans and communication of stakeholder engagement results.

Stakeholder Engagement Survey

In addition to the stakeholder engagement process, Charoen Pokphand Group conducts engagement surveys with all stakeholder groups annually in order to enhance the efficiency of work processes. In 2023, engagement surveys were performed on all 11 stakeholder groups, or a total of 10,257 persons, consisting of 58% female, 41% male and 1% unspecified gender. Based on the total number of respondents, the majority are stakeholders aged between 30-39 years, reflecting the interest of working-age people who place importance on sustainability. Concerns and interests of this group included climate change governance and protection, equal employees treatment and benefits, and knowledge and skill development that suitable for current and future trends. The 2023 survey topics covered overall satisfaction, effectiveness in 15 areas of sustainability and effectiveness in communication, listening and response.

The survey results indicated that sustainability performance score has increased 4% from 2022 as a result of stringent implementation of sustainability, and collaboration with various organization to expand the scope of work, as well as create positive impact to wider areas. Moreover, the Group has adopted reporting standards and frameworks into our reporting processes to disclose performances that are in stakeholders' interests. At the same time, corporate communication score was at 78%, which decreased from 2022. Overall satisfaction towards the Group's operation is at 81%. Besides the survey scores, the Group also obtained valuable suggestions from each stakeholder group, which will be used to further enhance the efficiency of operational guidelines.

➤ More information available in [Stakeholder Engagement Report 2023](#)

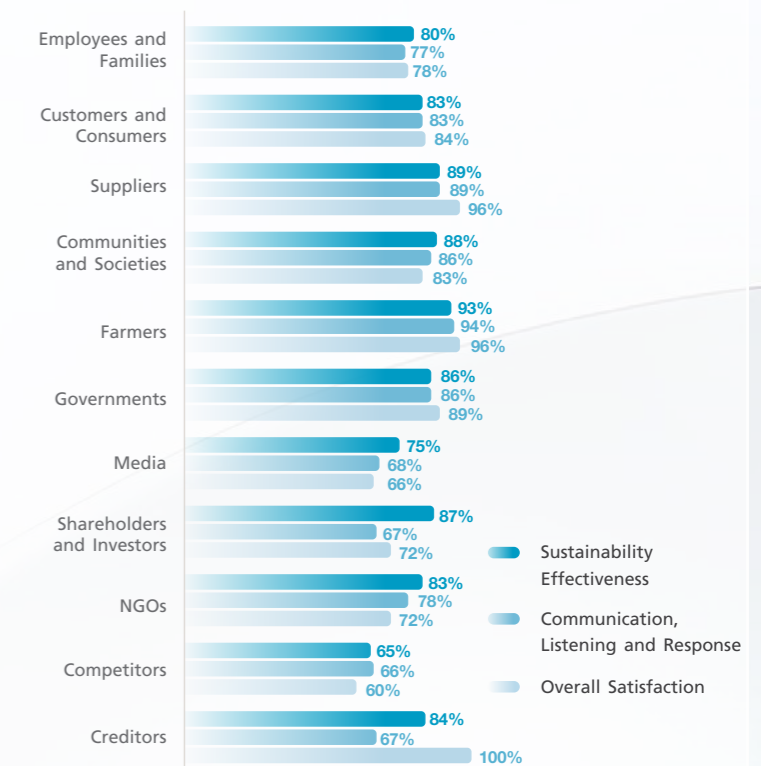


Results of Stakeholder Engagement Survey 2023

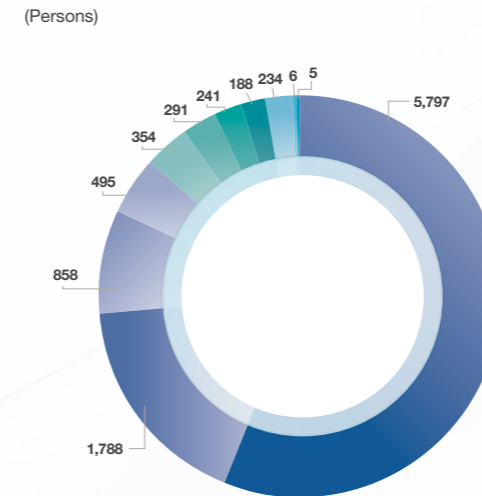
Stakeholder Engagement Score



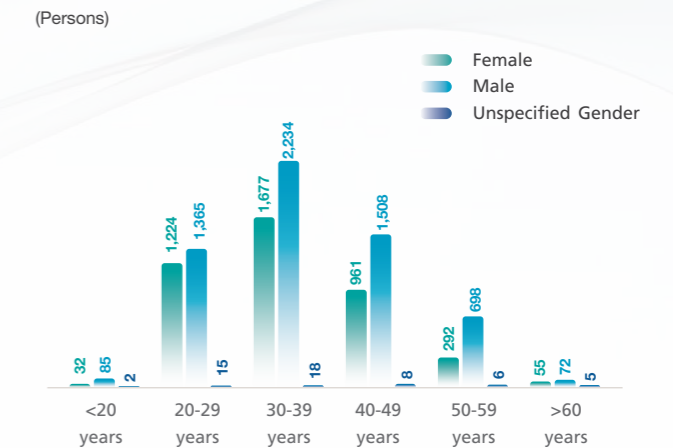
Satisfaction Scores



Proportion of Respondents



Diversity of Respondents



- Employees and Families
- Customers and Consumers
- Suppliers
- Communities and Societies
- Farmers
- Governments
- Media
- Shareholders and Investors
- NGOs
- Competitors
- Creditors

Listening and Responding to Stakeholders

One of Charoen Pokphand Group’s stakeholder engagement guidelines involves consultation to solicit opinions and suggestions from all stakeholder groups, and third-party experts. Stakeholder and expert opinions are essential and enabled the Group to gain deep comprehension of continually changing trends and situations, which can be used to improve operational guidelines for effective response.

Employee

As an employee, I give importance to promoting career advancement with a focus on creation of knowledge and skills, as well as offering opportunities to think outside the box. The Group has leadership and future skill development projects, which is a collaboration between Departments or companies. This project also provides opportunities for employees to apply what they have learned to their work, help employees learn and grow in practice, and continually improve their problem-solving abilities.

Mr. Wang Peng
C.P. Food (Hengshui) Company Limited



Business Partner

Today, CP has taken a leadership role with a clear policy of zero tolerance for deforestation and 100% traceability. This strong leadership is matched by Bunge’s commitment to being 100% deforestation-free by 2025. By collaborating, we can create platforms that set industry examples and help develop an ecosystem conducive to responsible sourcing. Together, we aim to influence the industry direction, ensuring that our positive actions drive change in others.

Mr. Mohit Purbey
Bunge Asia Ptd, Ltd.



Client

As a customer, I commend C.P. Group’s commitment to working closely with farmers and promoting GAP+ for quality and safety. Their Sustainability Rice Cultivation Campaign has significantly improved the livelihoods of Thai Hom Mali rice farmers. However, addressing methane emissions from flooded paddy fields and climate change impacts is crucial. The Group mid/long-term sustainability goals in the supply chain and their strategies for upstream and downstream environmental impacts are promising. I recommend developing sustainable packaging and improving waste management. Providing more updated statistics on sustainability developments would enhance collaboration. C.P. Group’s efforts are commendable, but continuous improvement in these areas is essential.

Mr. Ching Yong Hai
Topseller Pte Ltd., a subsidiary of PSC Corporation Ltd.



Farmer

The Omkoi Model project by the Charoen Pokphand Foundation for Rural Life Development helps improve the community’s livelihood by creating stable jobs and income. The project operates under the high-value agriculture plan, using a “market-led production” approach, where Production plans are made in collaboration with farmer groups. This method allows for the production of high-value crops “using minimal land while yielding substantial returns”. Proper management of the planting plots according to academic principles ensures that farmers have additional land to benefit from for other income-generating crops.

Mr. Somchai Piengkwanhathai
Member of the High-Value Agriculture Community Enterprise Group,
Ban Thung Cham Roeng, Omkoi Subdistrict, Ching Mai



Community

The Group has been continuously working with community, but we would like the Group to sustainably promote jobs/careers for the community, for instance careers promotion related to plants, animals, and the development of various rice strains. When families can be self-sufficient, the society will be at peace. Additionally, we would like the Group to continuously support community’s economic, starting from upstream, mid-stream, to downstream, as well as process innovation.

Mr. Surasit Sangthopo
President of the Buphothi Subdistrict Administrative Organization, Buriram



Government

The Group has been quite intensive in its human rights protection efforts, particularly in communicating and training employees to understand and implement them correctly. Moreover, the Group has continuously collaborated with various external sectors. However, if possible, it would be beneficial for the Group to enhance the dissemination of human rights protection knowledge through E-learning for other companies to study and improve their operations to create a sustainable society. Additionally, the issue of human rights protection in cross-border investments by Thais is still not well addressed. Therefore, if the Group could support this, it would be beneficial in terms of providing knowledge and understanding to the business sector.

Miss Nareeluc Pairchaiyapoom
Director of International Human Rights Division, Department of Rights and Liberties Protection,
Ministry of Justice of Thailand



NGOs

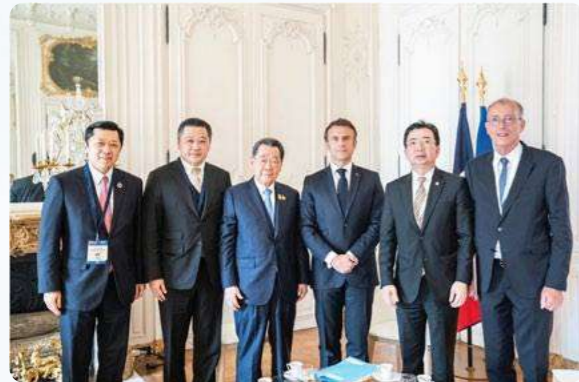
C.P. Group has worked on a comprehensive sustainability strategy and provides a clear disclosure of its performance. The Group discloses its human rights due diligence process, along with related policies to promote human rights, including the rights of migrant workers. The topic of human rights is very dynamic and constantly evolving, so in order for the Group to maintain its leading role in the topic of business and human rights, I would like the Group to ensure the consistent implementation of its human rights policies. Additional disclosure on the results and the applicability of the policies should be taken into consideration to further enhance transparency to stakeholders. With this, we’d also to encourage C.P. to play a more active role international dialogue on business and human rights.

Mr. Maximilian Potter
Head of Labour Mobility and Social Inclusion, International Organization for Migration



Collaborating with Partners to Drive Sustainable Development

Charoen Pokphand Group is aware that the achievement of the sustainability goals in various dimensions, whether in terms of reducing social inequality, developing sufficient food to meet needs, minimizing greenhouse gas emissions and protecting biodiversity, requires cooperation from different sectors. Such cooperation will assist the organization in learning new practices as well as sharing technology that promotes the creation of sustainable value for society, communities, and the environment.



Collaborations with French Companies on Food, Energy and Transportation Projects

Mr. Dhanin Chearavanont, Senior Chairman, Mr. Soopakij Chearavanont, Chairman, and Mr. Suphachai Chearavanont, Chief Executive Officer, and executives of Charoen Pokphand Group attended a meeting with the French leader to discuss projects and cooperation on trade and investment between Thailand and France, the import of advanced technology and innovation into Thailand and the creation of employment opportunities in the local economies of both countries.

Collaborating to Achieve Carbon Neutrality in Thailand

Mr. Dhanin Chearavanont, Senior Chairman of Charoen Pokphand Group, signed a Memorandum of Understanding with Toyota Motor Corporation and Commercial Japan Partnership Technologies Corporation (CJPT) to collaborate towards achieving carbon neutrality in Thailand under the concept of “doing what can be done now, together with like-minded partners”. An agreement was reached to further collaboration on three areas of focus, namely Energy Solutions, Data Solutions and Mobility Solutions, by harnessing Thailand’s resources.



Collaborating to Support Energy Transition

Mr. Soopakij Chearavanont, Chairman of Charoen Pokphand Group, signed a Memorandum of Understanding with Mitsubishi Corporation to conduct joint feasibility studies on reducing carbon emissions in Thailand’s manufacturing industry. The Group and Mitsubishi Corporation intend to join forces to study the feasibility of developing carbon-free energy sources in countries surrounding Thailand and providing carbon-free energy to the Thai manufacturing industry.

C.P. Group Leads Digital Council to Attract Investment from Singapore at SVCA Conference 2023

Mr. Suphachai Chearavanont, Chief Executive Officer of Charoen Pokphand Group, participated in a discussion on the topic “Building Successful Businesses in Southeast Asia” at the Singapore Venture Capital & Private Equity Association Conference 2023. He shared his views on the challenges faced by Thailand, particularly in the transition to digital with AI and IoT, and the ways to overcome these challenges. These include fostering collaboration between the government, private sector, and civil society, developing digital human resource capabilities, and positioning Thailand as a regional innovation hub.



Sharing Vision at Thailand Supply Chain Network

Mr. Suphachai Chearavanont, Chief Executive Officer of Charoen Pokphand Group, together with executive officers from other leading organizations, jointly shared the vision at the “TSCN CEO PANEL: Adapting for sustainable survival”, to propose recommendations on the implementation of sustainable development in business management and to share sustainable development experiences in hopes of developing the capacities of leaders of organizations in other business sectors in order to conduct sustainable business together.



HOME

Living Together

Charoen Pokphand Group recognizes that it is our responsibility to protect the environment for present and future generations. As the Group operates in a variety of businesses, including agriculture, food, retail, and telecommunications, we understand the connection between our business activities and the integrity of the environment. The Group's commitment to protect the environment is not only an obligation, but also a key cornerstone of our sustainability strategy. The Group has thus incorporated environment into all aspects of our operations, from sustainable raw material sourcing, through to energy reduction, greenhouse gas emissions reduction, water conservation, waste management and ecosystem & biodiversity protection. We are dedicated to implementing best practices to reduce environmental risks and optimize the sustainable use of resources as well as taking part in creating a circular economy system. Furthermore, we also acknowledge the importance of responsible supply chain management to enable sustainable development in all dimensions.



Climate Resilience	178
Circular Economy	200
Water Stewardship	212
Ecosystem & Biodiversity Protection	224
Responsible Supply Chain Management	240

Value Creation Process


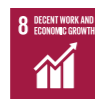








Climate Resilience

Climate change is a critical factor for all sectors due to its widespread effects that are likely to intensify. It can produce impacts on the global economy or livelihoods and ecosystems around the world. Charoen Pokphand Group firmly commits to reducing the impacts of climate change in every way possible to cut down greenhouse gas emissions along the value chain by fully supporting investment in renewable energy, enhancing energy efficiency, and optimizing resource consumption in order to achieve the Net Zero Target by 2050. With this challenge, the Group is expanding opportunities to invest in renewable energy businesses and create changes in society that contribute to improving the environment, reducing inequality, and enhancing equal access to resources. Additionally, the Group also encourages and collaborates with suppliers and business partners to develop and increase environmental products, while continuously engaging in collaboration with suppliers.

Supporting the SDGs

 <p>7.2 Increase the share of renewable energy 7.3 Double the rate of improvement in energy efficiency</p>	 <p>8.4 Improve progressively resource efficiency in consumption and production</p>	 <p>9.4 Increase resource-use efficiency and adopt clean and environmentally sound technologies and industrial processes</p>
 <p>11.6 Reduce adverse environmental impact, including paying special attention to air quality</p>	 <p>12.a Strengthen scientific and technological capacity to move towards more sustainable patterns of consumption and production</p>	 <p>13.3 Improve education and awareness-raising on climate change adaptation and impact reduction</p>

More information available in [Sustainable Development Goals Report 2023](#) and [Sustainability Performance Report 2023](#)

Key Performance 2023

9.45%

Decrease in GHG Emissions Scope 1 and 2
In 2023, scope 1 & 2 GHG emissions reduced by 0.36 million tons CO₂e as compared to 2021

20%

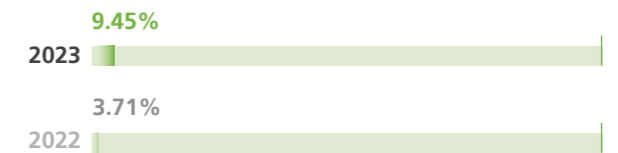
Energy Efficiency Enhancement
In 2023, the Group implemented energy conservation and efficiency improvement projects, resulting in energy savings of 0.82 million gigajoules

17%




Proportion of Renewable Energy Consumption
In 2023, the Group increased the proportion of renewable energy usage, resulting in a reduction of GHG emissions by 0.97 million tons of CO₂e

Goals and Progress

Reduce GHG emissions (Scope 1 and Scope 2) from operations from 42% target according to Science-based Targets



Future Workplans

-  Increase energy efficiency and the share of renewable energy consumption.
-  Establish a Carbon Neutral (Scope 1&2) Roadmap towards 2030 for all business groups 2030.
-  Encourage and support suppliers and stakeholders along the value chain to reduce GHG emissions.

Net Zero Transition Plan

Charoen Pokphand Group has established the Net Zero Transition Plan which places importance on energy and resource management to reduce greenhouse gas emissions as well as energy efficiency enhancement to minimize environmental impacts by opting for clean energy and green technology. It also emphasizes on encouraging stakeholders to cooperate in the sustainable reduction of greenhouse gases.

C.P. Group's Greenhouse Gas Reduction Target

Achieve Carbon Neutrality (Scope 1+2) by 2030, compared to the based year 2021



Near-term Target by 2030

SBT: Near-term Target for Scope 1+2, Reduction by 42%, compared to based year 2021
 SBT: Near-term Target for Scope 3, Reduction by 25%, compared to based year 2021

Net Zero Emissions Target by 2050

SBT: Achieve Net Zero Emissions Target (Scope 1+2+3), compared to based year 2021



Energy Efficiency and Carbon Reduction

Target: Increase energy efficiency by 20%

Complying with energy reduction procedures or policies, ensuring that the output or service, when compared with the amount of energy used, is cost-effective with greater economic and environmental efficiency.

- High-efficiency cooling systems
- Boilers and heat exchangers
- Centralized air compressor systems
- Automation and robotics
- Increase efficiency in production processes



Clean Energy and Alternative Energy

Target : Increase renewable energy use by 50%

Using generated energy without causing pollution, conducting activities with less impact on the environment, importing or using clean energy sources to reduce environmental impact and create sustainability in energy production.

- Solar energy for electricity generation
- Biogas for electricity generation
- Biomass energy to replace fossil fuel
- Energy storage system



Green Transportation

Target: Reduce carbon from transportation by 25%

Developing a competent route management system, using fuel efficiently by leveraging technology to control intelligent routing, and using information to plan and track transportation to optimize efficiency as well as promoting the use of clean energy in transportation vehicles across the value chain.

- Electric truck for transportation
- Hydrogen and battery systems
- Logistic Management System for efficiency enhancement
- Analyze and control carbon reduction in the transportation sector



Carbon Reduction along the Value Chain

Target: Collaborate with suppliers to reduce carbon by 25%

Encouraging activities with focus on reducing carbon dioxide throughout the value chain, supporting farmers and suppliers through transfer of knowledge and technology to reduce greenhouse gases, and promoting product carbon footprint, which will lead to sustainability and long-term business development.

- Encourage suppliers to install Solar PPA
- Collaborate with suppliers to reduce carbon footprint of products
- Promote alternate wetting and drying (AWD) for rice production
- Reduce greenhouse gas emissions from crop cultivation



Carbon Removal

Target: Promote Carbon Capture and Storage Technology

Promote the carbon capture technology to reduce GHG emissions and achieve the Net Zero target. Moreover, promote carbon market to create awareness on sustainable environmental protection.

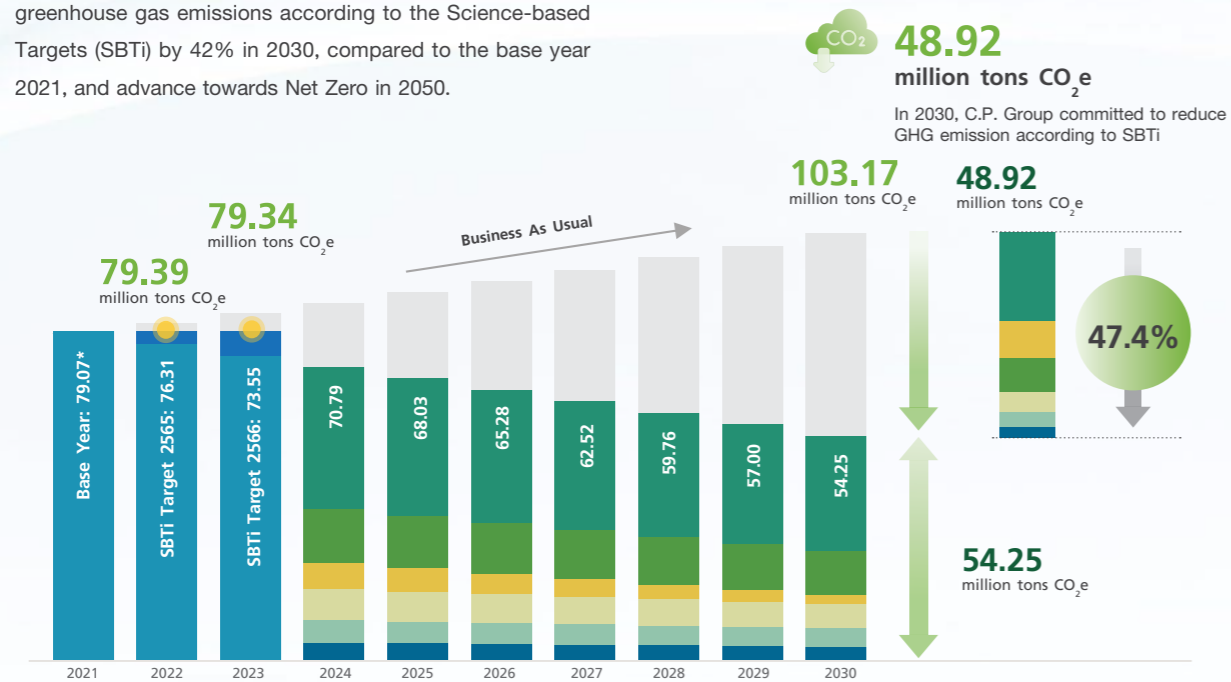
- Promote reforestation projects and collaborative projects with related agencies
- Promote community forest restoration projects
- Promote Regenerative Agriculture
- Invest in carbon capture and storage technology, such as CCUS, DAC, and many more.



Pathways to Carbon Neutrality and Near-term 2030 Goals (Scope 1, 2 and 3)

Charoen Pokphand Group places importance on climate stewardship while conducting businesses with responsibility, by focusing on efficient natural resources management and preventing risks from climate change impact. We strive to curb greenhouse gas emissions in line with the Paris Agreement which aims to limit global temperature rise to 1.5 degrees Celsius. We have also defined a short-term goal to reduce greenhouse gas emissions according to the Science-based Targets (SBTi) by 42% in 2030, compared to the base year 2021, and advance towards Net Zero in 2050.

In addition, Charoen Pokphand Group supports the reduction of greenhouse gases across the value chain, promotes the participation of relevant parties in the process of continuously reducing greenhouse gas emissions, whether by enhancing production efficiency and reducing energy consumption, increasing the share of renewable energy and protecting the environment, both in terms of biodiversity and ecosystem.



Remark: the data collection system and calculation for GHG Emissions Scope 1, 2 and 3 were modified since 2021 until present.

9.25 million tons CO₂e: 9% Increase Share of Renewable Energy and Enhance Energy Efficiency

Promote eco-friendly renewable energy and clean energy to optimize resource consumption, e.g., generating electricity from solar energy, using biomass fuel, producing energy from biogas, promoting production efficiency enhancement and energy reduction, and opting for high-efficiency modern technology in production.

2.88 million tons CO₂e: 1.5% Zero Waste and Sustainable Packaging

Reduce waste and optimize use of resources in production, e.g., reducing food waste, utilizing food waste to produce fertilizer and cooperating on development with relevant external agencies to achieve a concrete circular economy system. Comprehensively manage plastic packaging and expand the scope of responsibility for packaging waste to enable recycling and reuse.

20.71 million tons CO₂e: 20% Reduction of Agricultural Emissions and Raw Material Traceability

Jointly develop farmers and suppliers through knowledge support and technology transfer to reduce greenhouse gas emissions along the value chain, from upstream to downstream businesses, e.g., alternate wetting and drying (AWD) for rice production, reduction of gas emissions from crop cultivation, and traceability of raw materials to ensure that they do not proceed from sources with adverse environmental impact.

7.89 million tons CO₂e: 9% Collaboration with Suppliers to Reduce Carbon and Increase the Share of Low-carbon Products

Increase the share of green products, especially products sold in retail outlets must implement carbon assessment for products to explore means of reducing the product's greenhouse gas emissions and encourage suppliers to increase the use of renewable energy, e.g., installing Solar PV on the rooftop of suppliers' factories.

4.91 million tons CO₂e: 5% Green Transportation

In every step of green and eco-friendly transportation, the Group has implemented a route management system to optimize energy consumption by leveraging various technologies, e.g., intelligent route control systems, navigation system and use of information. The Group has also increased the use of electric trucks and electric cars as well as installed EV charging stations covering all routes.

3.28 million tons CO₂e: 3% Environmental Investment

The Group has invested in a solar energy production and installation business (ALTERVIM) as well as eco-friendly energy projects, with focus on increasing environmental and social benefits.



Alternate wetting and drying in rice farming reduces GHG emissions by an average of **600 kgCO₂e per rai per season**



Total electrical power **197 MWP** of sites with Solar PV installation



130 stations installed EV charging system to encourage clean electrical energy



In 2023, **736,000 tons** of waste were converted into fertilizer

Climate Change Management

The urgency of climate change is of utmost importance to Charoen Pokphand Group because it can affect rainfall and temperature, causing instability in production and raw material procurement for the food industry. For this reason, the Group has taken all aspects into consideration to ensure business continuity. Over the past several years, the Group has modified operations and production processes to reduce energy consumption and greenhouse gases while making preparations to cope with any potential uncertainties.

The uncertainty of climate change and the complexity of business operation have obliged the Group to steer all subsidiaries towards the same direction. Therefore, goals and management systems have been aligned throughout the Group, especially in terms of climate change management which must be extended across the value chain. Therefore, the Group has performed an assessment of climate-related risks and opportunities, defined risk prevention guidelines and explored opportunities for sustainable growth.

➤ More information available in

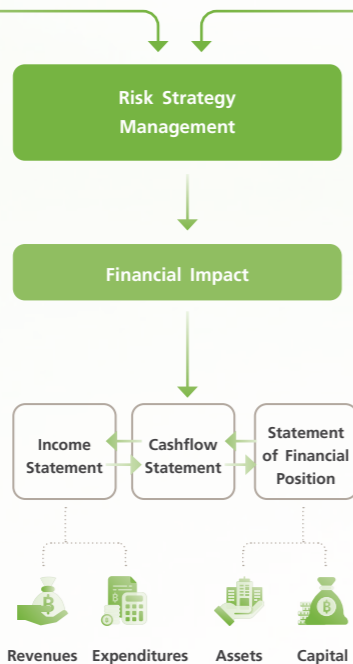


[TCFD Report 2023](#)

Climate Change Management Framework

Risks

- Transition Risks**
 - Policy and Regulation**
 - Carbon price and commitment
 - Rules and regulations of goods and services
 - Complaints and breaches of contract
 - Technology**
 - Replacement of existing goods and services with low-emission products
 - Unsuccessful investments in new technology
 - Market**
 - Change and uncertainty in customer behavior in market signals
 - Increase in raw material costs
 - Reputation**
 - Negative news and business image
 - Negative stakeholder attitude
- Physical Risks**
 - Sudden:** Extreme weather events
 - Chronic:** Weather patterns that are changing and increasing with the global temperature and sea level rise



Opportunities

- Resource Efficiency**
 - Efficiency enhancement and reduction of energy consumption in all activities
 - Recycling
 - Reduction of water use and consumption
- Energy Source**
 - Use of low GHG emission energy sources
 - Use of modern technology
 - Participation in carbon markets
- Products and Services**
 - Development of low carbon products and services
 - New business models related to climate adaptation, e.g., carbon credit trading and insurance business, and many more.
- Market**
 - New carbon market
 - Increased market share
 - Support from relevant stakeholders
- Readiness**
 - Participation in renewable energy and energy saving projects
 - Renewable resources and diversity

CASE STUDY

C.P. Group Joins Forces with Partners to Advance the Possibilities of Producing Hydrogen Energy on the Global Scale



The Charoen Pokphand Group announced its successful collaboration with Toyota and Commercial Japan Partnership Technologies Corporation (CJPT) on a pilot project to produce electricity using hydrogen energy from biogas from waste from poultry farms during the 28th Meeting of the Parties to the United Nations Framework Convention on Climate Change. This contributes to lowering the transportation sector's carbon emissions. It marks the beginning of a revolution in the future of using clean energy. C.P. Group's Chairman of the Board of Directors, Mr. Suphakit Chearavanont, stated that this is an excellent opportunity to bring together individuals in charge of the climate to foster creativity and develop innovative approaches to the use of energy in the future.

Extending Sustainability to Suppliers

Charoen Pokphand Group engages all sectors in the endeavor to sustainably reduce greenhouse gas emissions and protect the environment. A major approach involves communication and creation of understanding about climate change. The Group has incorporated stakeholders' feedback into planning and improving work processes to suit environmental goals and manufactured low-carbon products and services. In addition, the Group monitors information on climate change to prepare prevention or contingency plans for any emergencies arising from climate change. We also share our operational guidelines for the acknowledgement of stakeholders, especially suppliers, so that they can be prepared and efficiently performed activities amidst climate uncertainties.



Our endeavors to achieve Net Zero emissions must reach out to our supply chains. This is a demonstration of the Group's corporate responsibility in climate change action. Hence, we must adjust our mindset to analyze problems and pursue business opportunities while using technology and innovation as an essential tool. Nevertheless, the most crucial factor is cooperation with suppliers and business partners with whom we must engage in the collaborative effort to reduce greenhouse gas emissions.

Mr. Somjettana Pasakanon
 Director, Sustainability Development, Sustainability, Good Governance and Corporate Communication Office,
 Charoen Pokphand Group

Climate Change Risk Management

Type	Potential Impact	Key Variables	Prevention Measures	Business Risks Level
Transition Risks	Policies and Laws (Period: Medium Term) <ul style="list-style-type: none"> Higher operating costs due to climate change-related regulations, resulting in an increased expense of 7,350 million THB due to high-carbon emission activities Regulations regarding plastic raise costs in the purchase of substitute materials with equivalent properties Retiring existing assets early due to policy changes and newly emerging concerns regarding legal liability, causing project implementation costs to increase by 538 million THB 	<ul style="list-style-type: none"> Regulations Carbon Pricing Technological Changes 	<ul style="list-style-type: none"> Prepare to proceed with the plan to modify the mechanism to define GHG emissions reduction targets according to the Science Based Targets (SBTi), e.g., Internal Energy Efficiency Enhancement Project, Solar Energy Project and circular economy projects Encourage the reduction of single-use plastic bags, develop innovations specifically designed for sustainable packaging according to the principles of circular economy, and promote the take-back policy 	<ul style="list-style-type: none"> Low Medium High
	Technological Changes (Period: Short Term) <ul style="list-style-type: none"> Cost in switching from low GHG emission technology of 4,970 million THB Unsuccessful investment in new technology New technology affecting changes in the consumer market 	<ul style="list-style-type: none"> Carbon Pricing Technological Changes 	<ul style="list-style-type: none"> Increased costs in developing low-emission technologies Reduced income and increased energy costs Increased costs in raising the share of renewable energy 	<ul style="list-style-type: none"> Low Medium High
	Market Changes (Period: Medium Term) <ul style="list-style-type: none"> Decline in demand for certain products and services as customers become more environmentally conscious, resulting in an increase in market research expenses of 6,580 million THB Increased production costs due to hiking energy prices Investment expenses in R&D of low-carbon and environmentally friendly products increase by 29,610 million THB 	<ul style="list-style-type: none"> Carbon Pricing Market Share Consumer Behavior 	<ul style="list-style-type: none"> Develop eco-friendly products and promote GHG emissions reduction projects across the value chain, from raw material procurement through to production processes, transportation, usage and waste management Encourage products of domestic and overseas subsidiaries to request for carbon footprint of products certification according to international standards and communicate to consumers to enable understanding about the importance of low-carbon products 	<ul style="list-style-type: none"> Low Medium High
	Reputation (Period: Short Term) <ul style="list-style-type: none"> Higher stakeholder expectations regarding climate responsibility and understanding of climate-related problems Changes in consumer preferences causing income to decrease and potentially affecting brand reputation and value 	<ul style="list-style-type: none"> Regulations Carbon Pricing Consumer Behavior 	<ul style="list-style-type: none"> Develop the Supplier Code of Conduct and encourage suppliers to acknowledge its importance and comply in order to achieve comprehensive supply chain management and enable sustainable business growth, demonstrate responsibility to communities, society and environment, and build confidence in the Group's management 	<ul style="list-style-type: none"> Low Medium High
Physical Risks	Sudden (Period: Short to Medium Term) <ul style="list-style-type: none"> Disruption across the value chain, from production processes through to product delivery to customers Decreased income and damaged property values, e.g., 7-Eleven stores facing flood damage valued at 2,177 million THB Costs increased by 20% due to preventive measures Stakeholders and communities affected by flooding, dust and forest fires 	<ul style="list-style-type: none"> Temperature Rise Storm Rainfall Sea Level Rise 	<ul style="list-style-type: none"> Employed the Business Continuity Plan (BCP) to analyze possible risks from flooding, dust and forest fires alongside action plans for actual occurrence of each incident Plan production to meet customer needs Collaborate with suppliers and partners in planning prevention of related problems, e.g., flooding and transportation routes 	<ul style="list-style-type: none"> Low Medium High
	Severe (Period: Medium to Long Term) <ul style="list-style-type: none"> Increased product costs and lower production and quality of goods and services adversely affecting the ecosystem Increased insurance costs and operating costs in preventing potential risks valued at 55,195 million THB System maintenance costs, e.g., cooling systems, air conditioning systems and electric motors increased by 10% 	<ul style="list-style-type: none"> Temperature Rise Storm Rainfall Sea Level Rise 	<ul style="list-style-type: none"> Plan raw material purchase in advance and control raw material quality Use high-efficiency control systems and equipment, e.g., high-efficiency refrigeration units and air conditioning systems, high-efficiency motors and environmentally friendly refrigerants 	<ul style="list-style-type: none"> Low Medium High

Key Climate Change Opportunities

Opportunities	Key Variables	Potential Impact	Business Opportunities Level
Effective Use of Resources <ul style="list-style-type: none"> Using more sustainable raw materials and more efficient transportation systems Reducing loss and enhancing efficiency in resource and energy consumption 	<ul style="list-style-type: none"> Carbon Pricing Technological Changes Regulations 	<ul style="list-style-type: none"> Increased revenue, reduced operating and energy costs, enhanced production capacity through innovation projects and process improvements to 3,780 million THB 	<ul style="list-style-type: none"> Low Medium High
Clean Energy Source <ul style="list-style-type: none"> Using energy sources with low GHG emissions, e.g., solar energy, wind, water or biofuel Using low GHG emission technology Participating in the carbon market and GHG emissions reduction mechanisms 	<ul style="list-style-type: none"> Regulations Carbon Pricing Technological Changes 	<ul style="list-style-type: none"> Reduced operating costs of 1,925 million THB, lower risks from fluctuations in fossil fuel prices, investment in low GHG emission technologies Gain competitive advantage through energy cost saving and compliance with customer needs 	<ul style="list-style-type: none"> Low Medium High
Eco-Friendly Products and Services <ul style="list-style-type: none"> Developing new products and services with low GHG emissions Trends in customer demands focusing on the environment 	<ul style="list-style-type: none"> Carbon Pricing Consumer Behavior Market Share 	<ul style="list-style-type: none"> Respond to the preferences of eco-conscious consumers, e.g., low-carbon products and carbon labels Higher income of 35,420 million THB from demand for low GHG emissions products and services 	<ul style="list-style-type: none"> Low Medium High
Market Competition <ul style="list-style-type: none"> Searching for opportunities in new markets, e.g., businesses related to renewable energy, environmental management platform and carbon trading markets, to support global GHG reduction goals 	<ul style="list-style-type: none"> Carbon Pricing Market Share Consumer Behavior 	<ul style="list-style-type: none"> Increased income through access to new markets, e.g., investment in alternative or renewable energy businesses, yielding profit of up to 1,540 million THB Increased reputation and brand value 	<ul style="list-style-type: none"> Low Medium High
Reputation <ul style="list-style-type: none"> Collaborating with third-party organizations to build network with all sectors, including the government, private and civil sectors, to communicate and measure results as well as extend knowledge to support stakeholders throughout the supply chain 	<ul style="list-style-type: none"> Regulations Carbon Pricing Consumer Behavior 	<ul style="list-style-type: none"> Network of cooperation to reduce GHG according to global targets Increased corporate reputation, improved trust in the supply chain and the ability to perform all activities related to GHG reduction 	<ul style="list-style-type: none"> Low Medium High

Variables Affecting Transition Risks

- National Laws
- Regulations
- Carbon Pricing Mechanism
- Technological Changes
- New Technology Costs
- Consumer Behavior
- Market Share
- Green Products

Variables Affecting Physical Changes

- Average Temperature
- Temperature Rise
- Storm
- Rainfall
- Sea Level Rise
- Flood
- Water Shortage
- Forest Fire

Variables Affecting Climate Change Opportunities

- National Laws
- Regulations
- Carbon Pricing Mechanism
- Technological Changes
- New Technology Costs
- Consumer Behavior
- Market Share
- Green Products

Business Risks and Opportunities Level: ■ ■ ■ Low ■ ■ ■ Medium ■ ■ ■ High

Energy Management, Energy Efficiency Enhancement and Renewable Energy Promotion

Charoen Pokphand Group has increased production efficiency through the use of modern technologies in every process to reduce energy usage. Moreover, the utilization of renewable energy has been promoted throughout the manufacturing plants, farms, distribution centers and convenience stores, as well as TRUE Corporation PLC's transmitting stations, such as solar power production, and biomass fuel and biogas usage.

The Use of Solar Energy by C.P. Group

Business Groups under Charoen Pokphand Group have installed various types of solar energy systems, including on the roof, ground-based, and floating. In 2023, it has 197 MWp of installed capacity, which can produce more than 171 million kWh/year. This can be calculated as the amount of greenhouse gas that can be reduced by 144,388 tCO₂e/year.



CPF Farm & Factory
17.66 MW, 27 Sites
14,374 tCO₂e



makro Supercenter
27.74 MW, 48 Sites
22,579 tCO₂e



Lotus's Supercenter
46.53 MW, 134 Sites
37,873 tCO₂e



CPALL Convenient Stores and Distribution Center
64 MW, 2,669 Stores
25 DCs, 45,492 tCO₂e



true Solar at Base Stations
17.32 MW, 7,800 Sites
14,098 tCO₂e



CP LAND Convention & Exhibition Center
0.9 MW, 2 Sites
733 tCO₂e



CPPC Solar Rooftop
4 MW, 1 Sites
3,256 tCO₂e



CHIA TAI Solar Rooftop
0.03 MW, 1 Sites
24 tCO₂e

In 2023 It has **197 MWp** of installed capacity, which can produce **more than 171 million kWh/year**. This can be calculated as the amount of greenhouse gas that can be **reduced by 144,388 tCO₂e/year**.

CASE STUDY

Solar Power Generation Collaborative Project in China

Xinbaiqin Special Vehicle Co., Ltd., CP QINGDAO, CP GURUI, in collaboration with CHIATAI HANDING and HONG KONG CHINA ENERGY INVESTMENT have installed solar rooftop panels with a total power output of 5 MW. This successful collaboration holds a generation capacity of 4.91 million kilowatt hours/year. Over a 25-year period, the project will generate cumulative electricity of 123 million kilowatt hours, cutting down 22 million RMB in electricity costs. Designed and certified by a third-party agency, the project employs high-efficiency equipment and solar panels with greater generation capacity. This reflects the Group's effort to promote renewable energy projects in China. In the future, this project will be incorporated to other factories in support of the NET ZERO Target 2050.



Solar rooftop installation with 5-MW power output
Reduced GHG by 90,000 tons CO₂e

Natural Capital

CASE STUDY

THE TARA

The Tara is the office building of CP ALL, it is a new smart office building incorporating a "From Aspiration to Abstract" model. The building's highlight boasts a pyramid-like structure with a narrow end rectangular area plan. As you make your way past the building, you will notice the facade coming to life, creating a dynamic visual effect of water falling from the top of the building to the bottom. The building utilizes solar energy and high-performance glass together with vertical sunshades which help to reduce heat transfer. Skylights positioned six meters above the floor enable natural light to enter the building from all three sides. The building uses a water cooled air conditioning system with a high-efficiency district chiller plant. The lighting system relies on LED lightbulbs and an automatic on/off system. The building also implements a high-efficiency aeration system.



Awards of Pride:
New and Existing Building and Winner of the Energy Efficient Building-New and Existing Building of the ASEAN Energy Efficiency and Conservation Best Practices Awards 2023

Natural Capital

Collaborating with Stakeholders to Reduce Indirect Greenhouse Gases (Scope 3)

Reducing indirect greenhouse gases (Scope 3) is a major challenge for Charoen Pokphand Group as it involves activities that do not directly belong to the Group but produces impacts on communities and the environment. Obstacles that the Group has encountered include supply chain complexity, access to information and changes in suppliers' operations. However, the Group has collaborated with various

stakeholder groups to explore means of comprehensively reducing greenhouse gases in the value chain, whether through knowledge sharing on innovation and technology to suppliers to collaboratively broaden and develop technology, the creation of a green ecosystem along the value chain and the development of low-carbon products and services.

CP Group's Scope 3 Greenhouse Gas Reduction Projects



FarmOne

An integrated assistant for farmers in the Contract Farming Scheme to facilitate efficient plot planning and management as well as provide accurate and detailed weather forecasts for each and every plot, helping to control costs and further enhance output quality with accurate data and modern AI technology.



Regenerative Agriculture

Transferring knowledge on regenerative agriculture to farmers with focus on restoring and boosting soil fertility, treating water resources, increasing biodiversity and reducing chemical use that causes impact on the environment which contribute greatly to the reduction of greenhouse gases.



Solar PV Installation for Suppliers

Altervium supports the use of clean energy by installing rooftop and floating solar systems for electricity generation for suppliers and business partners to encourage the reduction of greenhouse gas emissions and environmental protection.



Electric Trucks for Green Transportation

CP Foton promotes green transportation and environmental stewardship by introducing 17 "TM iBlue 45" electric trucks to TPI Polene's cement factory in Saraburi province, helping to reduce transportation costs, save fuel and cut down greenhouse gas emissions caused by transportation for customers.

CASE STUDY

Collaboration with Suppliers in Reducing Agricultural Greenhouse Gas Emissions with Sustainable Agricultural Standards



Crop integration business group provided farmers with knowledge and the right academic principles in sustainable agriculture that is environmentally friendly and soil carbon level enhancement. This helps in mitigating potential direct and indirect effects on greenhouse gas emissions and lessens the production of waste in the agricultural system.

- Reducing plowing and proper use of fertilizer
- Reducing burning in agricultural areas
- Alternating wet and dry farming
- Making a biomass stove
- Using solar energy in the agricultural
- Promoting sustainable agricultural standard

The project will be extended to more than 7,000 farmer members of the FarmPro business and farmers in various areas of Myanmar to raise the level of farmers' careers to international standards, especially in the field of cultivation. This will leverage the quality of life, and well-being of the farmer members.

More than 7,000 farmers have access to knowledge on agricultural greenhouse gas emissions

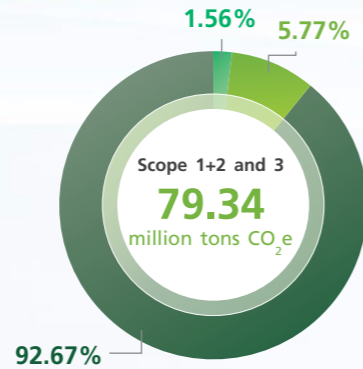
Natural Capital Human Capital

GHG Emissions Management Dashboard

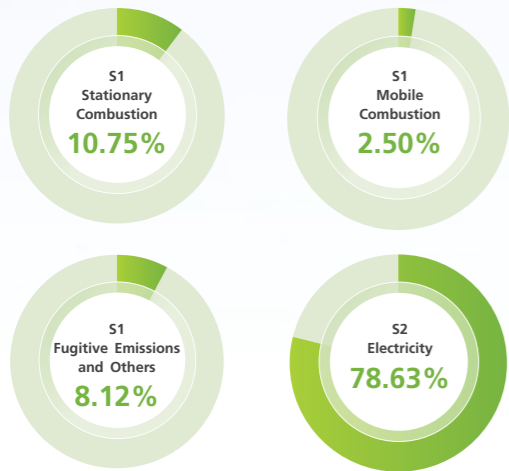
GHG Emissions (Scope 1+2 and 3)

(million tons CO₂e)

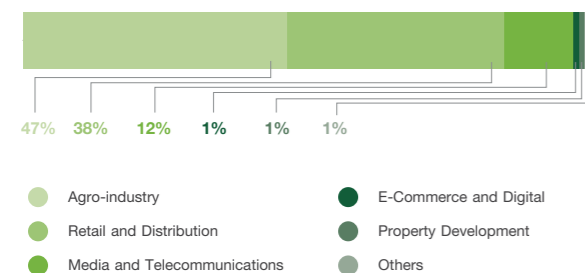
Scope 1: C.P. Group's direct GHG emissions	1.24	1.56%
Scope 2: Indirect GHG emissions from energy consumption	4.58	5.77%
Scope 3: Other indirect GHG emissions	73.52	92.67%



GHG Emissions (Scope 1+2)



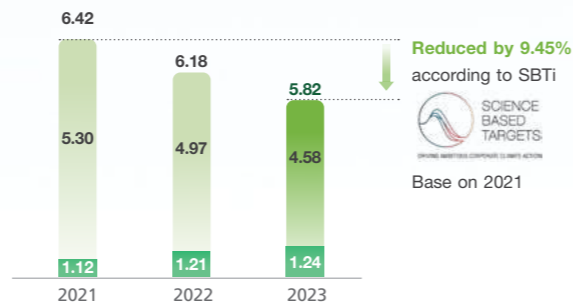
By Business Group



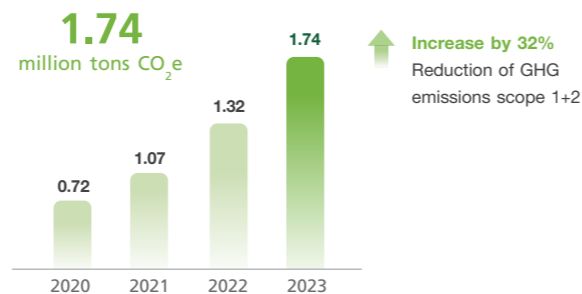
GHG Emissions Per Year

(million tons CO₂e)

Scope 1 Scope 2

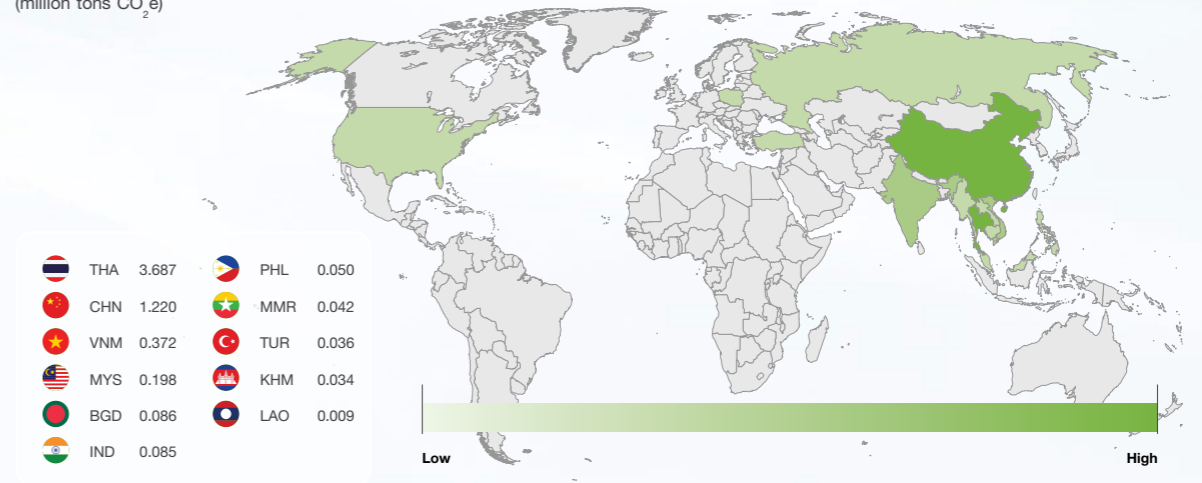


GHG Emissions Reduction from Projects



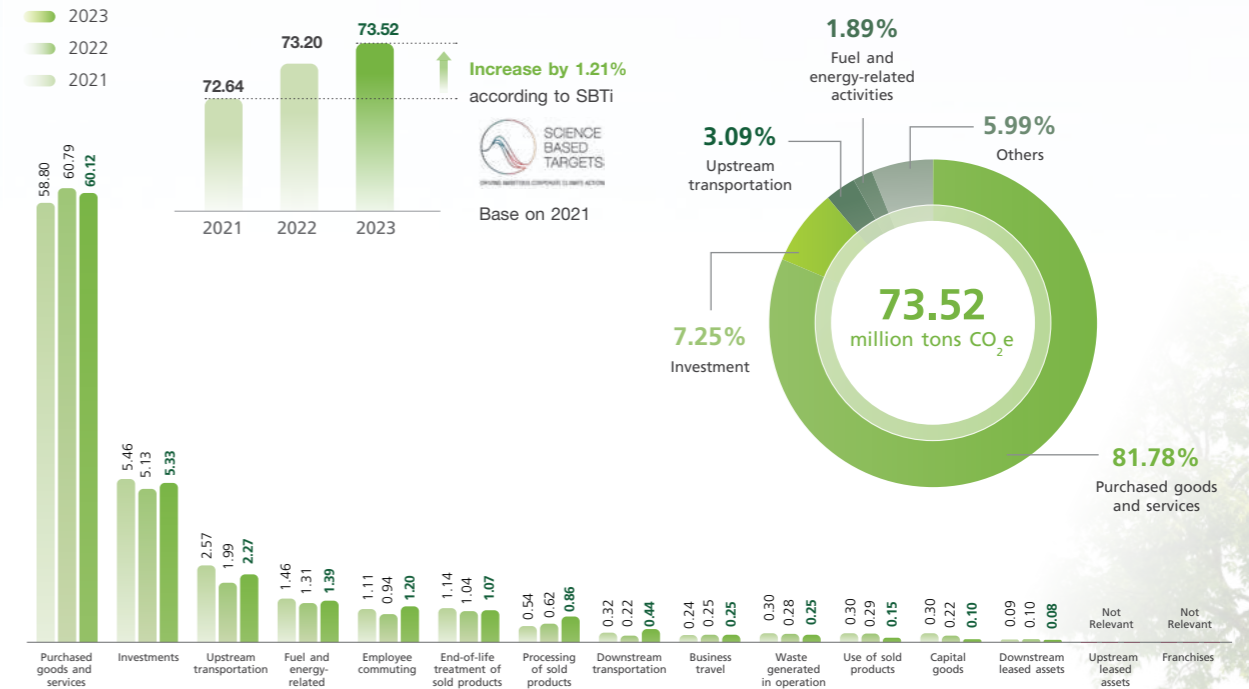
GHG Emissions (Scope 1 and 2) by Country

(million tons CO₂e)



GHG Emissions Scope 3

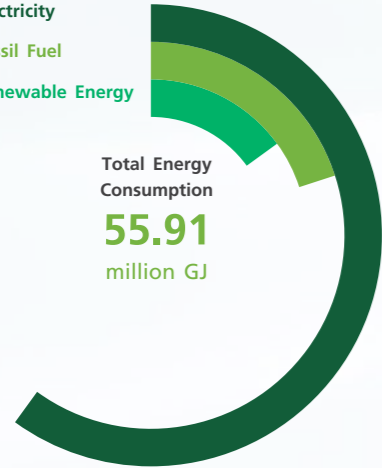
(million tons CO₂e)



Remark: Data collection and calculation method for indirect GHG emissions were modified for data between 2021-present.

Energy Management Data

62% Electricity
21% Fossil Fuel
17% Renewable Energy

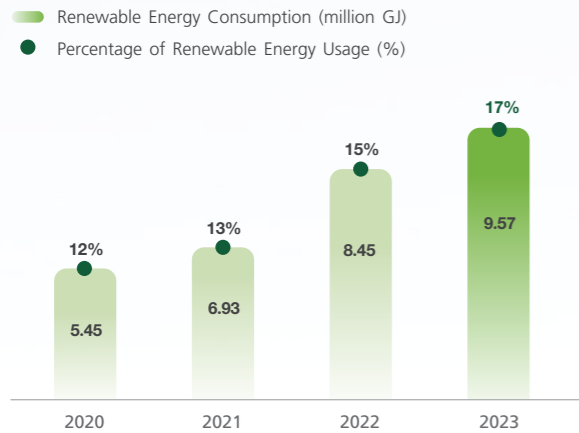


(unit: million GJ)

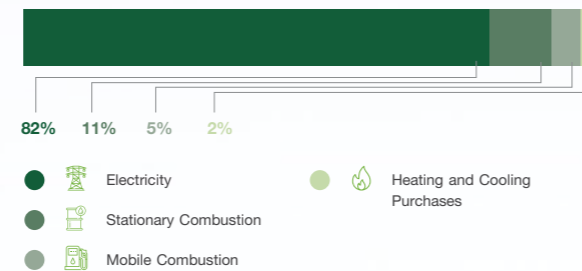
Electricity	34.39	61.52%
Renewable Energy	9.57	17.11%
Natural Gas	6.57	11.75%
Diesel and Gasoline	2.96	5.29%
LPG	1.10	1.98%
Fuel Oil	0.89	1.59%
Coal	0.43	0.76%

Total Energy Consumption

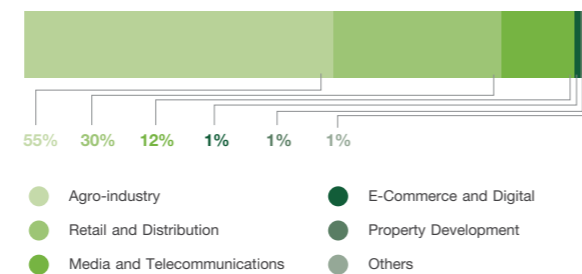
Renewable Energy Consumption 2020-2023



Type of Energy and Activity

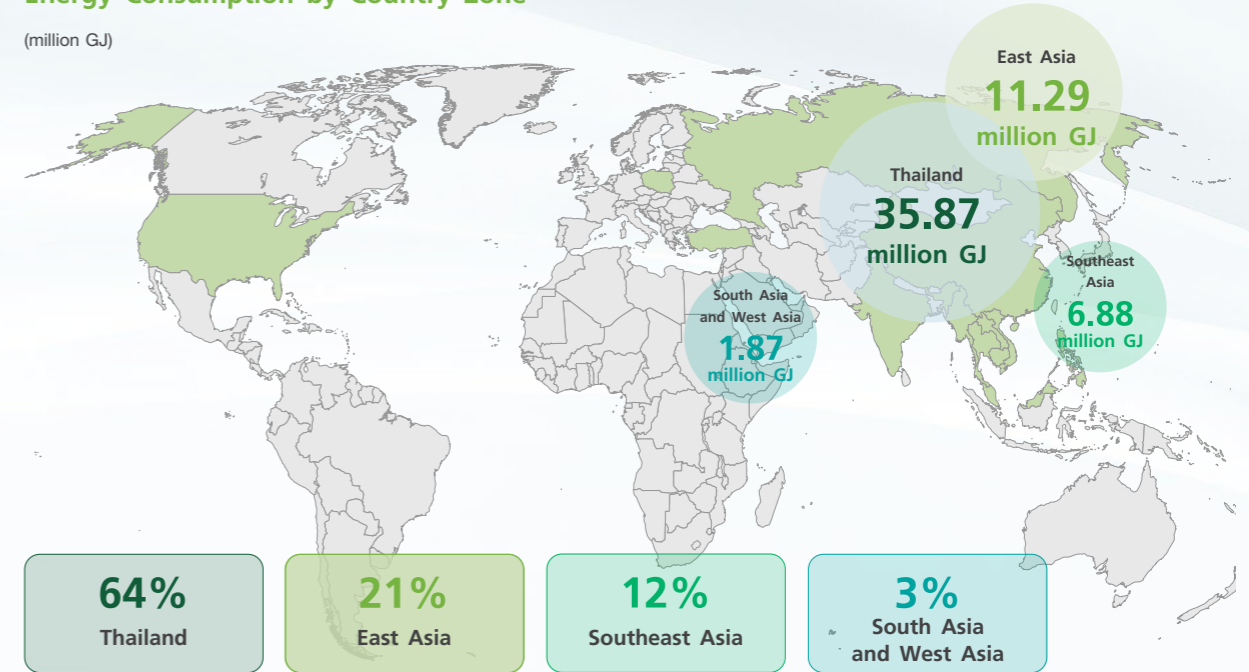


By Business Unit

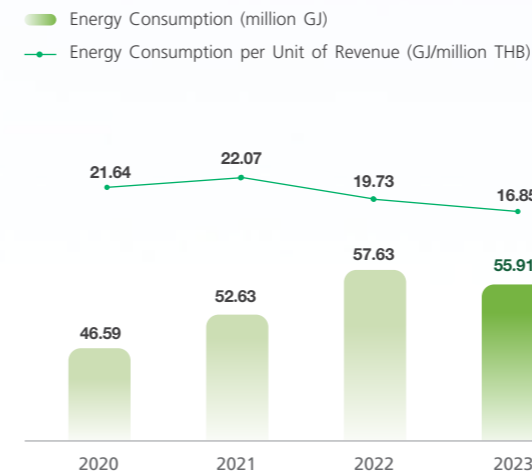


Energy Consumption by Country Zone

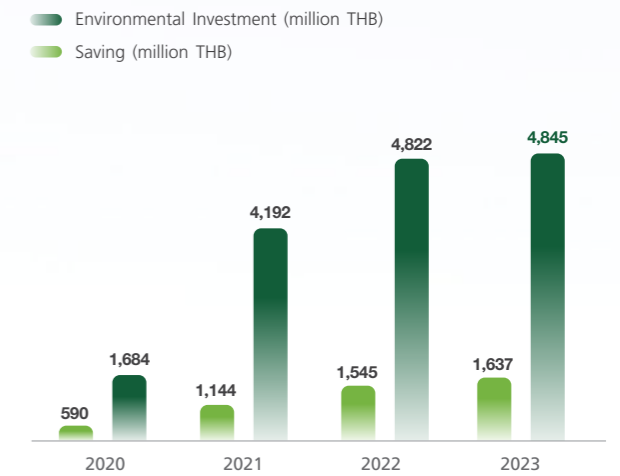
(million GJ)



Total Energy Usage per Unit of Revenue



Summary of Environmental Investment



Product Stewardship

Charoen Pokphand Group is committed to environmental stewardship and the responsible use of natural resources in manufacturing products for consumers. The Group has implemented the concept of product lifecycle management, from the process of design, cultivation, raw material sourcing, production, services and solutions, distribution and transportation, through to waste management and product end-of-life.

Charoen Pokphand Group strives to comply with relevant environmental principles and encourages suppliers, business partners and contractors to adhere to these principles in order to create long-term shared values and sustainability in line with the Group’s strategy and sustainability goals.

CASE STUDY

Eco-friendly Feed

Charoen Pokphand Food PLC. has developed swine and layer feed that can cut down excess nitrogen in manure. CPF adhered to the principle of precision nutrition in producing feed formulae to meet animal needs, offering complete nutrition with emphasis on protein balance. The innovative formulae contain appropriate enzymes for animals at different ages. The feed has been proven to be successful in reducing unnecessary excess nutrients, production costs, pollution and greenhouse gases.

Reduce excess nitrogen in manure

- 20-30% from pig manure
- 12-13% from chicken manure



Reduce GHG emissions by **74,700 tons CO₂e**

Natural Capital

CASE STUDY

“U Farm” Brand Chicken Eggs Receive the First “Carbon Neutral Label” in Asia



Charoen Pokphand Food PLC. Brought Cage Free Chicken eggs to receive the “Carbon Neutral Label”, the first in Asia. This is to validate consumers’ choices that contribute to lowering global warming issues. The carbon-emission-reducing process of hen farming is still safe, clean, and good for those who value their health. CPF has continuously reduced the greenhouse gas emissions of chicken egg products to a minimum through various projects such as the use of automatic egg conveyor belts, reducing egg loss (food loss) according to the guidelines of the Food and Agriculture Organization of the United Nations (FAO). In addition, CPF has promoted the utilization of eggshell waste, and the use of alternative energy, such as solar energy and biomass energy from wastewater treatment systems. At present, CPF has 818 products that have their carbon footprint assessed according to international standards. Over 56 products reduce greenhouse gas emissions by 30% lower than the average of general chicken eggs.

Reduce GHG emissions by **617,000 ton CO₂e**

Natural Capital

Product Lifecycle Management

Charoen Pokphand Group places importance on product safety and quality as well as compliance with applicable laws and standards to manufacture products that reduce environmental problems and waste generation during production processes. The Group also focuses on recycling throughout the product's lifecycle. Each and every step can be verified and tracked to achieve new best practices, in line with the Group's commitment to develop low environmental impact products and provide consumers with necessary information to make informed purchasing decisions.

- 

877 products
Carbon Footprint of Products (CFP)
- 

92 products
Carbon Footprint Reduction (CFR)
- 

2 products
Carbon Neutral Products
- 

35 organizations
Carbon Footprint of Organization (CFO)
- 

12 projects
Thailand Voluntary Emission Reduction Program (TVERs)



Stir-fried Pork and Basil with Rice (Ezygo)

Certified carbon footprint of **789 gCO₂e** per box by the Thailand Greenhouse Gas Management Organization (TGO)



Fried Rice with Salted Fish and Chinese Kale

Certified carbon footprint of **1.12 kgCO₂e** per box by the Thailand Greenhouse Gas Management Organization (TGO)



Erawan C5 Local Chicken Feed (30 kg.)

Certified carbon footprint of **21.5 kgCO₂e** per sack by the Thailand Greenhouse Gas Management Organization (TGO)



Plant-based Meat and Basil with Rice (250 g.)

Certified carbon footprint of **555 gCO₂e** per pack by the Thailand Greenhouse Gas Management Organization (TGO)



Jerhigh Meat as Meal (Chicken Flavor) (309 Grams)

Certified carbon footprint of **5.09 kgCO₂e** per 1.2 kilogram bag, by the Thailand Greenhouse Gas Management Organization (TGO) Thailand



CP Shrimp Wonton Noodle Soup with Vegetables (309 g.)

Certified carbon footprint of **1.25 kgCO₂e** per bowl by the Thailand Greenhouse Gas Management Organization (TGO)



Circular Economy

Tha Cha Loong Swine Farm, Amphoe Chokchai, Nakorn Ratchasima Province

Charoen Pokphand Group gives priority to managing circular economy in both domestic and overseas business groups to promote sustainable development. In doing so, we place emphasis on efficiency enhancement throughout the organization, from personnel capacity development through to budget allocation for research and development, while also pursuing new methods, technologies and innovation. Charoen Pokphand Group also encourages networking with business partners across the value chain, covering relevant stakeholder groups. Such an effort poses a significant challenge, especially in raising awareness to change society's behavior to acknowledge and understand roles, duties and responsibilities in line with the conditions of problems and environmental impacts. For this reason, Charoen Pokphand Group endeavors to drive and focus on laying a foundation for the children, youth and new generation of the country to achieve tangible results through the implementation of the circular economy framework in order to take part in sustaining the global environment alongside the rapidly changing industrial development.

Supporting the SDGs

<p>8.4 Improve progressively global resource efficiency in consumption and production</p>	<p>12.2 Achieve the sustainable management and efficient use of natural resources</p> <p>12.3 Halve food waste and reduce food losses along production and supply chains, including post-harvest losses</p> <p>12.4 Achieve the environmentally sound management of chemicals and all wastes throughout their cycle</p>	<p>12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse</p> <p>12.a Support the strengthening of scientific and technological capacity to move towards more sustainable patterns of consumption and production</p>
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More information available in

- [Sustainable Development Goals Report 2023](#)
- [Sustainability Performance Report 2023](#)

Key Performance 2023

94.49% **78.94%**

Plastic packaging that are recyclable, reusable or compostable Waste recycled/reused

442.86 tons

Reduction of food loss and food surplus through donation to vulnerable groups in society by business groups under Charoen Pokphand Group

Future Workplans

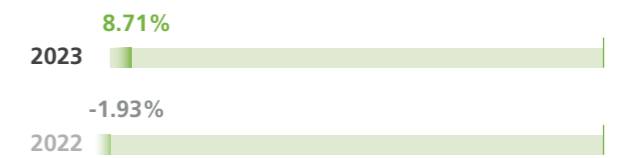
Promote synergy and build network of cooperation with all sectors to manage food surplus and food waste along the value chain.

Collaborate with relevant partners to drive sustainable packaging measures.

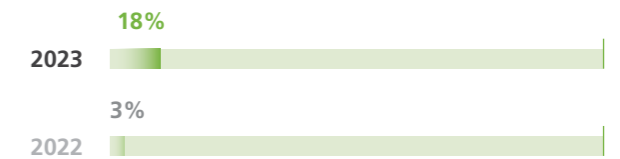
Encourage children, youth and the new generation to understand and acknowledge the importance of being a part of the operating mechanism according to the circular economy framework.

Goals and Progress

Zero food waste to landfill



Zero waste to landfill



All plastic packaging are recyclable, reusable or compostable



Circular Economy Framework

Over the decades, Charoen Pokphand Group has continued to focus on aligning our management with the circular economy through the promotion and support for various initiatives to create a mechanism that drives and builds connections along the value chain. The Group also highlights consistency and compliance with the sustainable development guidelines of the modern industrial world. In this regard, the Group remains committed to the three operating guidelines, comprising:

- (1) Zero Waste To Landfill;
- (2) Sustainable Packaging;
- (3) Zero Food Waste.

Accordingly, Charoen Pokphand Group has developed relevant policies and communicated them to our business groups, partners and suppliers for their acknowledgment and implementation.



Raw Material Sourcing

Seeking raw material sources that do not harm the environment, for example:

- Procuring sustainable sources of maize for feed production, avoiding purchase from areas with stubble burning or forest encroachment in accordance with the “No Mountain, No Burning, We Buy” motto



Design

Focusing on research and development of design and usage in conjunction with utilization of eco-friendly materials and avoidance of chemicals in production, for example:

- Reducing 40% of paper quantity in the packaging of “Flaming Chicken Tenders” frozen processed chicken products, while retaining the same quality and strength of the original packaging



Production and Services

Improving and increasing the efficiency of goods production and services at every step in tandem with applying 5G digital technology in supervising and controlling production and services, for example:

- Adopting sensors to measure and monitor data, including online reporting of results via smartphone



3Rs Waste Management (Reduce-Reuse-Recycle)

Highlighting the importance of recycling, reusing and upcycling waste or by-products before carrying out correct and appropriate disposal in place of landfills

- Collecting and transforming PET bottles into 7-11 employee shirts



Efficient Consumption and Usage

Promoting efficient consumption and usage of products and services and sufficient consumption, for example:

- Upcycling fertilizer bags into bags for daily life use



Transportation

Encouraging the use of freight vehicles that harness eco-friendly alternative energy sources and minimizing pollution, for example:

- Exchanging internal combustion vehicles for electric vehicles to encourage the reduction of smoke emissions and PM 2.5 concentration



Sustainable Plastic Packaging Management



Charoen Pokphand Group supports and promotes the use of sustainable packaging while exploring opportunities and channels of cooperation with partners from various sectors to reiterate and demonstrate our commitment to integrated packaging management while concretely raising environmental awareness among consumers.

In the past year, Charoen Pokphand Group, on behalf of Charoen Pokphand Foods Public Company Limited (CPF),

signed a memorandum of understanding with SCG's business groups, including SCG Packaging (SCGP) and SCG Chemicals (SCGC) on 3 October 2023, to collaborate on driving the development of sustainable packaging and seeking an integrated solution for the disposal of used packaging. Furthermore, Charoen Pokphand Group has joined the membership of the Thailand Institute of Packaging and Recycling Management (TIPMSE), a non-profit organization, to take part in resolving the problem of plastic packaging based on the idea that used plastic is not waste and will no longer cause environmental problems.



CASE STUDY

CP-Meiji Recycles Milk Bottles

CP-Meiji Company Limited launched a campaign inviting the public to send gallon-sized Meiji milk bottles back to the company for recycling. Once recycled, the plastic pellets are molded into "waste sorting bins", which are offered to Saraburi province. This project is a model in encouraging the people sector to engage in sustainable packaging management.

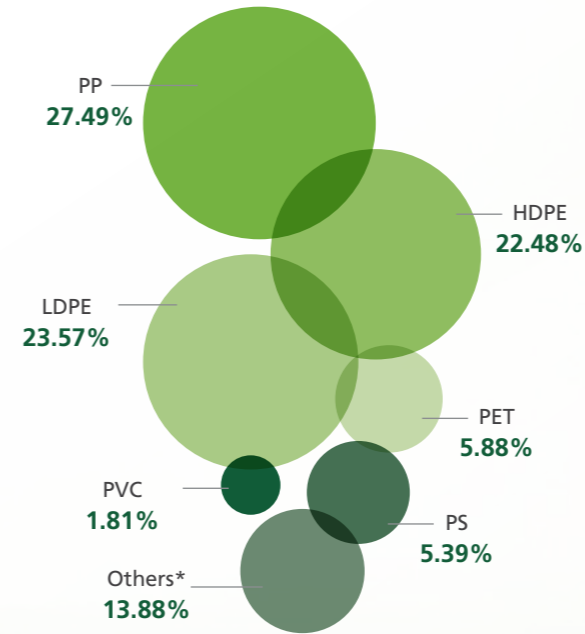
Gallon-sized milk bottle collection target **15,000** bottles, recycled into **500** waste bins

Natural Capital



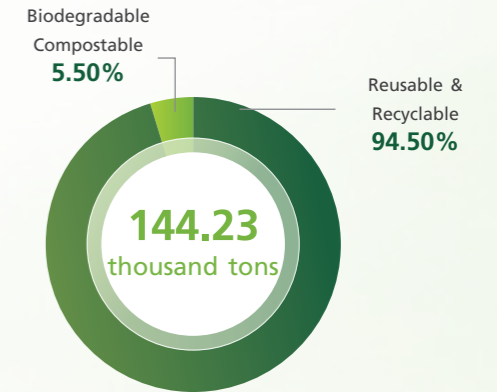
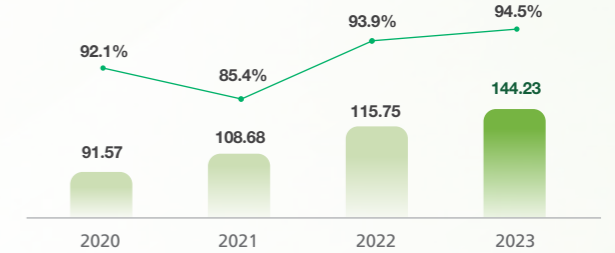
Overview of Plastic Packaging Performance in 2023

Types of Plastic used by CP Group in 2023



CP Group's Sustainable Packaging Trend (2020-2023)

■ Total plastic packaging usage (million tons) (thousand tons)
 ▲ Proportion of reused recycled and compostable



Volume of Single Used Plastic Packaging Reduced **24.78 thousand tons**

Summary of Plastic Type Proportion in 2023

(thousand tons)

Reusable & Recyclable Plastic Packaging Mono-Layer Type	136.30	94.50%
Biodegradable & Compostable Plastic Packaging	7.94	5.50%

Overview of Recycled Material Usage for Plastic and Non-plastic Packaging in 2023

(tons)

Renewable Materials	Material Used	Recycle Material Used	%
Paper & Wood	60,670.14	22,262.21	36.69
Non-Renewable Materials	Material Used	Recycle Material Used	%
Plastic	144,231.14	2,969.00	2.05
Metal (Steel and Al)	383.55	83.50	21.77
Glass	1,424.29	785.56	55.15
Total	146,038.98	3,838.06	2.62

Waste Management

Charoen Pokphand Group puts emphasis on waste management and adheres to the circular economy concept in our operations. We aim to eradicate waste to landfill based on the Zero Waste to Landfill Framework in 2030. According to this policy, Charoen Pokphand Group must rely on cooperation with partners, suppliers and relevant sectors to define key measures in terms of reducing waste at the source, increasing waste upcycling and promoting efficient waste disposal.

CASE STUDY



Integrated Agriculture Project for Sustainability at CP Labin Pig Farm, China

Pig farming business group by Laibin Zhengda Modern Agriculture Co., Ltd. has promoted a cooperation with local farmer groups by reusing the farm's treated wastewater as a water source. This water source is then used for sugarcane and eucalyptus plantations covering an area of 10,047 Chinese Rai (4,197.5 Rai). This resulted in an increase in sugarcane production of 46.71%, and saving on fertilizer of 400 Baht per Chinese Rai per year. At the same time, eucalyptus production increased by 29.89%, and saving on fertilizer by 360 Baht per Chinese Rai per year. This is considered an example of cooperation in waste management according to the principles of the circular economy to drive the economy sustainably.

Increase in sugarcane and eucalyptus production of **46.71%** and **29.89%**, respectively

Natural Capital

CASE STUDY

“e-Waste Disposal Conveniently and Heartily” Collaborating to Appropriately Manage e-Waste

True Corporation Public Company Limited aims to contribute to driving the management of electronic waste, or e-Waste, in accordance with the circular economy principle. True focuses on building responsibility in the people sector by providing e-Waste recycling points to encourage the public to dispose of old smartphones, mobile phones, accessories and small electronic devices that are no longer in use. The items can be deposited at e-Waste Collection Points located at True Shop, True Sphere and Dtac Service Centers, totaling 154 branches nationwide.



Accumulated e-Waste in 2023 **1,991,808** pieces

Natural Capital

Overview of Waste Management in 2023

Quantity of Waste

By Category

Total waste **1,612** thousand tons



Total Waste Quantity

(thousand tons)

Trend of total volume of waste generation
 Volume of waste sent to landfill



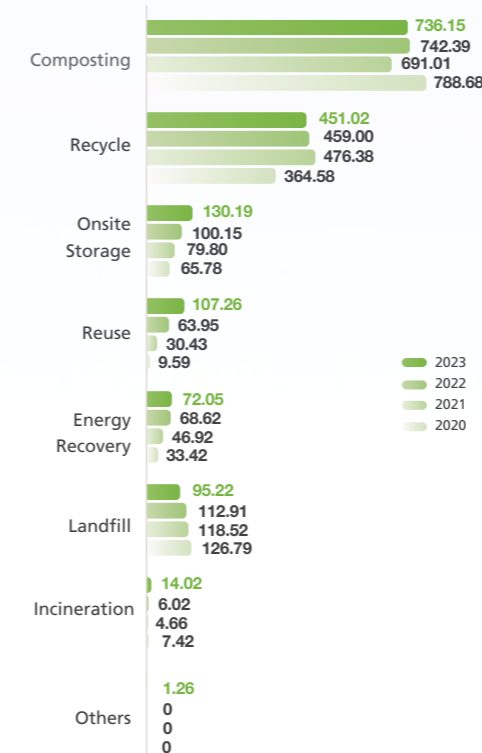
Quantity of Waste

By Disposal Methods



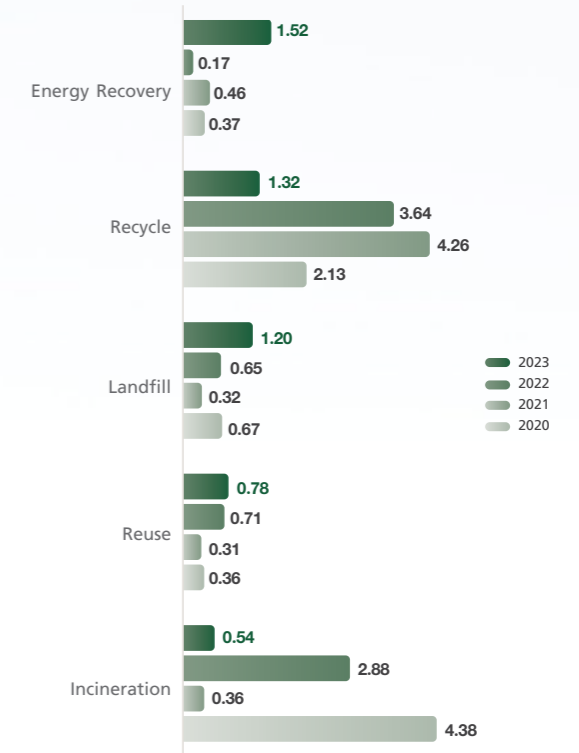
Non-hazardous Waste

1,607.16 thousand tons



Hazardous Waste

5.37 thousand tons



Managing Food Loss and Food Waste

Charoen Pokphand Group attaches importance to promoting the management of food loss and food waste throughout the value chain to accomplish the Zero Food Waste Policy objectives. The Group has established a framework for

collaborating with all business groups as well as promoting synergy and cooperation with business partners and all relevant sectors to utilize and maximize the benefits of food surplus and food waste.

CASE STUDY

CP Food World: Food Waste Management at the United Nations in Bangkok Office in Thailand

Charoen Pokphand Foods Public Company Limited has implemented measures to manage food loss and minimize the quantity of food waste by diverting from disposal for organic fertilizer production. For example, CP Food World has been selected by the United Nations in Thailand to support 300-500 employees per day. The United Nations in Thailand also has the policy and goal to reduce food loss and food waste to “zero” as well.



Food waste in 2023 **1,230 tons**, of which **726 tons**, or **59%**, were diverted from disposal

Natural Capital

CASE STUDY

“National Food Bank”: Providing Center for Storing and Distributing Donated Food to Reduce Loss at the Source



CP Aextra Public Company Limited, on behalf of Lotus’s, joined hands with the Scholars of Sustenance Foundation Thailand (SOS) to drive the “National Food Bank” through Lotus’s Banfah Lamukka branch which has allocated space to SOS for storing and distributing food surplus for communities in need and vulnerable groups.

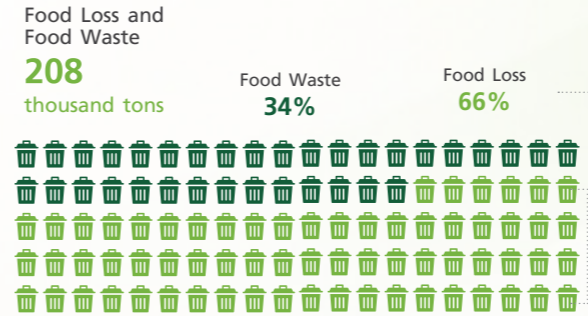
Allocated space **324 m²**

Relationship Capital

Overview of Food Loss and Food Waste Management in 2023

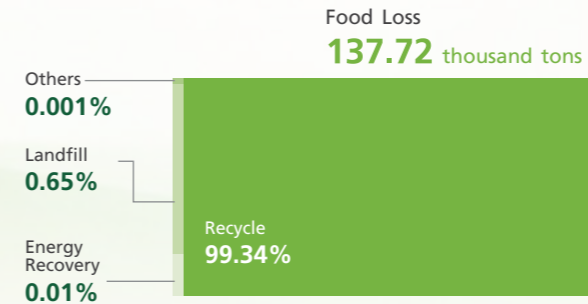
Breakdown of Food Loss and Food Waste Quantity

(thousand tons)



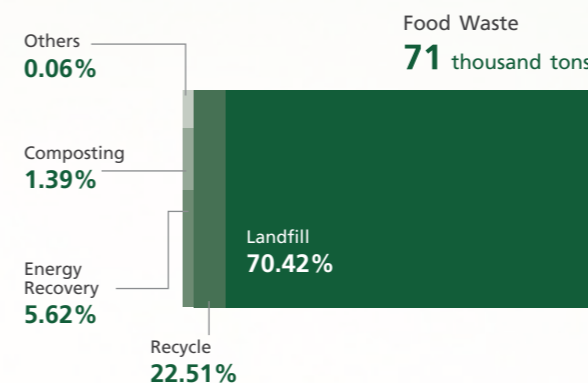
Quantity of Food Loss

By Disposal Methods



Quantity of Food Waste

By Disposal Methods

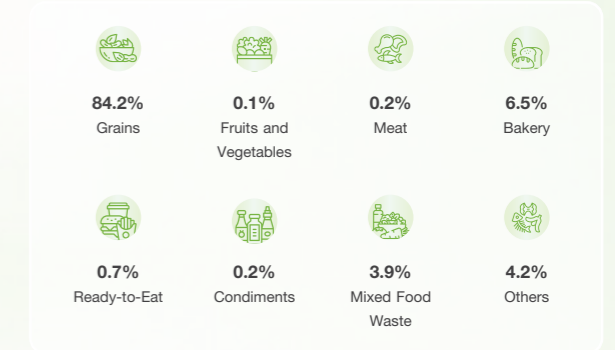


Trend of Total Food Waste and Volume of Food Loss that Sent to Landfill

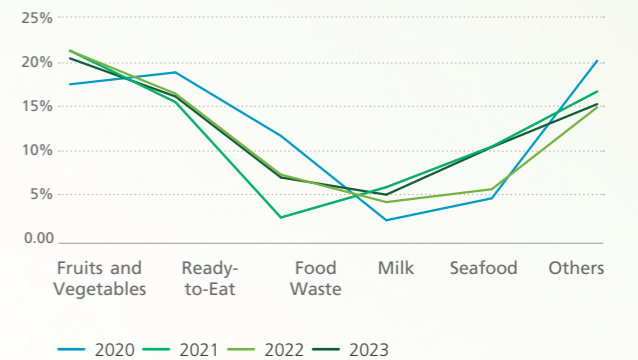
(thousand tons)



By Types



By Types



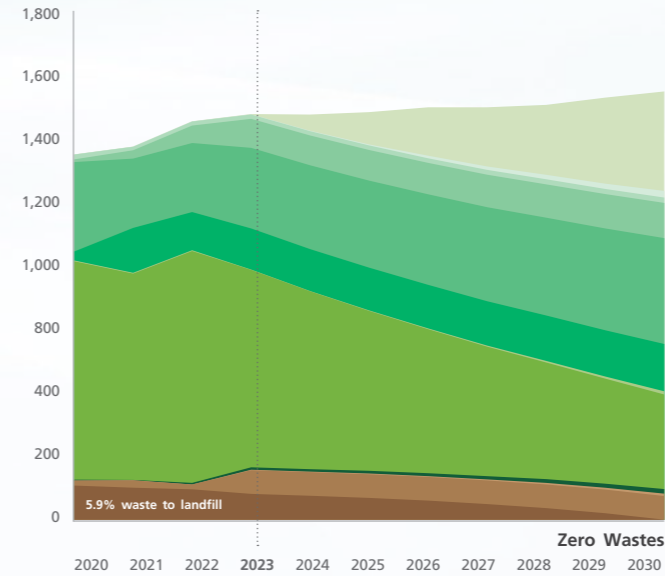
Summary of CP Group's Overall Waste Management and Pathways to Zero Waste for Landfill

Charoen Pokphand Group has applied modern technology and innovation in conjunction with creating a network of cooperation with all relevant sectors to promote waste disposal without using landfill. In this regard, the Group focuses on reducing waste generation at the source across the value chain while placing importance on processing and increasing the value of generated waste.



C.P. Group's Zero Waste to Landfill Pathway Analysis in 2030

(thousand tons)



Milestones	2020	2023	2026	2030
Advance use of animal manure	-	1	120	370
Donate food surplus	0.46	0.95	4.0	25
Donate to zoos	18	16	17	20
Reuse	10	108	114	131
Return for processing	333	300	324	394
Animal feed raw materials	33	153	159	176
Fertilizer from food waste	3	1	2	12
Fertilizer from animal manure	813	735	595	352
Construction materials	3	9	10	17
Anaerobic Digester	1	2	3	9
Incineration with and without energy recovery	18	88	88	88
Landfill	127	96	81	0
Total	1,360	1,509	1,517	1,594



Food Waste

accounting for approximately 74%

Examples of Management Measures:

Type	Key Solutions
Food Surplus	Donate food surplus to vulnerable groups or sell to interested employees and customers.
Fruits and Vegetables	Donate as animal feed, fertilizer raw material, soil nourishment and EM liquid concentrate, as well as food to raise black soldier flies (BSF) which are high-protein animal feed.
Mixed Food Waste	Used to produce fertilizer and soil nourishment, as well as shipped for disposal at offsite landfills.

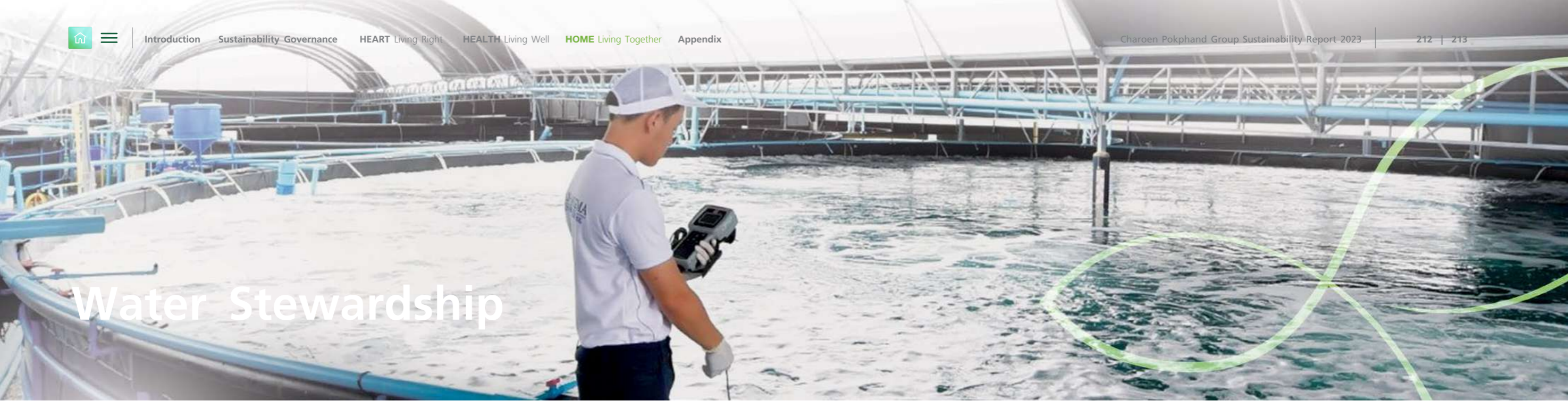


Non-Food Wastes

accounting for approximately 26%

Examples of Management Measures:

Type	Key Solutions
Eggshells	Produce fertilizer and onsite storage.
Ash (biomass combustion in boiler)	Produce fertilizer.
Animal manure waste from biogas system	Produce fertilizer and biogas, including fuel briquette.
Sludge from wastewater treatment system	Processed through digester system for electricity generation and offsite disposal.
Plastic, packaging, other waste	Collected with landfill waste and mass burn.



Water Stewardship

Water is a vital resource for the daily life and the socio-economic development of people across the globe. However, access to clean water resources have been restricted by climate change and international conflicts. Therefore, governments and private sectors worldwide have turned their attention to effective water management to conserve this limited resource and promote human rights in terms of access to clean and safe water. As Charoen Pokphand Group conducts businesses that rely on a large amount of water, it is essential that we take into consideration the balance between water consumption and water resource conservation. Meanwhile, in order to reduce future water shortage risks, the Group adheres to the Water Stewardship Policy, conducts water risk assessments, promotes circular water management, deploys new technologies and innovations to boost water management efficiency, and ensures that wastewater management meets national quality standards before discharging into natural water bodies. The Group also collaborates with stakeholders, such as local communities, the government, NGOs and experts, to support access to water sources and good sanitation for surrounding communities.

Supporting the SDGs



- 6.1 Achieve access to safe drinking water for all
- 6.3 Improve water quality by reducing pollution and increasing recycling and safe reuse
- 6.4 Increase water use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater

- 6.5 Implement integrated water resources management at all levels
- 6.6 Protect and restore water-related ecosystems
- 6.b Support and strengthen the participation of local communities in improving water and sanitation management



- 14.1 Prevent and reduce marine pollution of all kinds

More information available in

[Sustainable Development Goals Report 2023](#)[Sustainability Performance Report 2023](#)

Key Performance 2023

120.91
cubic meters/million THB

Water withdrawal per unit of revenue decreased by 11% from 2022

16.49
cubic meters/million THB

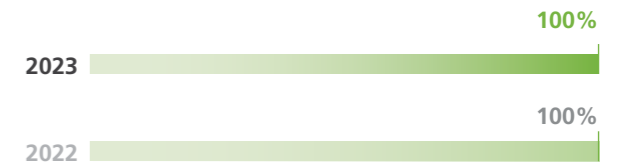
Water recycled/reused decreased by 31% from 2022

14%

Percentage of water recycled/reused decreased by 4% from 2022

Goals and Progress

20% reduction of water withdrawal per unit of revenue compared to base year 2020



Future Workplans



Develop and make improvements by introducing new innovations and technologies in production processes to increase water use efficiency.



Expand the scope of water risk assessment and collaborate on developing water management plans for suppliers.



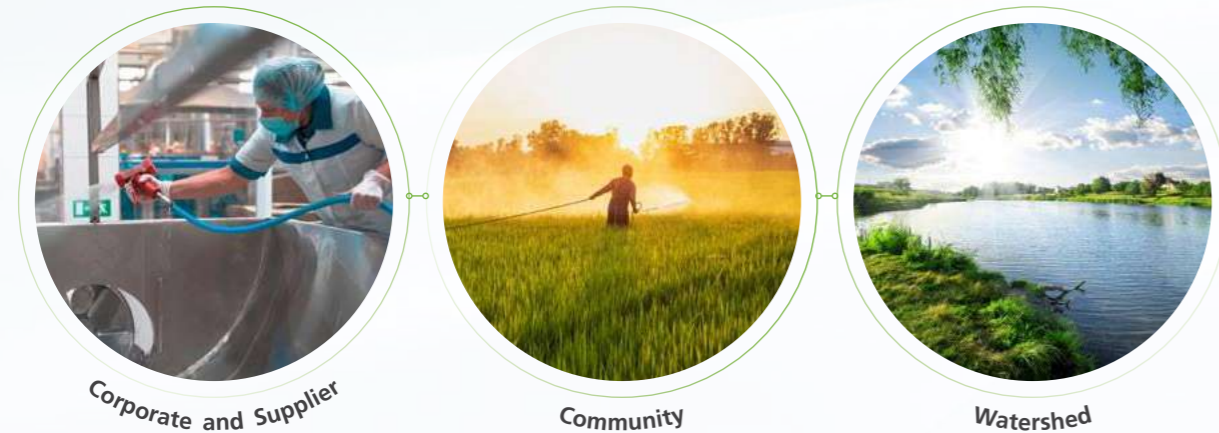
Provide training on water use efficiency management for all employees.



Promote projects related to access to water sources and good sanitation for communities, covering all countries with operations.

Sustainable Water Resource Management along the Value Chain

Water Stewardship Framework



Charoen Pokphand Group has defined the Water Stewardship Framework in accordance with the UN Global Compact’s CEO Water Mandate, covering activities of both the organization and our suppliers across the value chain. It also supports community access to water sources and the conservation of river basins in areas with business operations. The Group has conducted water risk assessments on all business units to identify opportunities in creating a water efficiency management plan according to the 5Rs circular water management principles, consisting of Reduce, Reuse, Recycle, Restore and Recover, to correspond with the 2030 Goal

to reduce water withdrawal per unit of revenue by 20% compared to base year 2020. The Group also encourages awareness raising activities to enable employees, communities and stakeholders to recognize the importance of collaborating to preserve water resources.

➤ More information available in



[Water Stewardship](#)

Charoen Pokphand Group participated in the disclosure of Water Security performance for the first time in 2023 and received a B-Level (Management Level) rating based on the assessment framework of CDP, an organization that runs a global environmental disclosure system.

Integrated Water Risk Assessment

Charoen Pokphand Group has performed water risk assessments on all business units, taking into account water stress level and water withdrawal volume to formulate a water management plan according to each risk level.

In 2023, Charoen Pokphand Group partnered with Keystone to pilot a study on the site specific assessment of risks and business opportunities in terms of biodiversity using TNFD’s LEAP approach. Water is regarded as one of the key indicators in the assessment. Guidelines and a brief summary of the assessment results are as follows:

L Locate Interface with Nature

Selecting sites in water stressed areas for assessment.

1. Poultry farm 🇹🇭
2. Swine farm 🇵🇹
3. Poultry farm 🇹🇭
4. Swine farm 🇹🇭
5. Agricultural farm (rice, corn and soy) 🇵🇹

E Evaluate Dependencies & Impacts

Assessing dependencies and impacts associated with each site. The evaluation found that poultry farms, swine farms and agricultural farms have very high dependency on water use to raise animals, causing freshwater habitat degradation due to water diversion and loss of species abundance. Meanwhile, water pollution was still found in the Bangladeshi poultry farm, leading to water quality decline.

A Assess Material Risks & Opportunities

Assessing risks of identified dependencies and establishing impact mitigation plans. In terms of dependency on water use for animal rearing, efforts to conserve and reduce water use in line with the Group’s water reduction target have been carried out on sites with risks. With regards to alleviating the problem of water pollution, wastewater is treated via bioremediation on sites with risks.

P Prepare To Respond & Report

Defining targets consistent with applicable global biodiversity framework targets, including reducing water withdrawal per unit of revenue by 20% compared to baseline year 2020, adopting a policy of non-chemical pest control management on all directly owned farms where possible, and reducing pesticide risk by 50%.

➤ More information available in



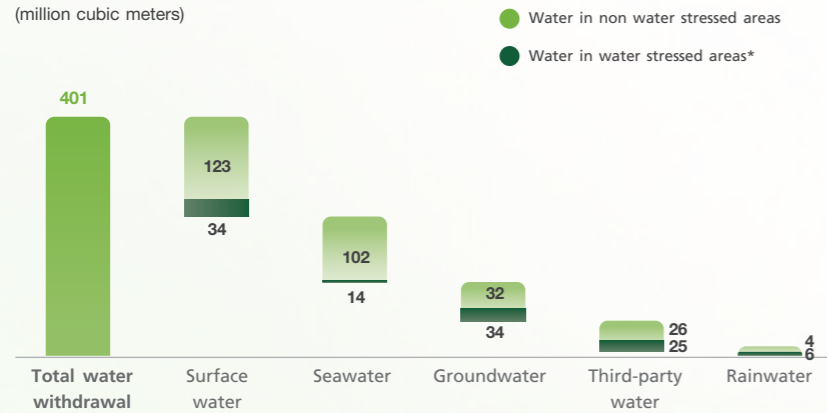
[Water Stewardship](#)



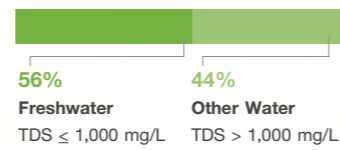
Water Resources Data in 2023

Water Withdrawal by Source

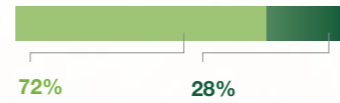
(million cubic meters)



Proportion of Water by Type



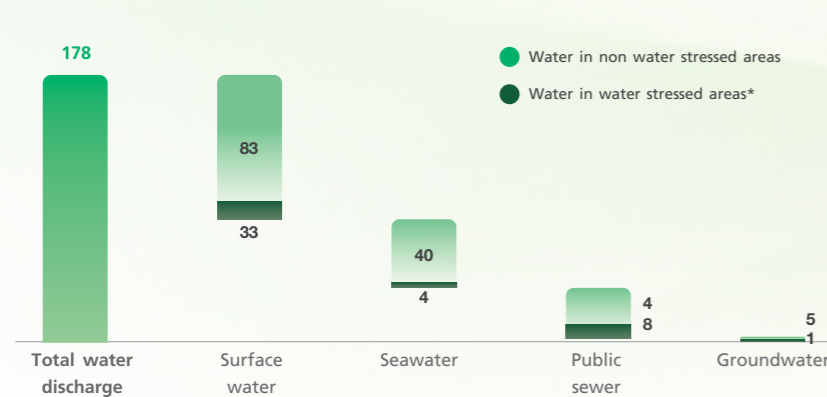
Proportion of Water in Water Stressed Areas



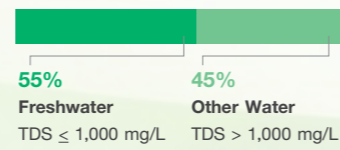
* Units located in high and extremely high baseline water stress areas based on Aqueduct Water Risk Atlas

Water Discharge by Source

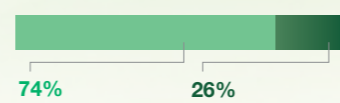
(million cubic meters)



Proportion of Water by Type



Proportion of Water in Water Stressed Areas

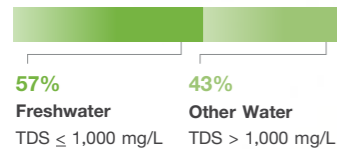


* Units located in high and extremely high baseline water stress areas based on Aqueduct Water Risk Atlas



Total Water Consumption
223 million cubic meters

Proportion of Water by Type



Water Recycled/Reused
55 million cubic meters



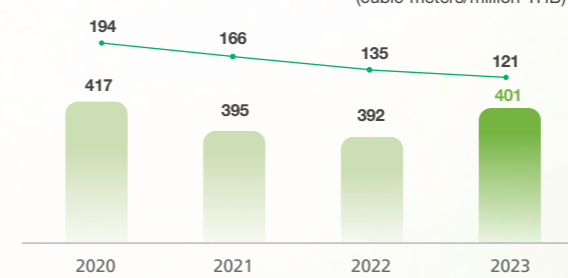
Wastewater Quality

BOD 16.86 mg/L
COD 57.21 mg/L

* BOD and COD are calculated from the average value of all business units

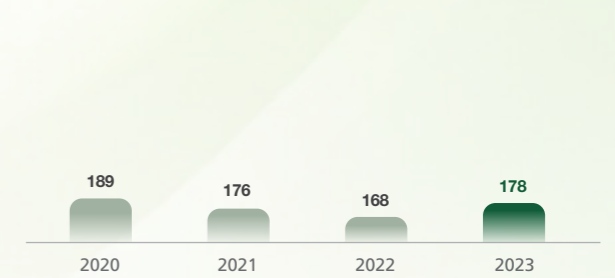
Total Water Withdrawal

(million cubic meters)



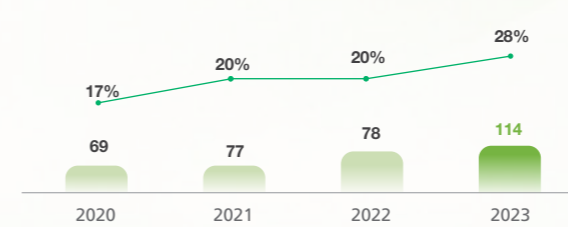
Total Water Discharge

(million cubic meters)



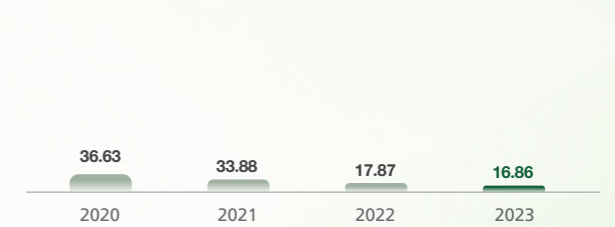
Water Withdrawal from Water Stressed Areas*

(million cubic meters)



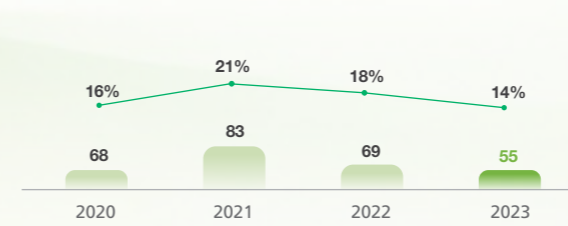
Wastewater Quality – BOD (Biological Oxygen Demand)

(mg/L)



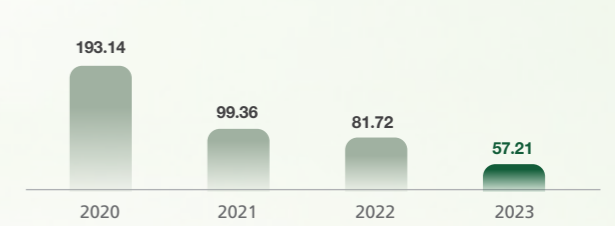
Water Recycled/Reused

(million cubic meters)



Wastewater Quality – COD (Chemical Oxygen Demand)

(mg/L)



* In 2023, volume of water in stressed area increased significantly due to the Group had updated the area according to Aqueduct Water Risk Atlas 4.0

In 2023

water withdrawal per unit of revenue is **38%** compared to base year 2020.

Moreover, C.P. Group measured the quality of water effluent. The average BOD was 16.86 milligrams/liter and COD was 57.21 milligrams/liter. These are within the effluent discharge control standards of each country.

Circular Water Management

With a water-related sustainability goal to reduce water withdrawal, Charoen Pokphand Group continues to develop and invest in new innovations to enhance water use efficiency and enable water recycling. In doing so, the Group has adopted the Circular Water Management concept based on the World Business Council for Sustainable Development (WBCSD)'s 5Rs principle (Reduce, Reuse, Recycle, Restore and Recover) alongside our business operations.



More information available in



[Water Stewardship](#)

CASE STUDY

Groundwater Bank



CP Aextra Public Company Limited aims to raise awareness on water shortage by embracing the royal initiative of His Majesty King Rama IX to develop water holding areas to alleviate the impacts of drought. The company stores treated water for times of need and redirects excess water to allocated areas and into the ground to replenish moisture, leading to agricultural benefits for surrounding communities. The project can mitigate the impact of water scarcity conditions and foster good relationships with communities.

Water returned to Groundwater Bank **5,840** cubic meters/year/distribution accounting for **44%** of treated water

Natural Capital

Managing Wastewater Prior to Discharge to Natural Water Bodies

Releasing untreated wastewater into natural water bodies will produce a range of negative impacts. Environmentally, it will harm creatures and plants in the water source. In terms of human health, it will become a source of pathogens and water pollution as well as destroy water sources for daily consumption.

Charoen Pokphand Group is well aware that business operations may affect the quality of water sources. Therefore, we are committed to wastewater management and ensuring that water quality meets standards before releasing it into natural water sources.

Wastewater Management Framework

Defining Wastewater Quality Standards

Defining goals and plans to improve wastewater quality to meet the standards set by each country.

Managing and Disposing of Wastewater

Deploying appropriate technologies and processes to remove unwanted compounds from wastewater, enabling wastewater that meets quality to be recycled while aiming to become a Zero Water Discharge organization.



Wastewater Management Framework

Reporting and Monitoring Wastewater Quality

After wastewater quality has been inspected, it must be reported through the sustainability system for continuous monitoring.

Testing and Measuring Wastewater Quality

Verifying the quality of wastewater before discharging into natural water bodies on a monthly basis to ensure that wastewater management complies with the standards set by each country.

Managing Wastewater Prior to Discharge to Natural Water Bodies

CASE STUDY

Recycled Water Sharing



Charoen Pokphand Foods Public Company Limited has distributed treated water from biogas systems in swine farms and layer complexes to neighboring farmers for use in palm oil plantations, watermelon farms, pumpkin patches, sugarcane farms, corn farms and Napier grass farms.

CPF targets to eliminate external wastewater discharge under the Zero Discharge Goal. Accordingly, treated water from biogas systems containing minerals suitable for plants, called “fertilizer water”, is utilized to water plants, grass fields and organic vegetable planted by CPF personnel in vacant spaces on the farms. When neighboring farmers witness the plants’ growth, they would request for the so-called “fertilizer water” to water their crops both during drought and normal times throughout the year. “Fertilizer water” and sludge distributed to farmers contribute to increasing production, reducing farmers’ expenses on fertilizers, reducing chemical fertilizer use, and raising farmers’ income.



In 2023, five layer complexes, namely San Kamphaeng Farm, Chakkarat Farm, Nong Khong Farm, Udon Farm, and Chana Farm, shared more than 181,000 cubic meters of “fertilizer water” to more than 145 rai of agricultural land, helping to mitigate impact from drought for farmers and playing a key role in ensuring water security for the communities.

Reduced wastewater discharge by recycling “fertilizer water” 181,000 cubic meters/year

5 layer complexes

Zero Wastewater Discharge

Natural Capital

Supplier’s Water Management

Collaborating with Stakeholders in Water Management across the Supply Chain

Charoen Pokphand Group has developed water management guidelines for suppliers, who are important stakeholders for our businesses. The Group supports and encourages Critical Tier 1 Suppliers to use water efficiently, reduce water shortage risk and join hands to conserve water resources. A key action involves performing water risk assessments on Critical Tier 1 Suppliers in order to categorize them according to water stress levels based on globally-recognized tools.

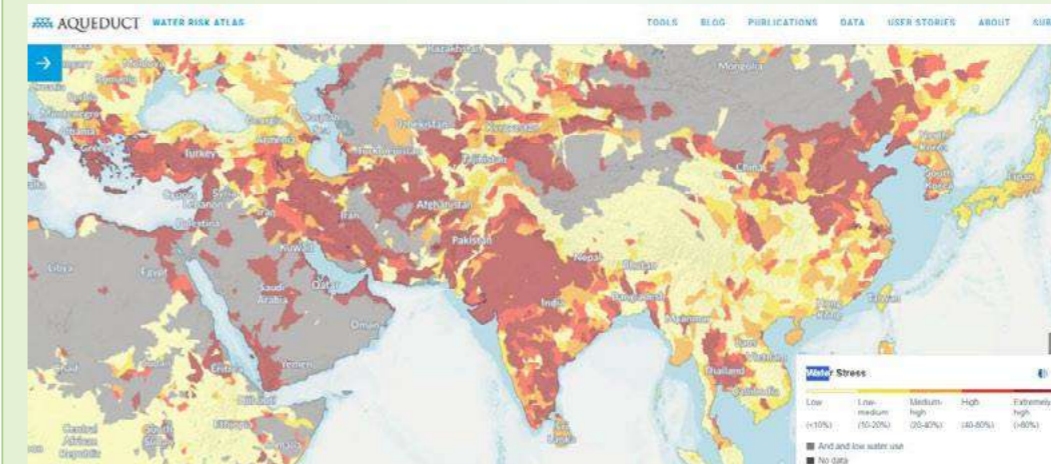
➤ More information available in



[Water Stewardship](#)

CASE STUDY

Water Risk Assessment for CP ALL Public Company Limited’s Suppliers



CP ALL Public Company Limited conducted water risk assessments on 115 Critical Tier 1 Suppliers using the World Resource Institute’s Aqueduct tool. Based on the assessment, 34 Critical Tier 1 Suppliers were situated in water stressed areas. Thus, CP ALL and its suppliers collaborated to reduce water-related risks by, for example, collaborating with relevant agencies and communities to develop a water risk reduction plan and recycle water as well as restore and improve community water sources to avoid conflicts with the communities.

Critical Tier 1 Suppliers **100%**



Located in water stressed areas **30%**

Conducted water risk assessments on 115 Critical Tier 1 Suppliers accounting for 100%

Natural Capital

Community Water Management

Promoting Community Access to Water and Sanitation

Charoen Pokphand Group is committed to collaborating with stakeholders, including the government, private sector and civil society, to support the rights of communities to access water and sanitation, and build appropriate infrastructures, such as water conveyance systems, water reservoirs and watersheds, that can increase communities' accessibility to clean water and good hygiene.

More information available in



[Water Stewardship](#)

Collaborating with Stakeholders to Promote Community Access to Water and Sanitation

1 East Asia

- China**
 - Well and Pumping Station Construction Project, Bai Dian Village, Xiangzhou District, Hubei Province
 - Village Water Supply System Installation Project, Chang Shun Village, Sichuan Province
 - Water Supply Installation Project, Ouhua Village, Sichuan province

2 South Asia

- Bangladesh**
 - Groundwater Well Construction for Communities Project
- India**
 - Water For Life Project

3 Southeast Asia

- Vietnam**
 - Ka Nau Village Water Pipeline Installation Project, Binh Dinh Province
 - Home for Water Construction Project, Trang Bang District, Tây Ninh Province
- Myanmar**
 - Clean Drinking Water for Schools in Aung Za Bu
 - Water Sources for Sustainable Agriculture Projects in Bago and Naypyitaw
- Cambodia**
 - Clean Toilets for Students Project, Kampong Speu Province
- The Philippines**
 - Sharing Water Resources with Barangay Gugo Community Project

- Thailand**
 - Safe Nature Project, Mae Chaem District, Chiang Mai Province
 - Nam Phang Model
 - Water Resources for Agricultural Development Project, Ban Mae Wak Community, Chiang Mai Province
 - Living Weir Projects in 17 Northern Provinces
 - Collaboration Project in Mueang Chang Subdistrict, Nan Province
 - Restoration of Clear Water to Ban Samong Community, Prachinburi Province
 - Natural Drinking Water Project, Ban Thammachat Lang, Trad Province
 - Swine Manure Liquid Fertilizer for Ban Huay Nam Dib Community, Chiang Mai Province
 - Toilet Construction Project by CPF's Fund for Elderly, Don Krabueng Subdistrict, Ratchaburi Province
 - Check Dam Reparation Project, Khao Phraya Doen Tong
 - Happiness for All Project
 - Water Returns Life Project, Ban Sop Khun, Nan Province
 - Water Returns Life Project, Ban Yot Doi Wattana, Nan Province
 - Water Supply for Phun Phin Community, Surat Province
 - Water Production System Project, Ler Tor Royal Project Development Center



Restoring Watersheds for Integrity

Protecting and Restoring Watersheds in High Water Risk Areas

Charoen Pokphand Group has performed water risk assessments on all Group production sites. Based on the assessment, the Group is operating in a total of 15 major river basins in 7 countries within high water risk areas. Therefore, the Group gives priority to collaborating with all sectors in protecting and restoring watershed forests, an important source of water that is a vital resource for our daily lives.

CASE STUDY

Building Fish Homes in Songkhla Lake Basin's Marine Sanctuaries



Charoen Pokphand for Rural Lives' Development Foundation joined forces with network partners to build fish homes in marine sanctuaries in Songkhla Lake Basin in an effort to campaign awareness about marine resource depletion as well as the protection and restoration of Songkhla Lake in Songkhla province among activity participants and local communities. Accordingly, the project piloted the construction of 20 fish homes in each of the three marine sanctuaries around Songkhla Lake Basin, consisting of Upper Lake in Ban Hua Pa Tok, Ban Khao Subdistrict, Ranot District; Middle Lake in Ban Bang Nai Community, Pak Ro Subdistrict, Singhanakorn District; and Lower Lake in

Wat Laem Chak Community, Pa Khat Subdistrict, Singhanakorn District. Further construction of 100 more fish homes is due to be carried out in two other sanctuaries, namely Wat Pa Khat Community, Pa Khat Subdistrict, Singhanakorn District and Ban Tha Hin Community, Tha Hin Subdistrict, Sating Phra District in Songkhla province.

100 fish homes to be built in 5 marine sanctuaries around Songkhla Lake Basin

Natural Capital



Ecosystem & Biodiversity Protection

Natural resources and biodiversity are essential to the business operations of Charoen Pokphand Group and our suppliers, as well as vital to the livelihoods of creatures. Since we all depend on ecosystem services in the production of goods, and services within supply chains and the Group, the decline of natural resources and biodiversity will, thus, directly impact the business sector and livelihoods in different manners. Nowadays, the business sector is beginning to pay more attention to the issues of nature and biodiversity, regarding them among risks that must be integrated into corporate strategies since the impacts of biodiversity loss are becoming more evident. For this reason, international organizations have initiated various mechanisms, such as legislation, financial measures obliging and incentivizing businesses to adjust their operating or reporting models to protect natural resources and restore biodiversity, and the Post-2020 Global Biodiversity Framework. In this regard, the Group has incorporated biodiversity management and these changes into our business operations in order to transition into business operations that are consistent with nature's well-being.

Supporting the SDGs



2.4 Ensure sustainable food production systems that help maintain ecosystems, that strengthen capacity for adaptation to climate change



14.2 Sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts
14.4 Effectively regulate harvesting and end overfishing



15.1 Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems
15.2 Halt deforestation, restore degraded forests and increase afforestation and reforestation
15.4 Ensure the conservation of mountain ecosystems, including their biodiversity
15.5 Halt the loss of biodiversity



6.6 Protect and restore water-related ecosystems

14.5 Conserve coastal and marine areas
14.b Provide access for small-scale artisanal fishers to marine resources and markets

> More information available in

[Sustainable Development Goals Report 2023](#)

[Sustainability Performance Report 2023](#)

Key Performance 2023

27.9% **11.29**
million trees

Raw materials the evidently showed that it come from de-forestation free areas
Accumulated number of trees planted in 2023

1,991 sites

Operating sites assessed for risks with IBAT

Future Workplans



Establish the Anti-deforestation Policy



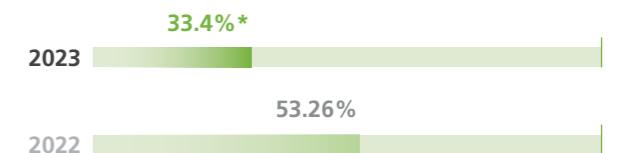
Establish Group-wide biodiversity guidelines



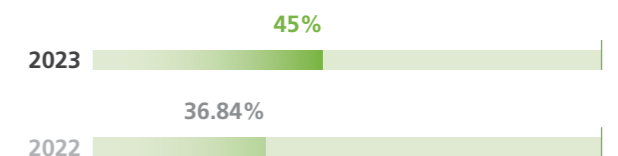
Expand the scope of traceability system of raw materials which are at risk in China

Goals and Progress

100% of high-risk raw materials can be traced back to the source by 2030



100% of business groups conduct collaborative projects with international partners to manage and monitor biodiversity in business operations



Remark:

* In 2023, target of traceable high-risk raw materials were expanded to cover cultivation and fishing areas.



Enhancing Biodiversity Performance

Charoen Pokphand Group recognizes that ecosystem and biodiversity protection is crucial because both the business operations of the Group and our suppliers rely heavily on these valuable resources and can sometimes add to biodiversity loss and ecosystem degradation, such as deforestation, greenhouse gas emissions or outbreaks of invasive alien plants and animals, and many more. The impact of diversity loss is not only limited to the organizational level, but its severity also extends to other dimensions, including food security, health & well-being, and many more.

For this reason, the Group has incorporated issues of ecosystem integrity and biodiversity into our governance processes, risk assessments and business operations. In addition, the Group has provided training and monitored compliance with policies and practices pertaining to ecosystem & biodiversity protection and anti-deforestation in order to ensure that all our business groups and suppliers operate in the same direction.

Policy and Guidelines

Charoen Pokphand Group is committed to operating our businesses without causing biodiversity loss while utilizing natural resources sustainably. Therefore, the Group has established policies and guidelines to serve as operational frameworks for our subsidiaries and relevant stakeholders, including the Ecosystem and Biodiversity Protection Policy and the Anti-Deforestation Policy, covering operations within the Group and along the value chain.

These policies and guidelines have been adopted by business groups to suit their respective operating contexts. The Group encourages each business unit to consider dependency and impact on natural resources, which lead to risk analysis in order to determine appropriate operational measures.

➤ More information available in

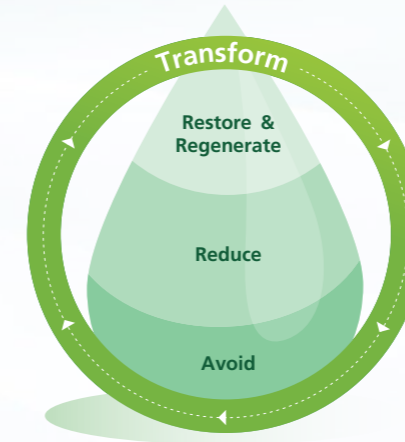


[Ecosystem and Biodiversity Protection Policy](#)



[No-deforestation Commitment](#)

Impact Management Strategies, Goals and Actions



Charoen Pokphand Group and our subsidiaries have implemented a framework for managing risks and potential impacts on biodiversity as a result of the Group’s business operations. We adhere to the Mitigation Hierarchy based on the AR3T Framework developed by the Science Based Target for Nature (SBTN), which consists of “Avoid” negative impacts, “Reduce” impacts, “Restore & Regenerate” and in the case that implications are inevitable, “Transform” them into positive impacts on nature, respectively, in order to achieve the goal of living in harmony with nature sustainably.

Collaborating with Suppliers and Business Partners to Minimize Impacts

Charoen Pokphand Group purchases agricultural raw materials from a large number of suppliers. Supplier non-compliance with requirements and laws, whether in terms of governance, safety, human rights, environment and raw material procurement from unsustainable production sources, can affect the Group and suppliers’ confidence in the company. Therefore, in order to prevent these impacts, especially biodiversity loss, the Group supports suppliers to abide by the Group’s and other relevant regulations. We also encourage them to apply risk management principles that observe the concepts of avoidance, impact limitation, restoration and compensation in their businesses.

In addition, Charoen Pokphand Group has also initiated a collaborative project with suppliers and business partners to reduce the risks and impacts of deforestation by using soybean meal traceability system in the Feed Ingredients Trading Business Group to reinforce the Sustainable Sourcing Policy and traceability across the production chain of both suppliers and the company to create social and environmental responsibility.



Biodiversity Risk Assessment

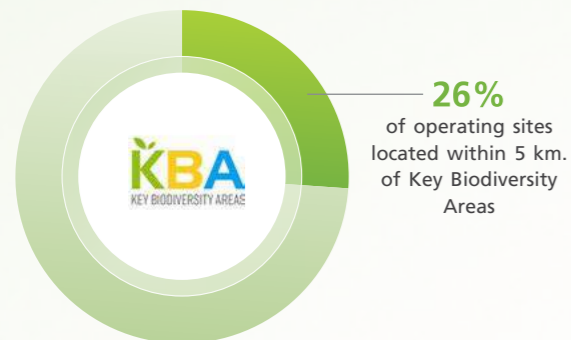
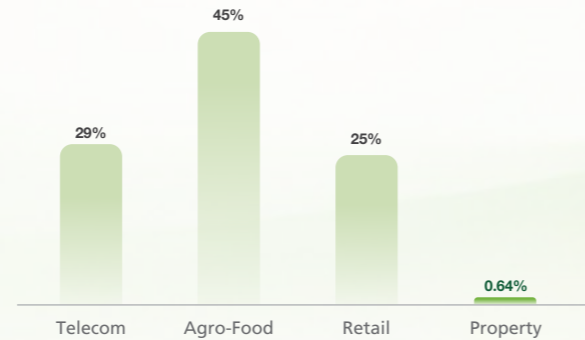
Areas at Risk of Biodiversity Loss

The previous chapter on Water Stewardship presented data on the selection of Charoen Pokphand Group operating sites located in or close to Key Biodiversity Areas in order to employ spatial data to analyze risks and determine further operational guidelines.

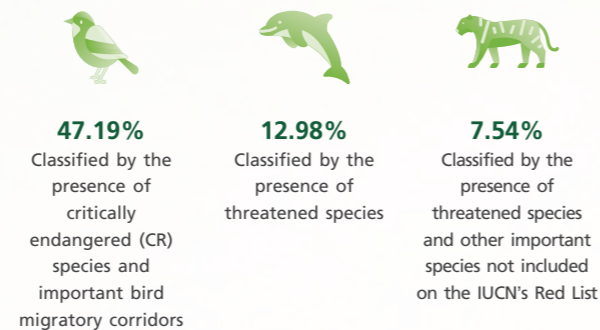
Data from Global Forest Watch indicated that the majority of Charoen Pokphand Group's operating sites in 21 countries and economies worldwide, or approximately 75%, is located in tropical and subtropical forest biomes while 13% are located in mangrove biomes and 10.21% are located in temperate broadleaf and mixed forest biomes.

Charoen Pokphand Group initiated the spatial risk assessment in 2022. The assessment, which has a scope covering 1,991 Group operating sites in eight business lines, utilizes the Integrated Assessment Tool (IBAT). Meanwhile, a study radius of five kilometers has been defined. The criteria for identifying an area with biodiversity value include:

- Environmental Protection Areas
- Key Biodiversity Areas
- Areas with threatened species on the International Union for Conservation of Nature (IUCN)'s Red List



Classification of Key Biodiversity Areas (KBA) within a 5-km radius according to the IUCN Global Standard for KBA



Data on Biomes in Countries with CP Group Operating Sites



Assessment of Dependency on Ecosystem Services

A study to identify Charoen Pokphand Group’s dependency and the current status of ecosystem services can help the Group to identify risks that may occur from future operations. The Group utilizes ENCORE Program to assess dependency on ecosystem services. Initially, the Group jointly studied site-level operational data of each business line which can be classified into high or low dependency according to the context of each business line. Based on this study, the Group is dependent on the following ecosystem services:

- Production Source
- Regulating Services
- Support Services

Additionally, ecosystem services also provide services to resource users from other sectors. If the ecosystem becomes degraded to the point of being unable to provide services, it poses risks for businesses that rely on ecosystem services and other resource users, such as risks from more stringent laws or regulations and risks from consumer behavior changes, and many more.

More information available in



[Biodiversity \(TNFD\) Report 2023](#)

Assessment of Pressures on Nature

Business operations can result in loss of biodiversity, whether due to resource consumption, pollution from production, changing land use patterns and other activities. The depletion of natural resources and the degradation of ecosystems can reduce their ability to offer essential products and services to humans which poses a risk to business operations. Charoen Pokphand Group recognizes the complexity and connection between nature and biodiversity. Therefore, the Group performed an assessment of impacts on the Group’s operations using the ENCORE Program together with the results of the study conducted by Keystone and the study of the operational activities of the Group’s business groups and value chains. Then, the Group used the results to define measures in reducing impacts and increasing biodiversity.

Examples of impacts from Charoen Pokphand Group’s business operations include:



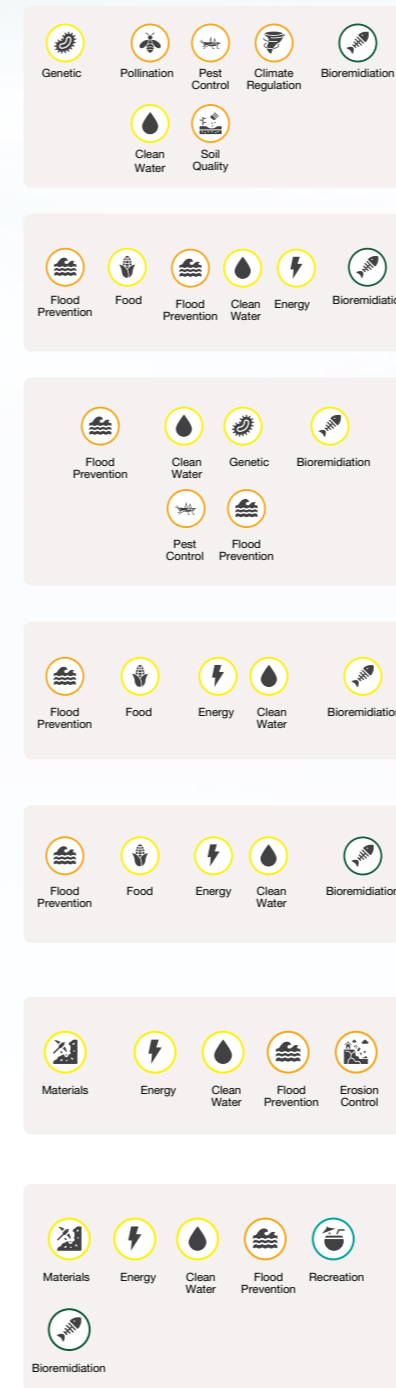
Agro-food business - surface water usage resulting in the decline of natural surface water, greenhouse gas emissions due to changing land use patterns and animal manure, and invasion of foreign plants or animal.



Retail business - potential impact on greenhouse gas emissions from energy consumption and waste.

The results of this assessment serves as an initial guideline for businesses to transition their operations with consideration for biodiversity in line with global and national goals to reduce biodiversity loss in the future and sustain natural resources alongside business operations.

Dependency



Remarks:
 Provision Services (Yellow circle) Regulating Services (Orange circle) Cultural Services (Green circle) Supporting Services (Blue circle)



Conserving and Restoring Biodiversity*

Land Ecosystem Restoration 6,917 rai	Reforestation 1,184 rai	Agroforestry 6,298 rai	Natural Regeneration 75 rai
Set-aside Land 374 rai	Marine and Coastal Ecosystem Protection and Restoration 5 projects	Releasing Juvenile Crabs into the Sea 7,900,000,000 juveniles	



Community income increase
>64 million THB



>99 communities
benefiting from the Project

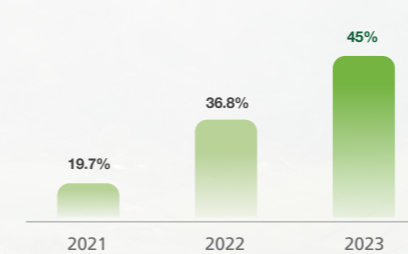
Remark: * Cumulative data



Charoen Pokphand Group has planted trees in the Ping, Wang, Yom and Nan watersheds with the objective of increasing green space as well as protecting and restoring the ecosystem. Planting more trees also contributes to the absorption of carbon, which is a major cause of global warming, and the reduction of climate change. Furthermore, this effort leads to the growing of watershed forests in Northern Thailand and allows communities to engage in creating balance between humans, nature and environment.

Mr. Jomkitti Sirikul
Senior Vice President – Public Sustainable Development and Relations Affairs,
Charoen Pokphand Group

Business groups collaborating with relevant partners to manage and monitor biodiversity in business operations



Progress in Planting 20 Million Trees by 2025
(million trees)



Examples of Terrestrial Ecosystem Conservation and Restoration Projects

CASE STUDY

“Omkoï Model” Youth Camp



Charoen Pokphand for Rural Lives’ Development Foundation emphasizes the importance of protecting, restoring and conserving wildlife and forest resources in Omkoï District, Chiang Mai, which contains 1,059,860 rai of National Forest Reserve Areas (74.66% of total area) and 337,640 rai of Wildlife Conservation Areas (23.78% of total area), characterized by hill evergreen forests, dry evergreen forests, deciduous forests and deciduous dipterocarp forests. The area is also rich with rare and endangered wildlife species, especially gorals, a protected wildlife species in Thailand.

Therefore, Charoen Pokphand for Rural Lives’ Development Foundation collaborated with True Group and 20 local schools to launch the “Omkoï Model” Youth Camp with the aim of raising youth awareness on the importance

of natural resources in their localities, such as gorals, forests, coffee trees, as well as protection of forests from encroachment and destruction. The participation of Omkoï children and youth in the activities has fostered love for forests, which are like home to the children, and encourages positive word-of-mouth and sharing of knowledge to friends, parents and locals of the community, resulting in further development of Omkoï and watershed forests.

Number of participating youth 50 persons

Relationship Capital Natural Capital

Example of Water Resource Restoration Project

CASE STUDY

Promoting Local Spotted Scat Fish Conservation and Artisanal Fishing

Spotted scat fish (*Scatophagus argus*) in Songkhla Lake offer good-tasting meat and unique texture that sets it apart from spotted scats found in other areas of Thailand due to the geographic characteristics and water circulation in the Lake. Therefore, there is high market demand for the fish, which are sold at high prices. At present, however, spotted scat fishery yield has significantly decreased, affecting artisanal fishers in terms of lower income.

Charoen Pokphand Group recognizes this problem and has collaborated with the Department of Fisheries to organize training and transfer knowledge about integrated spotted scat cultivation, including artificial insemination, rearing fish larvae, cage culture and integrated fish farming, to interested communities in order to breed and release fish fry into nature for further conservation and restoration of marine natural resources.

Spotted scat or *Scatophagus argus* is a local fish species found in Songkhla Lake. The fish offer good taste and are thus often caught and consumed. Moreover, spotted scat fry are also in demand in the ornamental fish market, causing a rapid decline in the number of spotted scats in the wild.

Number of fish fry nursed and released into the wild 3,000 fish

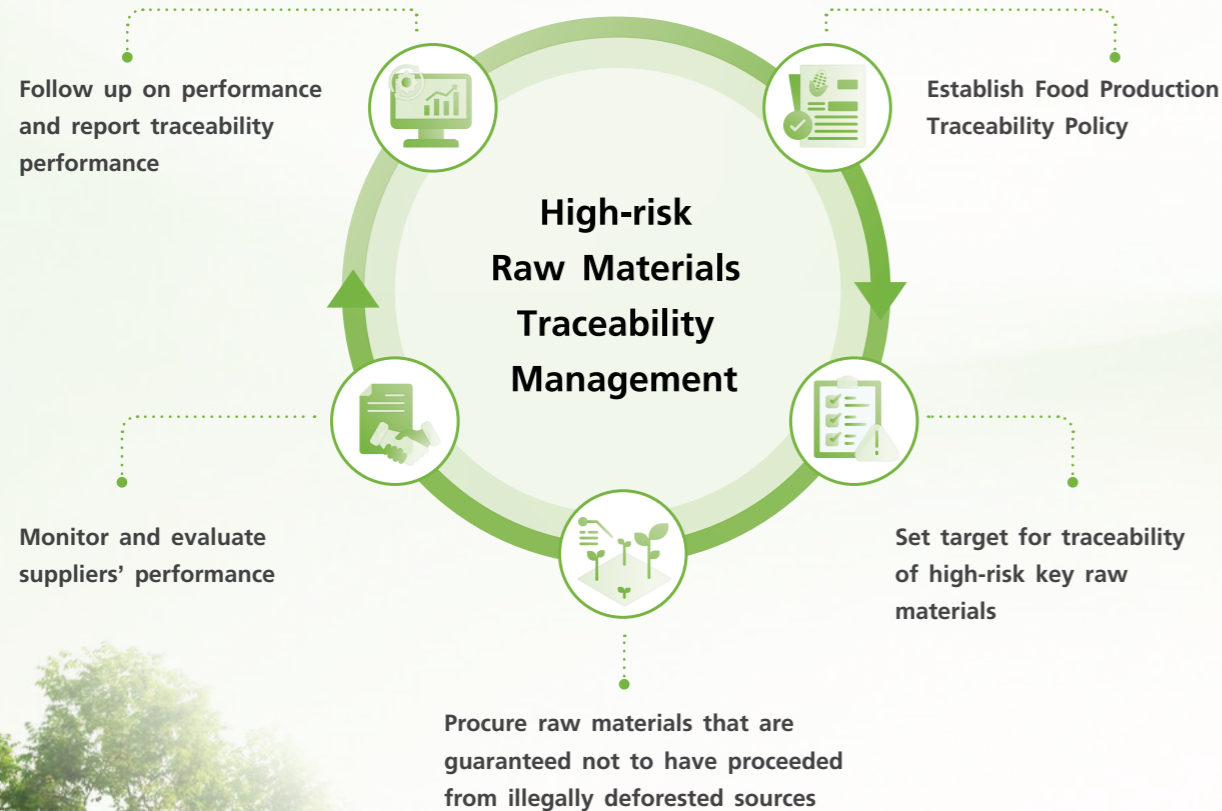
Relationship Capital Natural Capital



Procuring Raw Materials from Environmentally Friendly Sources

Charoen Pokphand Group places importance on product traceability. Therefore, we have implemented the Integrated Traceability System, covering from raw material source. The Group has determined that raw materials delivered to us must proceed from a source that does not involve forest encroachment. Meanwhile, cultivation sites and animal farms must meet consumer safety standards and take into account animal welfare. They must also take action to prevent potential impacts on ecosystems and biodiversity that may occur in

the value chain. Furthermore, feed mills and food processing plants for humans and animals must use quality raw materials, implementing production processes that meet international standards. They must also take into account environmental preservation, from warehouses through to distribution systems. Equipment must meet cleanliness standards while implementing good management and product distribution systems that deliver directly to consumers.



Progress of Raw Material Traceability

Key Raw Material	Point of Traceability	Percentage of Traceability	% with Evidence of Zero Deforestation
Maize	Plantation Areas	39.88%	27.97%
	Collection Points	60.12%	
Soybean	Plantation Areas	26.36%	0%
	Collection Points	73.64%	
Palm Oil	Plantation Areas	0%	0%
	Collection Points	100%	
Cassava	Processing Facilities	100%	0%
Fishmeal	Fisheries Sources	37.43%	NA
	Collection Points	62.57%	
Total	Plantation Areas / Fisheries Sources	33.44%	17.90%

Remark: Main raw materials for feed ingredients in Thailand, Vietnam, India, Laos, Cambodia, Malaysia, Philippines, Myanmar, Bangladesh, and China.

CASE STUDY

Collaboration to Utilize Satellite to Trace Soybean Supply Chain

Agricultural expansion is a major contributor to deforestation. We recognize that the supply chains of soybean and soybean meal, which are among the key raw materials for feed production, hold risks associated with deforestation. Furthermore, the process of soybean cultivation may also emit carbon into the atmosphere.

For these reasons, Bangkok Produce Merchandising Public Company Limited (BKP), harboring an important mission to source agricultural raw materials, and Charoen Pokphand Foods Public Company Limited (CPF) have joined hands with a key supplier, Louis Dreyfus Company (LDC), a world-leading agricultural merchant and processor, to sign a memorandum of understanding to build cooperation in utilizing satellite maps to trace soybean back to the source



in order to build confidence in the sourcing process of soybean and soybean products from Brazil as raw materials for feed production in Thailand and other businesses in Asia. BKP and CPF aim to develop a soybean and soybean meal supply chain that is free from deforestation by 2025.

CASE STUDY

CP Collaborates with Suppliers to Utilize Satellite Imagery and Hotspots to Detect Burning

Bangkok Produce Merchandising Public Company Limited (BKP) and Charoen Pokphand Foods Public Company Limited (CPF) move forward to solve the PM 2.5 problem by requiring suppliers nationwide to utilize hotspot data from satellite imagery to detect plot-by-plot corn field burning. The effort also ensures that the supply chain of corn used for animal feed meet the goals and plans of the “Partner To Green: Corn Suppliers United against PM 2.5 Pollution” program to reduce burning of agricultural lands, which is one of the causes of dust and smog. Both companies continue to work with suppliers nationwide to leverage a burnt area detection system to track hot pots that occur in corn fields of farmers who sell their products to BKP and CPF through a traceability system. If a hotspot is found, the companies shall make an onsite visit to the farmer within 7 days after receiving the report to emphasize on purchasing measures according to the “No Mountain, No Burning, We Buy” policy.

According to BKP measures, staff will be sent onsite to educate farmers and encourage them to modify stubble management method. The company will also impose a one-year suspension of corn purchase from fields with repeated burning. BKP initiated the daily submission of hotspot satellite images to all suppliers nationwide from January 2024.



▶ Video clip for traceability system can be watched at:



[Stop Dust and Smoke in Northern Region with Traceability System by THE STANDARD](#)

100% Corn traceability in Thailand

39.8% Corn traceability in 10 countries

>40,000 Suppliers participating in the project

>2 million rais of targeted areas

“For. Farm” Application: BKP also implements Blockchain Traceability to trace corn used for animal feed to the source both domestically and abroad. Farmers can register and verify their identity via the application. Blockchain technology can link and trace corn from its plot to feed mills, increasing transparency in corn traceability system. At present, corn sourced from Myanmar have been traced to sites with proper documentation. Farmers collaborated by registering title deeds and providing GPS coordinates of the site for confirmation that 100% of the corn proceeded from a source that did not encroach on forest areas.

BKP and CPF also encourage the public sector to engage in monitoring field burning by launching a channel to report any relevant information via the “For. Farm” Application. Once field burning is encountered, the companies and their suppliers readily work together to educate and offer advice to farmers to gain their cooperation in refraining from stubble burning and explore suitable alternatives. For burnt fields not yet in CP’s registered farmer network, data will be coordinated to relevant agencies.

Relationship Capital Natural Capital



Responsible Supply Chain Management

The continuously growing population coupled with international conflicts and intensifying climate change are all highly connected to economic systems and the production sector in various contexts. They can cause raw material shortages, rising production costs, possible violations of rules and regulations, and biodiversity loss which may affect the upstream production of the supply chain. In order to prevent or mitigate these risk issues, Charoen Pokphand Group firmly commits to continuously improving supply chain management and supporting supplier capacity development in all sustainability dimensions to achieve success and mutual growth, which are crucial factors for the Group's sustainable growth and cover the establishment of food security. The Group further extends our efforts into the application of technology and innovation, responsible resources management, creation of added value for products and services that take into account the reduction of negative impacts on society and the environment, especially greenhouse gas emissions reduction. This enables greater competitiveness and the readiness to adapt to challenges and changes according to the global context.

Supporting the SDGs

 <p>2 ZERO HUNGER</p>	<p>2.4 Ensure sustainable food production systems, maintain ecosystems, strengthen capacity for adaptation to climate change</p>	 <p>4 QUALITY EDUCATION</p>	<p>4.4 Increase the number of youth and adults who have relevant skills, including technical and vocational skills, for decent jobs</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>8.3 Promote development-oriented policies that support productive activities</p> <p>8.8 Protect labor rights and promote safe and secure environments for all workers</p>
 <p>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</p>	<p>9.2 Promote inclusive and sustainable industrialization</p>	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>12.7 Promote procurement practices that are sustainable</p> <p>12.a Strengthen scientific and technological capacity to move towards more sustainable patterns of consumption and production</p>	 <p>13 CLIMATE ACTION</p>	<p>13.3 Improve awareness-raising and capacity on climate change adaptation and impact reduction</p>

➤ More information available in

[Sustainable Development Goals Report 2023](#)

[Sustainability Performance Report 2023](#)

Key Performance 2023

99.3%

of Purchasing Personal Received Communication / Training

89.5%

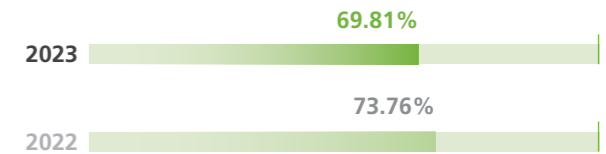
Domestic Purchase Values

87.4%

New Suppliers Selected based on Social and Environmental Criteria




Goals and Progress

Significant suppliers are audited on sustainability*



* In 2023, the scope of audit were expanded to cover business and sustainability risks

Future Workplans

-  Exponentially enhance supply chain management through technology and digital application.
-  Proactively develop suppliers and enhance their capacity for sustainable growth.
-  Encourage the reduction of indirect greenhouse gas emissions (Scope 3) along the organization's supply chain.

Responsible Supply Chain Management

Charoen Pokphand Group is committed to conducting business for sustainable growth in accordance with the principles of good corporate governance. Simultaneously, we focus on responsibility towards society and environment as well as the development of supplier management system for continued efficiency. Thus, we have established the Supplier ESG Program, which is in line with applicable legal requirements and standards at both the national and international levels, including the United Nations' Sustainable Development Goals, to serve as guidelines for conducting business and enhancing the competitiveness of the Group and our suppliers, empowering capacity, efficiency and growth alongside the Group in a sustainable manner.

More information available in



[Sustainable Procurement Policy and Guidelines](#)



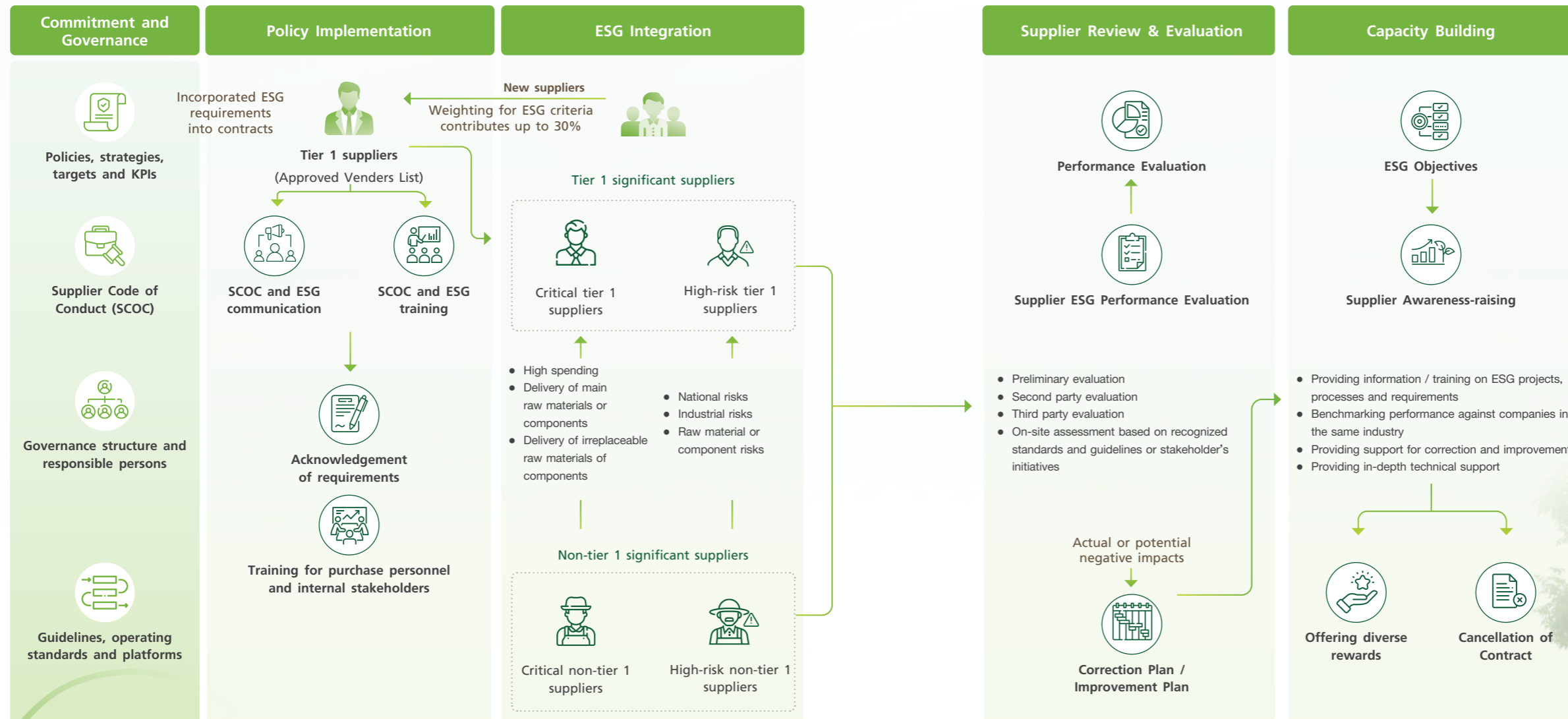
[Responsible Supply Chain Management](#)



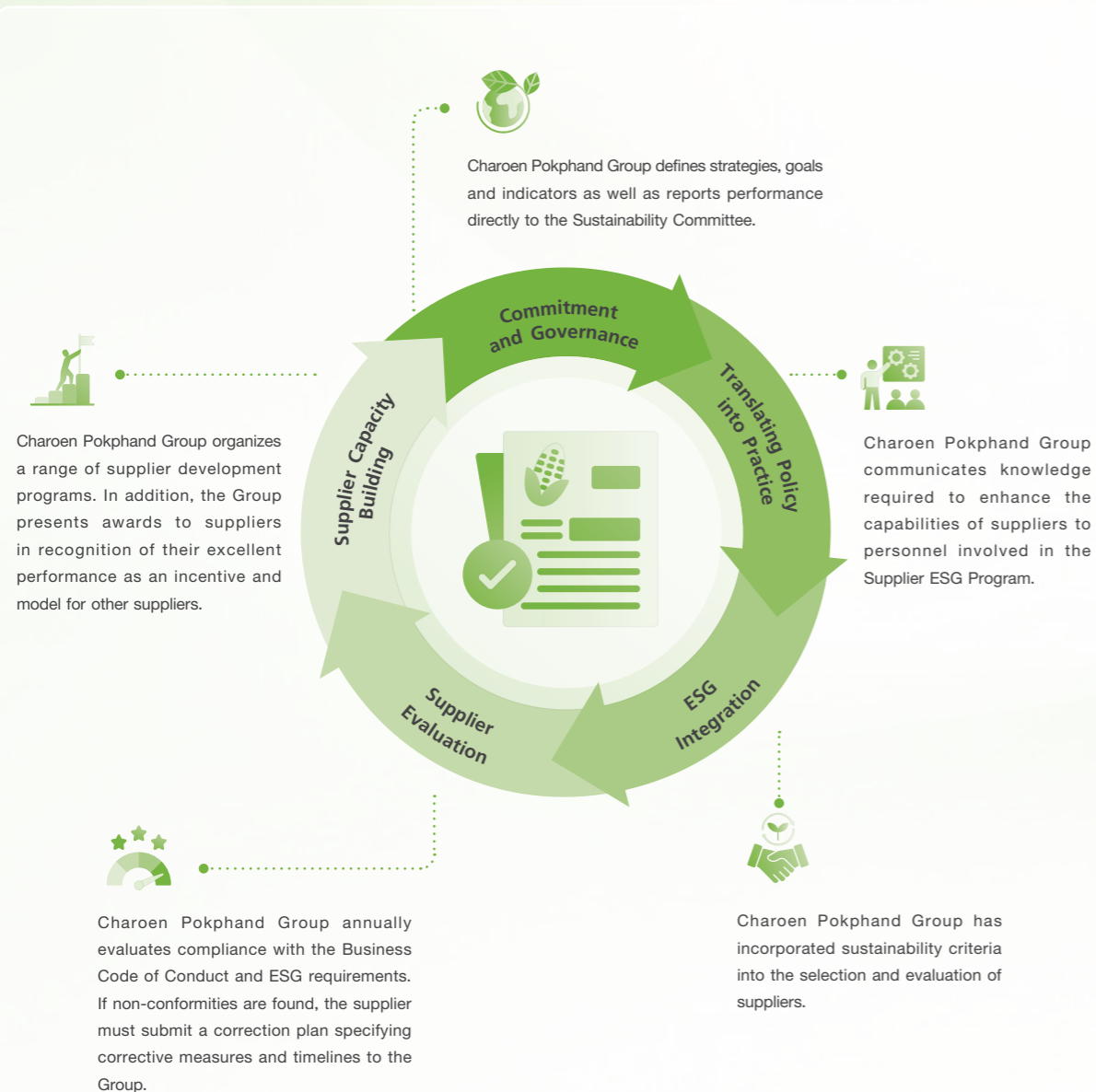
[Supplier Code of Conduct](#)



[Supplier Sustainability Audit](#)



Responsible Supply Chain Management 5-Step Supplier ESG Program



More information available in



[Responsible Supply Chain Management](#)

CASE STUDY

7-Eleven SME Support Center

Established under the concept of “SME Growing Together” to support, promote and facilitate SMEs in accessing sources of information, knowledge and researches as well as serving as a platform to connect SMEs to public and private partner networks through the 7 SME Service Solution that caters to the needs of SMEs.

7 SME Service Solution consists of:

1. Consultation services
2. Analysis and assessment of product qualities and standards
3. Manufacturing process improvement
4. Development for packaging, marketing and advertising
5. Supplier matching / OEM
6. Funding source
7. Special training courses



197 SME entrepreneurs participated in the project

Relationship Capital

7,500 branches supported SMEs by adding in-store SME Shelf

Manufacturing Capital

Relationship Capital

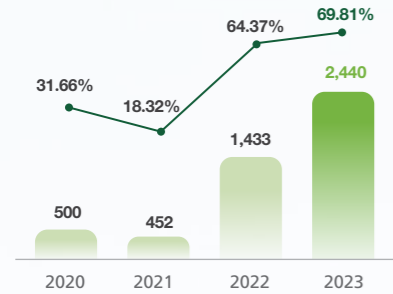
Highlight Performances in 2023

Supplier Screening



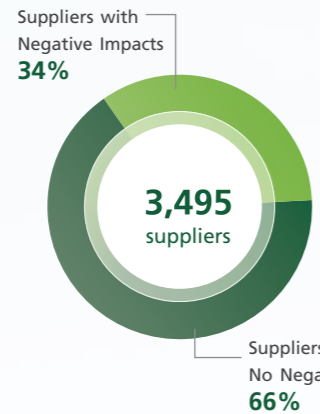
Supplier Assessment

Significant suppliers receiving sustainability risk assessment (%)



Remark: * Data between 2020-2023 were revised to include only significant suppliers.

Suppliers assessed with actual/potential negative impacts

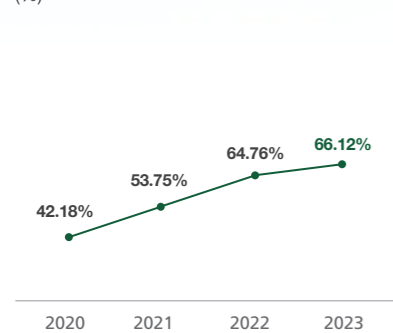


Suppliers obtaining approval on corrective action and improvement plan



Supplier Development

Suppliers Participating in Supplier Development Program (%)



New Supplier Selection

New Suppliers Selected using Sustainability Criteria (%)

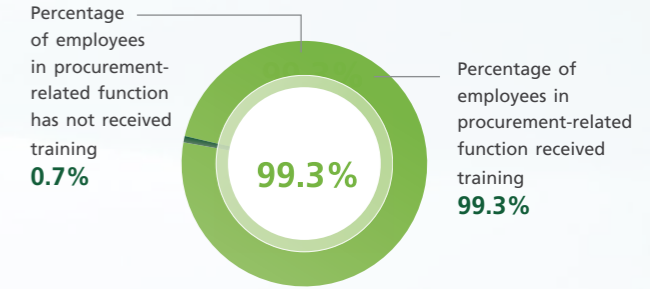


Awareness-raising

Supplier Code of Conduct for Significant Tier 1 Suppliers

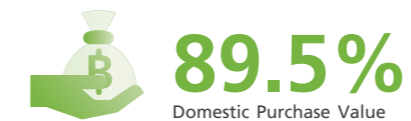
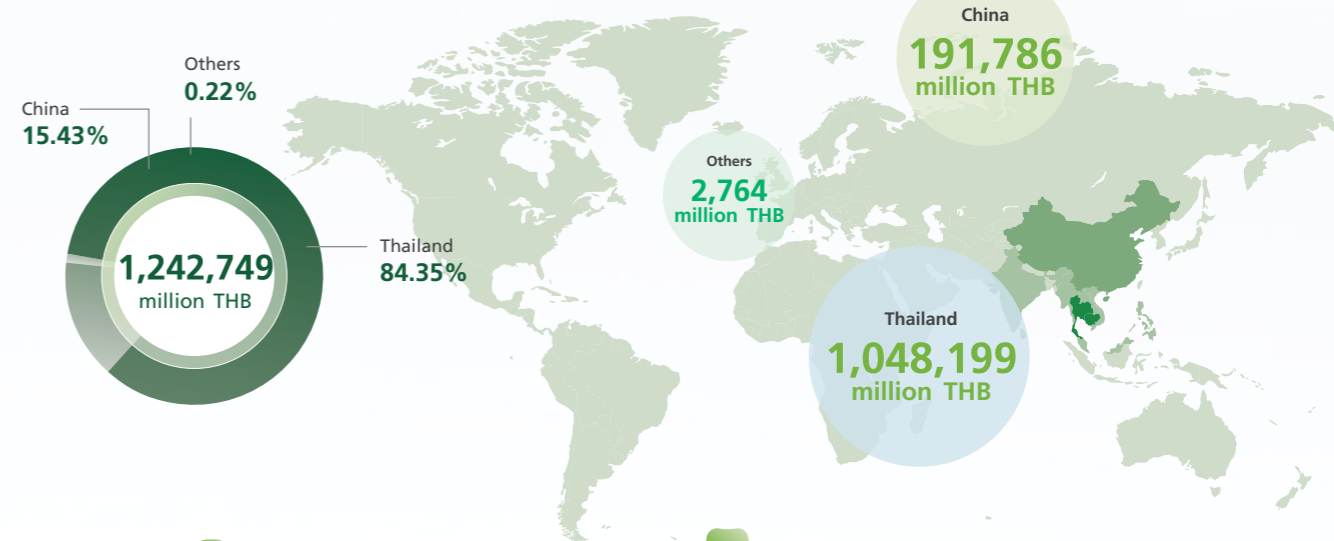


Sustainable Procurement Policy



Purchase Value

Purchase Value by Country



Supplier and Business Partner Operational Risk Assessment

Effective supply chain management is one of the key elements that promotes the sustainable growth of the organization. Therefore, Charoen Pokphand Group focuses on supplier management throughout the supply chain in order to minimize ESG risks and impacts on the Group’s business operations in the short and long term, starting from new supplier selection based on criteria in various dimensions.

In addition to capability assessment in diverse areas, Charoen Pokphand Group has also developed the 360 Supplier Due Diligence platform for comprehensive verification of supplier information and performance prior to making business decisions. In this regard, only suppliers who have been rated with “Pass” from the assessment will be able to conduct business with the Group.

360 Supplier Due Diligence Platform



Supplier Information

- Type of business
- Geography
- Financial status
- Shareholders and others

Other Information

- Information from questionnaire
- Site visit
 - Red flags
 - Criminal records
 - Punishment records

- Establishing rules
- Assessment and grading
- Establishing standards and buyer requirements

- Issuing reports
- Inquiring additional information from suppliers
- Integrating data with other systems



Charoen Pokphand Group also requires that the performance of significant suppliers be annually evaluated in accordance with the requirement of the Business Code of Conduct and ESG requirements using appropriate methods, including

In the past, the Group has collaborated with independent third-party companies to conduct sustainability assessments on suppliers based on Charoen Pokphand Group’s Supplier Code of Conduct and other related regulations.



Questionnaires / self-assessment forms



Site visits by Group auditors



Site visits by independent auditors



Analysis of supplier’s operational data from trusted service providers

In cases where suppliers are found with risks or non-compliance with applicable requirements, the Group will intervene by offering advice to improve operational guidelines for consistency and closely following up on the progress of improving detected inconsistencies in order to reduce, alleviate and eliminate all dimensions of risks.

► Detailed examples of issues detected in the audit is available in

[Responsible Supply Chain Management.](#)



Collaborating with Suppliers or Business Partners for Sustainable Business

Suppliers are the heart of business operations that contribute to boosting competitiveness, increasing the ability to cater to consumer needs and reducing business risks. For this reason, Charoen Pokphand Group continuously strives to strengthen supplier capacity to enable sustainable growth with

management approaches that are suitable to risk factors and the different business operations of suppliers, for example, training to provide knowledge, research and development, and collective effort to eliminate limitations, covering all dimensions, including economy, society and environment.

CASE STUDY

SMEs PLUS

Charoen Pokphand Foods Public Company Limited carried out the “SMEs PLUS” project by leveraging CPF’s expertise to comprehensively develop supplier capacity through, for example, efficiency enhancement and cost reduction in terms of safety, energy management & environment and digital. CPF also concerted efforts with the Thailand Greenhouse Gas Management Organization (Public Organization), or TGO, to promote knowledge on low-carbon product development in order to advance towards sustainable business operations and take part in the reduction of greenhouse gas emissions. This underlines CPF and Charoen Pokphand Group’s commitment to the Science-based Target Initiative (SBTi) and the achievement of the net zero emissions target of both organizations.



6,500 suppliers participated in the project

Relationship Capital

CASE STUDY

“Thai Farmer’s Rice, Year 5”

The Crop Integration, Rice, Transportation, and Service Business Groups have been standing beside Hom Mali rice farmers in the crisis of falling rice prices through the “Thai Farmer’s Rice” project, which has been continued for the fifth year. A total of 38 points of purchase have been established to enable direct purchase of freshly harvested rice from farmers nationwide, e.g., Chiang Rai, Phayao, Yasothorn, Surin, Buriram, Roi Et, and many more, under the implementation area of the Rice Cultivation System Development for Sustainability Project. Academics have been assigned to make site visits and educate farmers on each production step to cut down costs, increase quality and yield of rice as well as reduce greenhouse gas emissions and maintain biodiversity which affects farmers’ quality of life and sustainable environmental stewardship.



5,529 farmers participated

127,453 rai of agricultural area

Relationship Capital Natural Capital

CASE STUDY

Development of the Soybean Transportation System by Train Project



Reduced transportation and packaging costs by 25 RMB per ton

Relationship Capital Natural Capital

C.P. in China Region joined forces with Guangzhou Railway Company and Shenzhen CIMC Special Equipment Supply Chain Company, a container manufacturer, to develop the transportation of soybean meal by train to animal feed factories, which was previously impossible because heat can buildup in a sealed environment can cause soybean meal to spontaneously ignite. This is therefore regarded as a dangerous material. Due to this issue, both parties have worked together to conduct research and create ventilation-equipped soybean meal transport containers, which is the first time in China. This development has enabled the soybean meal to be transported in a 5% larger volume, saving 25 RMB per ton on transportation and packaging costs when compared with traditional bag. This is not only reduced the used of plastic, but also reduced greenhouse gas emissions from transportation.



Appendix

In addition to reporting Charoen Pokphand Group's sustainability performance based on material issues, the Group also discloses performance in each sustainability dimension according to internationally recognized standards and reporting frameworks, such as Global Reporting Initiative: GRI Standards 2021, Sustainability Accounting Standards Board (SASB), United Nations Global Compact (UNGC) and WBCSD Reporting Matters, in order to provide stakeholders with complete access to information that is of their interest. Besides adhering to reporting standards and frameworks, the Group has also contracted an independent third-party consultant to verify the accuracy and consistency of the report's content against GRI Standards. On top of verifying material data, the Group has also assigned the consultant to conduct an inspection of the Group's materiality assessment process and results as well as our risk management process to ensure that the Group's actions comply with established goals and do not affect stakeholders and the Group's own operations.

Reporting Boundary 2023	254
GRI Content Index	256
Assurance Statement	272





Reporting Boundary 2023

The content of this Sustainability Report 2023 presents Charoen Pokphand Group and eight other business groups' sustainability performances. Economic data are consolidated from the Group's operation in 21 countries and economies across the world. Environmental and social performance data (only safety and occupational health) are covering information of company and subsidiaries with operations in Thailand, Vietnam, India, Philippines, Malaysia, Cambodia, Türkiye, Laos, China, Myanmar, Indonesia, Bangladesh, and Taiwan. Social performance data (only human resources) is covering data from companies as listed below:

Business Group/ Company Name	Economic	Environmental				Social	
		Energy	Greenhouse Gas	Water	Waste	Safety	Human Resources
Property Development Business Group							
1 C.P. LAND Public Company Limited and Subsidiaries	●	●	●	●	●	●	●
2 CP Property Holding Company Limited	●	○	○	○	○	○	●
3 CP Future City Development Company Limited	●	○	○	○	○	○	●
4 Shanghai Kinghill Limited	●	●	●	●	●	●	○
5 Chia Tai Land Company Limited	○	●	●	●	○	○	●
6 Chia Tai Di Jing (Shanghai) Investment Management Limited	●	●	●	●	●	●	●
Automotive and Industrial Products Business Group							
1 ECI Group Company Limited and Subsidiaries	●	○	○	○	○	○	●
2 CPPC Public Company Limited and Subsidiaries	●	●	●	●	●	●	●
Pharmaceutical Business Group							
1 Advance Pharma Company Limited	●	●	●	●	●	●	●
2 CP Bio	●	●	●	●	●	●	●
3 CP Pharmaceutical Group	●	○	○	○	○	○	●
Finance and Investment Business Group*							
1 Zheng Xin Bank Company Limited			● ⁽¹⁾				
2 Ping An Insurance (Group) Company of China, Limited			● ⁽¹⁾				
3 ITOCHU Corporation			● ⁽¹⁾				
4 CITIC Group Corporation Limited			● ⁽¹⁾				
Other Businesses							
1 Thana Telecom Company Limited and Subsidiaries	●	●	●	●	●	●	●
2 Leadership Development Charoen Pokphand Group Company Limited	●	●	●	●	●	●	●
3 K.S.P. Equipment Company Limited ⁽²⁾	●	●	●	●	●	●	●
4 Kasetphand Industry Company Limited ⁽²⁾	●	●	●	●	●	●	●
5 All Now Logistics Company Limited ⁽²⁾	●	●	●	●	●	●	●
6 Asia Era One Company Limited	●	●	●	●	●	●	●
7 Alter Vim Company Limited	●	●	●	●	●	●	●
8 CP Medical Center Company Limited	●	○	○	○	○	○	●

Business Group/ Company Name	Economic	Environmental				Social	
		Energy	Greenhouse Gas	Water	Waste	Safety	Human Resources
Property Development Business Group							
1 C.P. LAND Public Company Limited and Subsidiaries	●	●	●	●	●	●	●
2 CP Property Holding Company Limited	●	○	○	○	○	○	●
3 CP Future City Development Company Limited	●	○	○	○	○	○	●
4 Shanghai Kinghill Limited	●	●	●	●	●	●	○
5 Chia Tai Land Company Limited	○	●	●	●	○	○	●
6 Chia Tai Di Jing (Shanghai) Investment Management Limited	●	●	●	●	●	●	●
Automotive and Industrial Products Business Group							
1 ECI Group Company Limited and Subsidiaries	●	○	○	○	○	○	●
2 CPPC Public Company Limited and Subsidiaries	●	●	●	●	●	●	●
Pharmaceutical Business Group							
1 Advance Pharma Company Limited	●	●	●	●	●	●	●
2 CP Bio	●	●	●	●	●	●	●
3 CP Pharmaceutical Group	●	○	○	○	○	○	●
Finance and Investment Business Group*							
1 Zheng Xin Bank Company Limited			● ⁽¹⁾				
2 Ping An Insurance (Group) Company of China, Limited			● ⁽¹⁾				
3 ITOCHU Corporation			● ⁽¹⁾				
4 CITIC Group Corporation Limited			● ⁽¹⁾				
Other Businesses							
1 Thana Telecom Company Limited and Subsidiaries	●	●	●	●	●	●	●
2 Leadership Development Charoen Pokphand Group Company Limited	●	●	●	●	●	●	●
3 K.S.P. Equipment Company Limited ⁽²⁾	●	●	●	●	●	●	●
4 Kasetphand Industry Company Limited ⁽²⁾	●	●	●	●	●	●	●
5 All Now Logistics Company Limited ⁽²⁾	●	●	●	●	●	●	●
6 Asia Era One Company Limited	●	●	●	●	●	●	●
7 Alter Vim Company Limited	●	●	●	●	●	●	●
8 CP Medical Center Company Limited	●	○	○	○	○	○	●

Remark:

* At present, the Finance and Investment Business Group is not currently under the management of Charoen Pokphand Group.

¹ Scope of the information covers only GHG Scope 3.

² Scope of the information covers only core businesses in Thailand.

● Refers to the company's performances that are covered in this Report.

○ Refers to the company's performances that are not covered in this Report.



GRI Content Index

GRI Content Index (GRI Standards 2021)

Foundation 2021

Statement of Use Charoen Pokphand Group has reported in accordance with the GRI Standards for the period between 1 January 2023 to 31 December 2023

GRI 1 Used GRI 1: Foundation 2021

Applicable GRI Sector Standard(s) GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022

GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
General Disclosure 2021									
The Organization and its Reporting Practices									
GRI 2	2-1 Organizational details	page 20-21 C.P. Group website: Our Business							
GRI 2	2-2 Entities included in the organization's sustainability reporting	page 254-255							
GRI 2	2-3 Reporting period, frequency and contact point	page 16-17							
GRI 2	2-4 Restatement of information	Sustainability Performance Report 2023				G4			
GRI 2	2-5 External assurance	page 272-273					G13		
Activities and Workers									
GRI 2	2-6 Activities, value chain and other business relationships	page 22-23 C.P. Group website: Overview						S1 31 S1 32	
GRI 2	2-7 Employees	page 84-85 Sustainability Performance Report 2023							
GRI 2	2-8 Workers who are not employees	Sustainability Performance Report 2023	a, b, c	information unavailable / incomplete	Data is not available due to the collection system is under development This data will be reported in the next 1-2 years.				

GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Governance									
GRI 2	2-9 Governance structure and composition	page 34-37 C.P. Group website: Sustainability Governance					G5, G11	S2 27	
GRI 2	2-10 Nomination and selection of the highest governance body	page 66-67							
GRI 2	2-11 Chair of the highest governance body	page 34-35, 66-67 C.P. Group website: Sustainability Governance						S2 27	
GRI 2	2-12 Role of the highest governance body in overseeing the management of impacts	page 36, 46-49					G1, G7		
GRI 2	2-13 Delegation of responsibility for managing impacts	page 36, 46-49					G5		
GRI 2	2-14 Role of the highest governance body in sustainability reporting	page 16-17					G1		
GRI 2	2-15 Conflicts of interest	page 74-75 C.P. Group website: Corporate Governance							
GRI 2	2-16 Communication of critical concerns	page 74-75 C.P. Group website: Corporate Governance							
GRI 2	2-17 Collective knowledge of the highest governance body	page 66-67 C.P. Group website: Corporate Governance							
GRI 2	2-18 Evaluation of the performance of the highest governance body	page 64-65							
GRI 2	2-19 Remuneration policies		a, b	confidentiality constraints	The information is internally confidential information		G10		
GRI 2	2-20 Process to determine remuneration		a, b	confidentiality constraints	The information is internally confidential information				
GRI 2	2-21 Annual total compensation ratio		a, b, c	confidentiality constraints	The information is internally confidential information				



GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Strategies, Policies and Practices									
GRI 2	2-22 Statement on sustainable development strategy	page 50-51					G1	S1 30	
GRI 2	2-23 Policy commitments	Codes of Conduct Human Rights and Labor Practices Policy and Guidelines					G2, G3, G7, G7.1, HR2, L1.1, E1.1		
GRI 2	2-24 Embedding policy commitments	C.P. Group has several policies in place to ensure strict compliance to our Codes, vision and strategy, as well as applicable laws and regulations. Each management level has responsibility in the policy development, implementation, and monitoring. Beside overseeing the adoption of policies, every level of employee is provided with trainings to confirm clear understanding of each policy, and ability to execute everyday activity in accordance with statement set forth within policies.							☑
GRI 2	2-25 Processes to remediate negative impacts	page 80-81 C.P. Group website: Corporate Governance Human Rights and Labor Practices							☑
GRI 2	2-26 Mechanisms for seeking advice and raising concerns	page 74-75 C.P. Group website: Report a Concern Whistleblowing Policy and Guidelines					G8, G8.1		☑
GRI 2	2-27 Compliance with laws and regulations	page 72-73 C.P. Group website: Corporate Governance							
GRI 2	2-28 Membership associations	page 56-59 C.P. Group website: Stakeholder Engagement							
Stakeholder Engagement									
GRI 2	2-29 Approach to stakeholder engagement	Stakeholder Engagement Report 2023							
GRI 2	2-30 Collective bargaining agreements	Sustainability Performance Report 2023					L1.2		

GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Material Topics 2021									
GRI 3	3-1 Process to determine material topic	page 46-49 Double and Dynamic Materiality Assessment Report 2023						G7, G7.1, HR3, L2, L3	
GRI 3	3-2 List of material topics	page 48-49 Double and Dynamic Materiality Assessment Report 2023						HR1, E12	
GRI 3	3-3 Management of material topics	page 48-49 Double and Dynamic Materiality Assessment Report 2023						G7, G9, HR2, HR2.1, HR3, HR4, HR5, HR6, HR7, HR8, L1, L2, L3, L4, L5, L11, L12, E1, E2, E3, E4, E4.1, E4.2, E5, AC1, AC4, AC6, AC7, AC8	
Economic Performance 2016									
GRI 201	201-1 Direct economic value generated and distributed	page 20						13.2.1 13.22.1 13.22.2	
GRI 201	201-2 Financial implications and other risks and opportunities due to climate change	page 186-187 Taskforce on Climate-related Financial Disclosure (TCFD) Report 2023						13.2.2	E2, E3, E4, E4.1, E4.2, E5, E9
GRI 201	201-3 Defined benefit plan obligations and other retirement plan		a, b, c, d, e	information unavailable / incomplete	The information is internally confidential				
GRI 201	201-4 Financial assistance received from government		a, b, c	Not applicable	C.P. Group does not receive any financial assistance from government				
Indirect Economic Impacts 2016									
GRI 3	3-3 Management of material topics	page 134-135 Double and Dynamic Materiality Assessment Report 2023						13.22.1	



GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Indirect Economic Impacts 2016									
GRI 203	203-1 Infrastructure investments and service supported	page 136-145				13.22.3			
GRI 203	203-2 Significant indirect economic impacts	page 136-145				13.22.4			
Procurement Practice 2016									
GRI 3	3-3 Management of material topics	page 240-241 Double and Dynamic Materiality Assessment Report 2023							
GRI 204	204-1 Proportion of spending on local supplier	C.P. Group website: Responsible Supply Chain Management							
Anti-corruption 2016									
GRI 3	3-3 Management of material topics	page 64-65 Double and Dynamic Materiality Assessment Report 2023				13.26.1			
GRI 205	205-1 Total number and percentage of operations assessed for risks related to corruption.	page 72-73				13.26.2	G6, AC1, AC4, AC6, AC7, AC8		
GRI 205	205-2 Communication and training about anti-corruption policies and procedures	Page 68-69 Sustainability Performance Report 2023				13.26.3	AC1, AC3, AC4, AC6, AC7, AC8		
GRI 205	205-3 Confirmed incidents of corruption and actions taken	page 74-75 C.P. Group website: Corporate Governance				13.26.4	AC1, AC4, AC5, AC6, AC7, AC8		
Anti-competitive Behavior 2016									
GRI 206	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	page 74-75				13.25.1 13.25.2			
Materials 2016									
GRI 3	3-3 Management of material topics	page 200-201 Double and Dynamic Materiality Assessment Report 2023							

GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Materials 2016									
GRI 301	301-1 Materials used by weight or volume	page 204-205 Sustainability Performance Report 2023	Data on materials that are used to produce is excluded	Information Unavailable	See remark 1 on this page				<input checked="" type="checkbox"/> packaging
GRI 301	301-2 Recycled input materials used	page 204-207 Sustainability Performance Report 2023	Data on the used of recycled materials is excluded	Information Unavailable	See remark 1 on this page				
GRI 301	301-3 Reclaimed products and their packaging materials	page 204-205 Sustainability Performance Report 2023	a, b	Information Unavailable	See remark 1 on this page				
Energy 2016 ⁽²⁾									
GRI 3	3-3 Management of material topics	page 178-179 Double and Dynamic Materiality Assessment Report 2023							
GRI 302	302-1 Energy consumption within the organization	page 194-195 Sustainability Performance Report 2023						E1, E2, E3, E4, E4.1, E5, E10, E11	<input checked="" type="checkbox"/>
GRI 302	302-2 Energy consumption outside the organization	page 194-195 Sustainability Performance Report 2023	a, b, c	information unavailable / incomplete	See remark 2 on this page			E1, E2, E3, E4, E4.1, E4.2, E5	
GRI 302	302-3 Energy intensity	page 194-195 Sustainability Performance Report 2023						E1, E2, E3, E4, E4.1, E4.2, E5	
GRI 302	302-4 Reduction of energy consumption	page 194-195 Sustainability Performance Report 2023						E1, E2, E3, E4, E4.1, E4.2, E5	
GRI 302	302-5 Reductions in energy requirement of products and services	page 194-195 Sustainability Performance Report 2023	a, b, c	information unavailable / incomplete	See remark 3 on this page			E1, E2, E3, E4, E4.1, E4.2, E5	

Remark:

- 1 C.P. Group reports only data on materials used for packaging. Data for other materials are excluded due to the collection system is under development. This data will be reported in the next 3-5 years.
- 2 Information on energy consumption outside the organization is currently unavailable, due to the data collection system is under development. This data will be reported in the next 3-5 years.
- 3 Data is not available due to the collection system is under development. This data will be reported in the next 3-5 years.



GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Water and Effluents 2018									
GRI 3	3-3 Management of material topics	page 212-213 Double and Dynamic Materiality Assessment Report 2023				13.7.1			
GRI 303	303-1 Interactions with water as a shared resource	page 214-223				13.7.2	E1, E2, E3, E4, E4.1, E4.2, E5		
GRI 303	303-2 Management of water discharge-related impacts	page 214-223				13.7.3	E1, E2, E3, E4, E4.1, E4.2, E5		
GRI 303	303-3 Water withdrawal	Sustainability Performance Report 2023				13.7.4	E1, E2, E3, E4, E4.1, E4.2, E5, E13		☑
GRI 303	303-4 Water discharge	page 216-217 Sustainability Performance Report 2023	303-4-d-iii	Information unavailable	See remark 4 on this page	13.7.5	E1, E2, E3, E4, E4.1, E4.2, E5		☑
GRI 303	303-5 Water consumption	page 216-217 Sustainability Performance Report 2023				13.7.6	E1, E2, E3, E4, E4.1, E4.2, E5, E13		☑
Biodiversity 2016									
GRI 3	3-3 Management of material topics	page 224-225 Double and Dynamic Materiality Assessment Report 2023				13.3.1			
						13.4.1			
						13.23.1			
GRI 304	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	page 228-229 Biodiversity (TNFD) Report 2023				13.3.2	E1, E2, E3, E4, E4.1, E4.2, E5, E15, E16		
GRI 304	304-2 Significant impacts of activities, products, and services on biodiversity	page 228-229 Biodiversity (TNFD) Report 2023				13.3.3	E1, E2, E3, E4, E4.1, E4.2, E5		
GRI 304	304-3 Habitats protected or restored	page 232-233 Biodiversity (TNFD) Report 2023				13.3.4	E1, E2, E3, E4, E4.1, E4.2, E5, E17		
GRI 304	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Page 228-229				13.3.5			

Remark:

4 The data on the number of incidents of non-compliance with discharge limits is currently unavailable. The data collection system is under development. This data will be reported in the next 1-2 years.

GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Emissions 2016⁽¹⁾									
GRI 3	3-3 Management of material topics	page 178-179 Double and Dynamic Materiality Assessment Report 2023				13.1.1	S1 27	S1 30 S1 33 S2 29	
GRI 305	305-1 Direct (Scope 1) GHG emissions	page 192-193 Sustainability Performance Report 2023	b	Information Unavailable	See remark 5 on this page	13.1.2	E1, E2, E3, E4, E4.1, E4.2, E5, E6	S2 29 S1 B29-30 S2 B20 S2 B21 S2 B22 S2 B27 S2 B38-57 S2 BC81	☑
GRI 305	305-2 Energy indirect (Scope 2) GHG emissions	page 192-193 Sustainability Performance Report 2023				13.1.3	E1, E2, E3, E4, E4.1, E4.2, E5, E6	S2 29 S2 B20 S2 B21 S2 B22 S2 B27 S2 B31 S2 B38-57 S2 BC81	☑
GRI 305	305-3 Other indirect (Scope 3) GHG emissions	page 192-193 Sustainability Performance Report 2023				13.1.4	E1, E2, E3, E4, E4.1, E4.2, E5, E7, E7.1	S2 29 S2 B20 S2 B21 S2 B22 S2 B29 S1 B29-30 S2 B38-57 S2 BC81	☑
GRI 305	305-4 GHG emissions intensity	page 192-193 Sustainability Performance Report 2023				13.1.5	E1, E2, E3, E4, E4.1, E4.2, E5		
GRI 305	305-5 Reduction of GHG emissions	page 192-193 Sustainability Performance Report 2023				13.1.6	E1, E2, E3, E4, E4.1, E4.2, E5		
GRI 305	305-6 Emissions of ozone-depleting substances (ODS)		a, b, c, d	Information Unavailable	See remark 6 on this page	13.1.7	E1, E2, E3, E4, E4.1, E4.2, E5		
GRI 305	305-7 Nitrogen oxides (NOx), Sulfur oxides (SOx), and other significant air emissions	Sustainability Performance Report 2023	NOx, SOx, POP, HAP, and PM	Information Unavailable	See remark 7 on this page	13.1.8	E1, E2, E3, E4, E4.1, E4.2, E5, E18		☑ (VOCs)

Remark:

5 C.P. Group's GHG emission data cover only CO2, CH4, SF6, N2O, refrigerant leak, flaring, fire extinguishing agents, CH4 from wastewater treatment, and landfill waste within operating areas of business groups of C.P. Group. The reporting data excluded GHG emissions from septic tank and industrial welding. This calculation excludes all kinds of fugitives and leaks, as well as combustion at flare stacks originating from CPF. C.P. Group's will integrate this requirements into data collection system and will report the data in the next 3-5 years.

6 Data is not available due to the collection system is under development. This data will be reported in the next 3-5 years.

7 In 2023, C.P. Group reports only VOC data. For data of NOx and SOx will be included in the data collection, which will be reported in 2024. While, data of POP, HAP, and PM will also be integrated into the data collection system, and will be reported in the next 3-5 years.



GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Waste 2020									
GRI 3	3-3 Management of material topics	page 200-201 Double and Dynamic Materiality Assessment Report 2023				13.8.1 13.9.1			
GRI 306	306-1 Waste generation and significant waste-related impacts	page 204-209				13.8.2	E1, E2, E3, E4, E4.1, E4.2, E5		
GRI 306	306-2 Management of significant waste-related impacts	page 204-209				13.8.3	E1, E2, E3, E4, E4.1, E4.2, E5		
GRI 306	306-3 Waste generated	page 204-209 Sustainability Performance Report 2023	Electronic waste from Ascend group	Information unavailable	See remark 8 on this page	13.8.4	E1, E2, E3, E4, E4.1, E4.2, E5, E19		☑
			Waste data from ALLNOW Group only included data from ALLNOW Complex						
GRI 306	306-4 Waste diverted from disposal	page 204-209 Sustainability Performance Report 2023	d	Information Unavailable	See remark 9 on this page	13.8.5 13.9.2	E1, E2, E3, E4, E4.1, E4.2, E5, E20		☑
GRI 306	306-5 Waste directed to disposal	page 204-209 Sustainability Performance Report 2023	d	Information Unavailable	See remark 10 on this page	13.8.6	E1, E2, E3, E4, E4.1, E4.2, E5, E20		☑
Supplier Environmental Assessment 2016									
GRI 3	3-3 Management of material topics	page 240-241 Double and Dynamic Materiality Assessment Report 2023							
GRI 308	308-1 New suppliers that were screened using environmental criteria	page 246-247 Sustainability Performance Report 2023							☑
GRI 308	308-2 Negative environmental impacts in the supply chain and actions taken	page 246-247 Sustainability Performance Report 2023							
Employment 2016									
GRI 3	3-3 Management of material topics	page 76-77 Double and Dynamic Materiality Assessment Report 2023				13.20.1			

Remark:

- 8 Data is not available due to the collection system is under development. Data will be reported in the next 1-2 years.
- 9 Data is not categorized into onsite and offsite. The categorization will be integrated into the data collection system. Data will be reported in the next 1-2 years
- 10 Data is not categorized into onsite and offsite. The categorization will be integrated into the data collection system. Data will be reported in the next 1-2 years.

GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Employment 2016									
GRI 401	401-1 New employee hires and employee turnover	page 104-105 Sustainability Performance Report 2023	a, b	Information Unavailable	See remark 11 on this page				
GRI 401	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	page 82-83 C.P. Group website: Human Rights and Labor Practices							
GRI 401	401-3 Parental leave	page 82-83 Sustainability Performance Report 2023							
Labor / Management Relations 2016									
GRI 402	402-1 Minimum notice periods regarding operational changes	At C.P. Group, minimum notice periods regarding operational changes is 30 days in advance.				13.15.5			
Occupational Health and Safety 2018									
GRI 3	3-3 Management of material topics	page 76-77 Double and Dynamic Materiality Assessment Report 2023				13.19.1			
GRI 403	403-1 Occupational Health and Safety Management System	page 86-87				13.19.2	L1, L2, L3, L4, L5, L11, L13		
GRI 403	403-2 Hazard identification, risk assessment, and incident investigation	page 86-87				13.19.3	L1, L2, L3, L4, L5, L11, L12		
GRI 403	403-3 Occupational health services	page 86-87			See remark 12 on this page	13.19.4	L1, L2, L3, L4, L5, L11, L12		
GRI 403	403-4 Worker participation, consultation, and communication on occupational health and safety	C.P. Group highly values workers engagement, even the amid of COVID-19 pandemic. C.P. Group communicates with worker regarding occupational health and safety on regular basis to ensure that highest occupational health and safety standards are uphold. In case of uncertainty, C.P. Group has consultation channels for workers to file questions.				13.19.5	L1, L2, L3, L4, L5, L11, L12		

Remark:

- 11 Data is not available due to the collection system is under development. Data will be reported in the next 1-2 years.
- 12 C.P. Group has the system in place to protect confidentiality data on employees' health, however, this data is not disclosed yet, we will report this data in the next 1-2 years.



GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Occupational Health and Safety 2018									
GRI 403	403-5 Worker training on occupational health and safety	page 86-87 C.P. Group website: Human Rights and Labor Practices				13.19.6	L1, L2, L3, L4, L5, L11, L12		
GRI 403	403-6 Promotion of worker health	page 86-87	a, b	Information Unavailable	See remark 13 on this page	13.19.7	L1, L2, L3, L4, L5, L11, L12		
GRI 403	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	page 86-87				13.19.8	L1, L2, L3, L4, L5, L11, L12		
GRI 403	403-8 Workers covered by an occupational health and safety management system		a, b, c	Not applicable	See remark 13 on this page	13.19.9	L1, L2, L3, L4, L5, L11, L12		
GRI 403	403-9 Work-related injuries	page 88-89 Sustainability Performance Report 2023	The number and hour worked of small distributors are excluded	Information Unavailable	See remark 14 on this page	13.19.10	L1, L2, L3, L4, L5, L9, L10, L11, L12		☑
GRI 403	403-10 Work-related ill health	Sustainability Performance Report 2023				13.19.11	L1, L2, L3, L4, L5, L11, L12		☑
Training and Education 2016									
GRI 3	3-3 Management of material topics	page 100-101 Double and Dynamic Materiality Assessment Report 2023							
GRI 404	404-1 Average hours of training per year per employee	page 108-109 Sustainability Performance Report 2023							
GRI 404	404-2 Program for upgrading employee skills and transition assistance	page 106-109 Sustainability Performance Report 2023							
GRI 404	404-3 Percentage of employees receiving regulation performance and career development reviews	page 110-111 Sustainability Performance Report 2023							

Remark:

13 Data is not available due to the collection system is under development. Data will be reported in the next 1-2 years.

14 The scope of work-related injuries for workers excluded third's party consultants, delivery staff members and drivers of external agencies, student trainees or visitors because information was not available for CPF data. Also, the number and hour worked of small distributors are excluded.

GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Diversity and Equal Opportunity 2016									
GRI 3	3-3 Management of material topics	page 76-77 Double and Dynamic Materiality Assessment Report 2023				13.15.1			
GRI 405	405-1 Diversity of governance bodies and employees	C.P. Group's Board of Director consists of 11 members, of which 10 members are non-independent directors, and 1 is executive directors. A total of 100% of members are male. However, C.P. Group does not discriminate from having female director, and this has been stated in CG Policy, which is internal document.				13.15.2	G11		
GRI 405	405-2 Ratio of basic salary and remuneration of women to men	Sustainability Performance Report 2023	a, b	Confidentiality constraints	The information is internally confidential information	13.15.3	L8		
Non-discrimination 2016									
GRI 406	406-1 Incidents of discrimination and corrective actions taken	C.P. Group website: Corporate Governance				13.15.4 13.18.1	L1, L2, L3, L4, L5, L11, L12		
Freedom of Association and Collective Bargaining 2016									
GRI 407	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	As stated in C.P. Group's Code of Conduct, human Rights and Labor Practices Policy and Guidelines, and Supplier Code of Conduct, employees, suppliers and contractors have the rights to freely exercise their rights and participate in any collective bargaining in accordance with legal procedures in the applicable jurisdiction.				13.18.2	L1, L2, L3, L4, L5, L12, L13		



GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Child Labor 2016									
GRI 3	3-3 Management of material topics	page 76-77 Double and Dynamic Materiality Assessment Report 2023				13.17.1			
GRI 408	408-1 Operations and suppliers at significant risk for incident of child labor	page 74-75, 80-81				13.17.2	L1, L2, L3, L4, L5, L11, L12		
Forces or Compulsory Labor 2016									
GRI 3	3-3 Management of material topics	page 76-77 Double and Dynamic Materiality Assessment Report 2023				13.16.1			
GRI 409	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	page 74-75, 80-81				13.16.2	L1, L2, L3, L4, L5, L11, L12		
Security Practices 2016									
GRI 410	410-1 Security personnel trained in human rights policies or procedures		a, b	Not applicable	See remark 15 on this page				
Rights of Indigenous Peoples 2016									
GRI 3	3-3 Management of material topics	page 76-77 Double and Dynamic Materiality Assessment Report 2023				13.14.1			
GRI 411	411-1 Incidents of violations involving rights of indigenous people	page 74-75, 80-81				13.14.2			
Local Communities 2016									
GRI 3	3-3 Management of material topics	page 134-135 Double and Dynamic Materiality Assessment Report 2023				13.12.1			
GRI 413	413-1 Operations with local community engagement, impact assessments, and development programs	page 136-145				13.12.2			
GRI 413	413-2 Operations with significant actual and potential negative impacts on local communities	page 136-145				13.12.3			

Remark:

15 C.P. Group operates in industries where security functions are generally outsourced to third-party service providers. These third-party security service providers are responsible for the recruitment, training, and management of their personnel, including compliance with human rights policies and procedures. Whereas, C.P. Group includes requirements to uphold ESG principles in their activities within in the contract, e.g. human rights protection, safety standards, and environmental protection. Consequently, this indicator is not applicable to C.P. Group's business operations.

GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Supplier Social Assessment 2016									
GRI 3	3-3 Management of material topics	page 240-241 Double and Dynamic Materiality Assessment Report 2023							
GRI 414	414-1 New suppliers that were screened using social criteria	page 246-247 Sustainability Performance Report 2023							<input checked="" type="checkbox"/>
GRI 414	414-2 Negative social impacts in the supply chain and actions taken	page 246-247 Sustainability Performance Report 2023							
Public Policy 2016									
GRI 415	415-1 Political contributions	page 56-58 C.P. Group website: Stakeholder Engagement				13.24.1 13.24.2			
Customer Health and Safety 2016									
GRI 3	3-3 Management of material topics	page 148-149 Double and Dynamic Materiality Assessment Report 2023				13.10.1 13.11.1			
GRI 416	416-1 Assessment of the health and safety impacts of product and service categories	page 150-155				13.10.2 13.10.4			
GRI 416	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	C.P. Group website: Health and Well-being				13.10.3 13.10.5			
Marketing and Labelling 2016									
GRI 3	3-3 Management of material topics	page 122-123 Double and Dynamic Materiality Assessment Report 2023							
GRI 417	417-1 Requirements for product and service information and labeling	page 130-131							
GRI 417	417-2 Incidents of non-compliance concerning product and service information and labeling	page 74-75 C.P. Group website: Corporate Governance							
GRI 417	417-3 Incidents of non-compliance concerning marketing communications	page 74-75 C.P. Group website: Corporate Governance							



GRI Standard/ Other Source	Disclosure	Our Response/ Location Reference	Omission			GRI Sector Specific	UNGC CoP	IFRS S1 & S2	External Assurance
			Requirement Omitted	Reason	Explanation				
Customer Privacy 2016									
GRI 3	3-3 Management of material topics	page 122-123 Double and Dynamic Materiality Assessment Report 2023							
GRI 418	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	page 74-75 C.P. Group website: Corporate Governance Cybersecurity and Data Protection							

Omission Table for Sector Standard GRI 13: Agriculture, Aquaculture and Fishing Sector 2022

Topic	Explanation
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	
13.5 Soil Health	C.P. Group has determined that soil health is not a material issue for our operations. Our business model focuses on advanced technological farming methods and controlled environments, reducing reliance on traditional soil-based agriculture and minimizing soil health impacts. We comply with local and international agricultural regulations to ensure our practices do not adversely affect soil quality. Moreover, our commitment to sustainable farming practices, such as precision agriculture and hydroponics, further mitigates the impact on soil health. Given these factors, soil health has not been prioritized as a material issue. However, we remain vigilant and responsive to any emerging concerns or changes that may require reassessment.
13.6 Pesticides Use	C.P. Group has been actively working to minimize pesticide use and promote sustainable agricultural practices. Policies to eliminate pesticides use, both within the company and suppliers, have been announced and monitored the performance closely. Hence, the pesticides use is not C.P. Group material issues.
13.13 Land and Resource Rights	C.P. Group has determined that land and resources rights are not a material issue within the context of our operations and stakeholder engagement. Our business model primarily focuses on integrated agro-industrial and food conglomerate activities, involving advanced technological farming methods and controlled environments. As a result, our land use is primarily confined to areas specifically allocated for these purposes, minimizing potential conflicts over land and resource rights. We operate in strict adherence to local and international regulations concerning land use and resource rights, ensuring that all our land acquisitions and usages are legally compliant and ethically managed, reducing the risk of disputes or adverse impacts on local communities.
13.21 Living Income and Living Wage	C.P. Group's compensation and benefits packages are designed to exceed the legal minimum wage requirements in all regions where we operate, ensuring that our employees receive fair and competitive remuneration. We adhere to strict labor laws and international standards, providing wages that support a decent standard of living. Our commitment to employee development, health, and safety further ensures that our workforce is well-supported beyond just wages. Given these factors, living income and living wage have not been prioritized as material issues. Nevertheless, we remain committed to continuous improvement and regularly review our compensation practices to meet evolving standards and expectations.



Assurance Statement



LRQA Independent Assurance Statement

Relating to Charoen Pokphand Group Company Limited's Sustainability Report for the calendar year 2023

This Assurance Statement has been prepared for Charoen Pokphand Group Co, Ltd in accordance with our contract but is intended for the readers of this Report.

Terms of engagement

LRQA was commissioned by Charoen Pokphand Group Co, Ltd (CPG) to provide independent assurance on its Sustainability Report for the calendar year 2023 ("the report") against the assurance criteria below to a moderate level of assurance and at the materiality of the professional judgement of the verifier using AccountAbility's AA1000AS v3³ for type 2 assurance²

Our assurance engagement covered only CPG's global operations and specifically the following requirements:

- Confirming that the report is
 - adhering to the AccountAbility Principles (AA1000AP (2018))
 - in accordance with GRI Standard (2021)^b and GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022.
- Reviewing the integrity of CPG's GRI 2-24 Embedding policy commitment, GRI 2-25 Processes to remediate negative impacts, and GRI 2-26 Mechanisms for seeking advice and raising concerns.
- Evaluating the reliability of data and information for only the selected indicators listed below:
 - GRI 203-2 Significant indirect economic impacts (for Social Return of Investment of "The Scholarships for Students under the Royal Patronage Project (Support HRH Project)" only), GRI 301-1 Packaging Materials used by weight, GRI 302-1 Energy consumption within the organization, GRI 305-1 Direct (Scope 1) GHG emissions^{(1) c}, GRI 305-2 Energy indirect (Scope 2) GHG emissions, GRI 305-3 Other indirect (Scope 3) GHG emissions^c - excluded cat.8 & cat.14 which are not relevant, GRI 305-7 significant air emissions (Limited to VOCs emission only), GRI 303-3 Water withdrawal, GRI 303-4 Water discharge, GRI 303-5 Water consumption, GRI 306-3 Waste generated⁽²⁾, GRI 306-4 Waste diverted from disposal⁽²⁾, GRI 306-5 Waste directed to disposal⁽²⁾, Food loss and food waste, GRI 403-9 Work-related injuries⁽³⁾, GRI 403-10 Work-related ill health, GRI 308-1 New suppliers that were screened using environmental criteria, and GRI 414-1 New suppliers that were screened using social criteria.

Notes:

1. Reporting scope of direct GHG emission excluded emission from septic tanks and CO₂ used for industrial welding from all CPG operations, flaring of biogas and all vented from CPF.
2. Reporting scope of waste generated, and disposal excluded electronic waste from Ascend Group. Waste data from ALLNOW Group is limited to ALLNOW Complex only.
3. Reporting scope of work-related injuries does not include third party consultants, delivery staff members & drivers of external agencies, student trainees and visitors of CPF and small distributors of CPG operations.

The information for these selected indicators is available at <https://www.cpglobal.com/storage/document/additional-topic-specific-reports/2023/sustainability-performance-report-2023-en.pdf>

LRQA's responsibility is only to CPG. LRQA disclaims any liability or responsibility to others as explained in the end footnote. CPG's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of CPG.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that CPG has not, in all material respects:

- Met the requirements above
- Disclosed reliable performance data and information for the selected indicators as no errors or omissions were detected
- Covered all the issues that are important to the stakeholders and readers of this report.

The opinion expressed is formed on the basis of a moderate level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a moderate level assurance engagement is less than for a high level assurance engagement. Moderate assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a moderate assurance engagement is substantially lower than the assurance that would have been obtained had a high level assurance engagement been performed.

LRQA's approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:



- Assessing CPG's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this by reviewing documents and associated records.
- Reviewing CPG's process for identifying and determining material issues to confirm that the right issues, with no bias, were included in their Report and updated overtime.
- Auditing CPG's data management systems to confirm that there were no significant errors, omissions or mis-statements in the Report. We did this by reviewing the effectiveness of data handling processes and systems, including collaborating information from third party assurance engagements done for CPG subsidiaries included CPF (Global), CPAll and True Corp.
- Sampling evidence presented during verification for some selected business units to confirm the reliability of the selected indicators. We also spoke with key people in various facilities responsible for compiling the data and drafting the Report.
- Visiting some sites of CPG's subsidiaries operation in People's Republic of China and Thailand to verify data and information (i.e. Perfect Companion Group Co., Ltd. (Pet Food), C.P. Starlanes Co., Ltd., Khao C.P. Co., Ltd. (Supanburi), Dynamic Transport Co., Ltd., True Internet Data Center Co., Ltd. (Bangna), C.P. LAND Public Company Limited (North Park Tower), Leadership Development Charoen Pokphand Group Co., Ltd., Altermiv Co., Ltd. (True Digital Park), CP Poly-Industry Co., Ltd. (Sikhio), Chia Tai Co., Ltd. (Om Noi), Kasetphand Industry Co., Ltd., Chengdu Chia Tai, Sichuan C.P. Egg Industry, Chengdu Chia Tai C.P. Trading Chain Store, Fuzhou Da Fu Co., Ltd., Fujian Chia Tai Agricultural and Animal, Fujian C.P. Livestock Co., Ltd., Chia Tai Food (Yiwu), Jiangsu Chia Tai Suken Pig Industry, and Shanghai Zhengyi Machinery Engineering Technology Manufacturing.)
- Verifying remotely, via ICT platforms, data and information at the selected sites of CPG's subsidiaries operation in People's Republic of China, Thailand, Bangladesh and Myanmar (i.e. C.P. LAND Public Company Limited (Fortune Saengchan Beach), ALL NOW Group, K.S.P. Equipment Co., Ltd., Advance Pharma Co., Ltd., C.P. Bangladesh Co., Ltd. (Dhaka Feed Mill), C.P. Bangladesh Co., Ltd. (Valuka Hatchery), C.P. Food (Hengshui), Shandong Chia Tai Linghua Biological Technology, Myanmar C.P. Livestock Co., Ltd. (Yangon 1 Feedmill) and Myanmar C.P. Livestock Co., Ltd. (Yangon Hatchery))

Note: LRQA did not verify the data back to its original sources, nor did it assess the accuracy and completeness of the data reported by individual locations.

Observations

Further observations and findings, made during the assurance engagement, are:

- Stakeholder Inclusivity: We are not aware of any key stakeholder groups that have been excluded from CPG's engagement process.
- Materiality: We are not aware of any material aspects, concerning sustainability performance, that have been excluded from the Report.
- Responsiveness: CPG has processes for responding to various stakeholder groups. We believe that these communication processes are effective in explaining CPG's aim in contributing towards sustainable development. However, CPG should extend its reporting scope of direct GHG emissions to cover all emission sources and extend reporting scope of significant air emission to cover all applicable gases, e.g. PM, SO_x, NO_x, ODS, etc.
- Impact: CPG has implemented processes to measure, evaluate and manage impact(s) relevant to its material issues.
- Reliability: CPG should carry out rigorous and systematic internal verifications, at both the corporate level and across each business unit, especially those which are not third-party verified, as this will improve the reliability of reported data and information. Also, CPG should maintain, and extend, its third-party verification at subsidiary companies, since CPG now includes this data and information.

LRQA's standards, competence and independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent. This verification, together with verification for CPG subsidiaries are the only works undertaken by LRQA for CPG and as such does not compromise our independence or impartiality.

Signed

Paveena Hengsrirawat

LRQA Lead Verifier

On behalf of LRQA (Thailand) Limited

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9th July 2024

^a <https://www.accountability.org/standards/aa1000-assurance-standard/>

^b <https://www.globalreporting.org/standards>

^c GHG quantification is subject to inherent uncertainty.

For a Better
Tomorrow



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