

Towards  
Net Zero

MAKING TODAY  
A BETTER  
TOMORROW

# CHAROEN POKPHAND GROUP SUSTAINABILITY REPORT 2020



Amidst the dynamics of today's world, the global community has shifted its focus to the trend of net zero carbon emission. As a conglomerate with more than 450,000 employees and contractors, as well as businesses spanning across 21 countries, Charoen Pokphand Group recognizes the magnitude of this issue and targets to drive such endeavor as a leader of change with two fundamental missions to become

## A Net Zero Carbon Organization and a Zero Food Waste Organization.

The accomplishment of such great challenge requires the collective effort of the Group as a whole. At the same time, Charoen Pokphand Group also emphasizes on efficiency enhancement, loss reduction, climate change mitigation, and environmental impact reduction through methods such as using renewable energy, using alternative energy from biogas system, developing animal feed with low nitrous oxide emissions, etc. Starting now, all business groups must work towards the same direction to achieve these common goals. In doing so, sustainability must also be incorporated to business operations from upstream to downstream, with consideration and responsibility for the public in all aspects. These efforts are based on the Group's visions and values, particularly the Three Benefit Principle, which consists of benefit for the country, the society and the organization, and are also in line with the approach to develop our business alongside sustainability, which has been upheld for the past 100 years.

*"We cannot define the world. However, if we step out of our comfort zone to accommodate possible opportunities and challenges, then we can determine our own future."*

### **Suphachai Chearavanont**

Chief Executive Officer  
Charoen Pokphand Group

**TOWARDS  
NET ZERO**



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## Interactive User Guide

The Charoen Pokphand Sustainability Report 2020 is produced as an interactive PDF file to enhance users' reading experiences.

By clicking on an item in the Table of Contents, you will be directed to the relevant section. By clicking on the Content bar above on each page, you will also be directed to the relevant section.

## Navigation Buttons

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Message from

# THE SENIOR CHAIRMAN

*“On our business path over the past century, C.P. Group firmly believed that the stable and sustainable growth of a business organization requires a strong community, society, and country as well as the confidence, trust, and support from all sectors as a major driving force.”*



Over the course of the “century”, Charoen Pokphand has grown from the small seed in 1921 and flourished into a mighty tree that is today’s leading conglomerate with investments in over 21 countries and economies, and trades in more than 100 countries worldwide. A factor contributing to this success is the “Six Core Values”, comprising 1. Three Benefits, 2. Speed with Quality, 3. Simplification, 4. Accept Changes, 5. Innovation, and 6. Integrity. The “Six Core Values” has yielded benefits in all dimensions and led the Group to grow with stability into a “Sustainable Organization”.

For 100 years, C.P. Group has confronted the challenges and trials of a world that has constantly changed due to economic, social, political, technological, and environmental circumstances, such as crisis from World War II, the Industrial Revolution, global economic crises, domestic financial crises, global warming, pandemics, and impacts from technology and digitalization, etc. Upholding these corporate core values as a taproot of a large tree, C.P. Group has overcome all kinds of challenges and withstood the test of time in a graceful and strong manner.

Currently, the COVID-19 pandemic presents C.P. Group with a new test to lead the society and our businesses as a whole through this crisis together. At the early stages of the outbreak, C.P. Group mobilized our global forces and partnerships to acquire machinery and raw materials for the urgent construction of a standardized hygienic mask factory in Thailand with the objective of alleviating the crisis of mask shortage at that time. The masks were distributed to medical staffs, nurses, public health personnel, and vulnerable groups at no cost. The Group also contributed to the comprehensive mitigation of impacts from the outbreak in various sectors through efforts such as donating money to hospitals nationwide, supporting medical equipment, and catering food to medical staffs and people in the State Quarantine. Furthermore, the Group also made donations to the government of many countries, including the Chinese Government, to help them overcome the COVID-19 pandemic since the first outbreak in Wuhan. C.P. Group holds it a mission to stand and fight shoulder to shoulder with the society through this crisis.

On our business path over the past century, C.P. Group firmly believed that the stable and sustainable growth of a business organization requires a strong community, society, and country as well as the confidence, trust, and support from all sectors as a major driving force.

Advancing into the next century, C.P. Group aims to become a leader in digital technology, information, and innovation. This can be achieved by combining the cooperation between “people”, who are the Group’s valuable assets, and “technology” with the strengths or advantages from the accumulation of our knowledge and experience, which has earned C.P. Group the recognition of all our businesses. This integration will create a synergy that unites the organization in order to continue and succeed in all aspects of development and investment, strengthen and prepare the organization for new challenges, and sustainably pass on values to the next generation.

Today, it is evident that C.P. Group has made progress at all levels, starting from our perceptions, methods, processes, through to our products and services. As the world never stops, businesses too cannot cease to innovate. Accordingly, all C.P. Group’s businesses strive to craft the best products and services for everyone in the world based on the groundwork of a strong, “sustainable organization” in the midst of future challenges.

Finally, I would like to pledge that throughout the next century, C.P. Group will remain committed to “create something new and better” on the basis of integrity and ethics in order to achieve our vision of an “innovative organization” and leader in digital technology, information, and innovation that produces food for both the body and mind, creates shared values, and brings health and well-being to all.

**Dhanin Chearavanont**

Senior Chairman  
Charoen Pokphand Group

Message from

# THE CHAIRMAN

*“Essentially, we continue on grooming ‘good and capable people’ for our society and the world. They are the supreme forces driving the innovation, sustainable business, healthy and better livelihood of the people in accordance with our corporate purpose”*



2020 is considered an extremely challenging year in all aspects since the spread of COVID-19 pandemic impacted all the lives and caused an immense damage to the global economy, society and environment. Amidst the pressure from the pandemic, we have witnessed the employment of the fast-changing advanced technology in the medical and public health services, production, business management, trade and financial services around the world. At Charoen Pokphand Group, the COVID-19 pandemic crisis is one remarkable crisis in our one-hundred-year-long history.

In this uncertain and transformative time, all the companies under Charoen Pokphand Group globally are synergizing their strengths to respond and support the medical teams, our employees and their families as well as our business partners, suppliers and the affected communities. We, Charoen Pokphand Group of Companies, participated in the relief of the medical face mask deficiency by constructing the medical face mask factory in Thailand and supplying the medical face masks to doctors, nurses, medical personnel and vulnerable groups. We are engaging in the donation of medical equipment, technology and necessities to hospitals and COVID-19 field hospitals. We continue supplying the clean and safe food to places of worship, affected communities, patients and persons in state quarantine. In addition, we are using our capabilities to broaden a sale opportunity and improve income of farmers, SME and vulnerable groups throughout our value chain. In order to ease the country’s unemployment situation, we are offering a large number of jobs to fresh graduate globally. Following our sustainable development strategy, we continue uplifting the people’s quality of life and strengthening the community’s economy. We are grateful for being one of the forces driving the global society through this crisis together.

At Charoen Pokphand Group, we believe that there is an opportunity in every crisis. Over the past century, we adhere to our faith in the 6 corporate core values which contribute to building a sustainable business for the benefit of the country, the people

and company with morality and honesty. Our corporate values encourage us to see an opportunity in any crisis and enable us to overcome every global predicament in the past. At present, all the companies under Charoen Pokphand Group worldwide are monitoring the situation closely in order to strictly maintain our high standard operation on safety, corporate governance and ethics. We also have reviewed and adjusted our short-term and long-term sustainable development strategy and plan to synchronize with the United Nations’ Sustainability Development Goals and prepare for a new challenge that may occur any time now and after the crisis. We have adopted an advanced technology to enhance efficiency, create business continuity and reduce the impact of the New Normal which already has altered the lifestyle and consumption behavior of the people. Essentially, we continue on grooming ‘good and capable people’ for our society and the world. They are the supreme forces driving the innovation, sustainable business, healthy and better livelihood of the people in accordance with our corporate purpose.

The Charoen Pokphand Group’s Sustainability Report, prepared based on the standard of Global Reporting Initiative, compiles all the progress of our Group’s performance in terms of responsibility towards global economy, society and environment. It has been my greatest pleasure to join our colleagues in facilitating and supporting various response projects during this time of great uncertainty. I am confident that the unity and synergy of all the companies under Charoen Pokphand Group worldwide will enable us to achieve our large and challenging sustainability development goals we have established.

**Soopakij Chearavanont**

Chairman  
Charoen Pokphand Group

## Message from THE CEO

*“C.P. Group has highlighted our stance on the environment by announcing policies and goals to become a Net Zero Carbon Organization and a Zero Food Waste Organization.”*



The key to Charoen Pokphand Group’s 100 years of persistence and growth into a world-class organization is the “Six Core Values”, which have served as a guiding compass for our business. Upheld and complied across the Group, the “Six Core Values” have rendered benefits to the people of every country where C.P. Group has made trade and investment.

C.P. Group places emphasis on transparency. Economic and sustainability goals have been established to guide all executives and employees in 21 countries worldwide with clear direction as it is important to have a shared goal in this era. We have set short, medium and long-term development plans with regular monitoring, assessment, and measurement. Targets with clear performance indicators reflect our current position in the journey. They also mirror the organization’s growth, which nowadays is not focused only on the aspect of business, but also covers social, economic, and environmental sustainability. Therefore, cooperation from all sectors is required to create change within the organization.

Additionally, the Group has highlighted our stance on the environment by announcing policies and goals to become a Net Zero Carbon Organization and a Zero Food Waste Organization. Meanwhile, all business groups have reviewed their performances, taking into account the changes in global material sustainability issues as a result of economic, social and environmental contexts. The COVID-19 pandemic has also prompted us to make important adaptations and look ahead towards the future of a Zero Health Hazard Organization.

“Leaders” at all levels are another important factors that contributes to C.P. Group’s growth. They must be models in translating our core values into practice, dare to change and motivate others. In order to allow everyone to demonstrate their true potentials, a platform has been launched for the new generation to showcase their talents and bring change to the organization under the guidance, not orders, of experienced executives. The Group has always believed in creating “new generation leaders” who will be the major force in driving and changing this world in a sustainable manner.

As we enter a new century, C.P. Group must be prepared for challenges in adapting our business format to align with the 4.0 era. Accordingly, the Group is determined to apply digital technology that is the world’s megatrend to our various businesses.

We also support R&D in technology, employment of blockchain technology, Internet of Things (IoT), and cloud computing to manage corporate data, and the initiation of a new business model in finance, health and food. These are the next challenges that the Group must face as we take another step towards becoming a Tech Company. Therefore, we need to reskill, upskill and create new skills for our people and apply current technologies in our possession to create benefit in a broader circle in accordance with the spirit of our corporate values, especially the “Three Benefit Principle” which focuses on creating benefit for the country and the people before our own business.

Additionally, we can notice the increasing role of the business sector in driving and creating changes in the society, the country and the world. Everyone wants the world to become better and more sustainable. Place for this reason, C.P. Group has taken part in promoting changes through a network of cooperation in various sectors, such as becoming member of the United Nations Global Compact, joining forces in enhancing Thailand’s digitalization capabilities through the partnership of the Digital Council of Thailand (DCT), and taking part in improving education through CONNEXT ED project, etc. Through such projects, we can see that the private sector has utilized their potentials to create change and contribute to the country by improving the well-being of people in the society.

I believe that the leaders and employees of an organization are key drivers of sustainability. In the long run, our leaders today must lead and be the “Change Agent” with a comprehensive sustainability mindset and a vision in order to become good role models and successfully effect change. At the same time, cooperation must be encouraged at all levels as sustainability in a context that can change the world cannot be accomplished alone. Therefore, it is imperative to build alliances throughout this entire value chain, which will be the vital key to true sustainable development.

**Suphachai Chearavanont**

Chief Executive Officer  
Charoen Pokphand Group

# 2020 Performance Highlights

## ECONOMIC

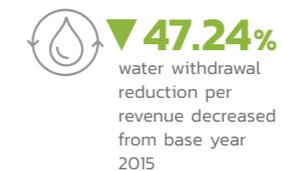
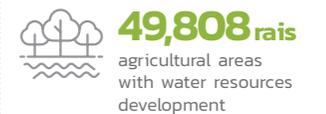
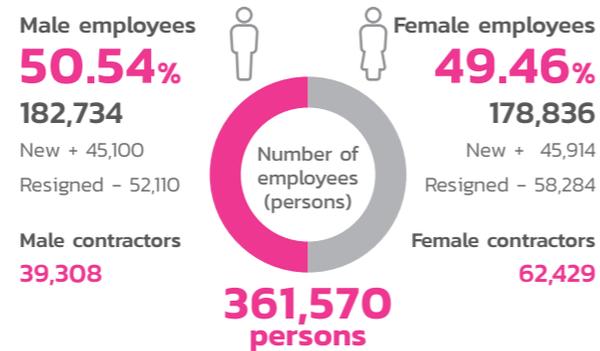
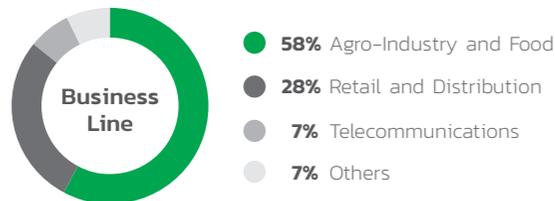
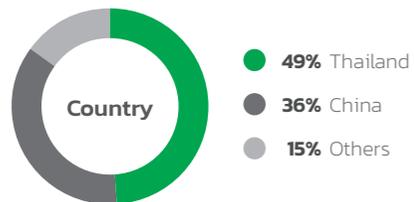
## HEART : LIVING RIGHT

## HEALTH : LIVING WELL

## HOME : LIVING TOGETHER



### Sales Revenues by Country and Main Business Line



# 100 Years of Charoen Pokphand Group

## 100 Years of Honesty and Integrity

In 1921, two brothers, Mr. Chia Ek Chor and Mr. Chia Seow Hui (Mr. Choncharoen Chearavanont), founded the “Chia Tai Chung” or “Chia Tai” seed shop on Song Wat Road in Thailand. From the very first day, both aspired to operate “Chia Tai” and other related businesses in the future on the basis of “honesty and integrity” as both values will lead to sustainable business growth.



Through such aspiration combined with the determination to alleviate the sufferings of farmer families and being a part in developing quality products in Thailand, the seeds of “Chia Tai Chung” became the first agricultural products to bear a clear expiration date on their packaging. The shop also offered product quality assurance and accepted returns of expired products. This was the beginning of an organization of honesty and integrity which has been passed down for a century and will continue to live on.



## 100 Years of Quality Products and Services

With honesty and integrity as the underpinning of business operations, “Chia Tai” placed emphasis on sourcing quality products and services. The shop started by pioneering seed business overseas, including in Malaysia, Singapore, Myanmar, Laos, and Cambodia, in order to acquire quality seeds for distribution in Thailand. The introduction of new vegetable seeds encouraged Thai farmers to learn about new plant varieties and make use of this newly acquired knowledge to create jobs for themselves.

Furthermore, “Chia Tai” recognized the abundance of Thailand’s resources and the agricultural abilities of Thai farmers. Consequently, the “Charoen Pokphand” store was established to produce and distribute ready-made animal feed. Charoen Pokphand’s products were of high quality and contained sufficient nutrition to meet the demands of each animal species. The animal feed also helped to lower costs in farming activities as well.

As eras change, innovation began to play an important role in business operations. Meanwhile, consumer demands have become relative to the quantity of quality and affordable products. Therefore, Charoen Pokphand Group (C.P. Group) entered a joint

investment with US-based Arbor Acres to develop a new breed of healthy and standard weight broilers for Thai farmers. At the same time, rearing house technology was also introduced for the first time in Thailand, resulting in sanitation and hygiene in raising standard weight broiler chickens.

In addition, the Group also worked with foreign partners to adopt other advanced technologies to enhance industrial efficiency and support the production of quality products that meet standards and market demands, such as technology to improve production process and AI technology to enhance swine and poultry farming, etc.



C.P. Group understands that the technology and innovation we currently possess can drive the Group’s business and respond to stakeholder demands for only a limited period. Therefore, the Group focuses on developing our people with knowledge, capabilities, and skills that are necessary to create innovation and new technologies that can support the uninterrupted delivery of quality products and services.

## 100 Years of Stable Growth

After its pioneer overseas mission in search for seeds for distribution in Thailand, “Chia Tai” realized that the knowledge and machinery at hand at that moment could not support the vision to deliver quality products and services to customers and consumers in a continuous and sustainable manner. Therefore, Mr. Montri Jiaravanont, second son of Mr. Chia Ek Chor, supported Mr. Dhanin Chearavanont, fourth son to Mr. Chia Ek Chor, to go on a business trip abroad as he believed it would develop knowledge that could improve the efficiency of business operations.



One of the countries Mr. Dhanin Chearavanont visited was USA where he gained knowledge and technology for process improvement. Furthermore, he also formed an alliance with Arbor Acres, a leader in broiler farming. As a result, the broiler industry and other industries in Thailand were enhanced. The newly acquired knowledge and technology helped organizations to grow and become model examples in economic animal farming and crop cultivation.

Based on the success of integrated animal rearing system development in Thailand, Mr. Sumet Jiaravanon, third son of Mr. Chia Ek Chor, recognized the growing demand for proteins from meat and other foods in every country. Therefore, he expanded Charoen Pokphand Group Co., Ltd. to Indonesia. This was the first market expansion for the agro-industry business in the form of an overseas investment. Then, he continued to



expand investment in agro-industry and other related businesses to other countries, such as Malaysia, Singapore, China, and others, totaling to 21 countries and economies worldwide. At present, the Group still seeks overseas opportunities to emphasize on our position as leading tech and innovation conglomerate, providing food for the body and mind that creates shared values and brings health and well-being to all.



In addition to expanding agro-industry and other related businesses overseas, C.P. Group also branched out into other fields with focus on businesses that can contribute to strengthening Thailand's competitiveness, increasing value for domestic products, and raising the overall quality of life for the people with access to quality products and services. These include retail business operated through 7-Eleven, wholesale business operated through Makro, property development, rental and sales in Thailand operated through C.P. Land Public Co., Ltd., and telecommunications business operated through True Corporation Public Co., Ltd., the sole provider of integrated telecommunications and digital technology services in Thailand that enables Thai people to gain thorough and quick access to communication, information, and news.

## 100 Years of Operations based on the Three Benefit Principle

To carry on the aspiration to operate with honesty and integrity and highlight the commitment to deliver quality products and services, Mr. Chia Ek Chor and Mr. Chia Seow Hui established the Three Benefit Principle as another underpinning of C.P. Group's investment. The Three Benefit Principle consists of:

**First, benefit for the country,** meaning the investment must continuously increase national revenues and taxes that can be used for a country's development by its respective government;

**Second, benefit for the people,** meaning everyone at every stage of the production chain must be able to conduct business with stability and sustainability. At the same time, consumers must receive sufficient products with good quality at fair prices;

**Lastly, benefit for the company,** meaning that substantial profits must be gained in order to sustain the company and be shared with investors and employees. These profits should also be used to develop innovation that can further the organization's growth.

Throughout the course of time, Charoen Pokphand Group has supported and promoted national policies of countries where we operate. We believe that our full support will not only contribute to a country's growth but can also render benefit for its people at the same time. For example, we have supported China's policy to eliminate extreme poverty among the population by 2020, a goal which China has already accomplished. C.P. Group's commitment to honesty, integrity and the Three Benefit Principle has led the Group to grow alongside the country's progress as well as the stable well-being of the people until today. The Group pledges to uphold such aspiration and continue to create benefit for the country, the people, and our company.

## 100 Years of Development and Social Contributions

Charoen Pokphand Group realizes that developing people with well-rounded knowledge and skills for their livelihoods is a sustainable form of giving. Therefore, over the past century, the Group has focused on enhancing systems and equipment to facilitate people in remote areas, especially youths, and vulnerable groups with convenient access to basic education, new and information. Projects to provide scholarships and internships to youths and adults are also executed continuously. Furthermore, C.P. Group has founded learning centers in various areas to help farmers in developing a more efficient production process. Through these centers, farmers do not only gain knowledge about the Group's new technologies but can also meet fellow farmers to exchange knowledge or create business alliances. C.P. Group's determination to give back to communities and the society through development will not end here. We aim to promote jobs to generate income for those in need and eliminate poverty in order to create a sustainable and stable society.



## 100 Years of Environmental Protection

Natural resources, the environment and the ecosystem are vital to a country's economic growth, human survival, and the Group's businesses. In order to conserve and rehabilitate them for the livelihoods of the people as well as current and future businesses, all sectors must lend their cooperation in order to yield tangible outcomes.

As a leader in the agro-industry and food business with operations in 21 countries and economies worldwide, C.P. Group is mindful of the environmental impacts that arise from our business operations. Therefore, we have set goals to prevent and reduce such impacts, for example, reduction of greenhouse gas intensity per unit of production, reduction of water use per unit of revenue, and sourcing of raw materials from sources that do not involve forest and marine encroachment. Having arrived at our target year in 2020 and to highlight on our commitment, C.P. Group has reviewed our past performances and established environmental strategies and goals for 2030, including reducing net carbon dioxide emissions (Scope 1 and Scope 2) to zero, reducing food waste and landfill waste to zero, using plastic packaging that are reusable, recyclable, and degradable, and reducing water consumption per unit of revenue. Apart from our internal efforts, C.P. Group also joined international organizations in protecting and conserving the environment in an integrated manner.

● 1917–1946



1921

Mr. Chia Ek Chor and Mr. Chia Seow Hui (Choncharoen Chearavanont) established the “Chia Tai Chung” or “Chia Tai” seed shop with the aspiration to operate on the basis of “honesty and integrity”. For this reason, the packaging of the shop’s agricultural products displayed clear expiration dates.

● 1947



1953

Started the first animal feed mill using a grinding and mixing machine in the parking garage of the Chan Road house, which was later developed into a modernized animal feed mill to manufacture quality products.

● 1957



1959

Started the Chia Tai vegetable seed experimental farm for quality cultivation.

1960

Established the first overseas branch office of Charoen Pokphand Co., Ltd. in Hong Kong to exchange diverse and quality vegetable seeds.

● 1967



1970

Pioneered in the development of a new breed of healthy and standard weight broilers for Thai farmers.

1972

Expanded investment to Indonesia and Malaysia in response to the increasing demands for proteins from meat and other foods.



1973

Constructed Southeast Asia’s largest and most modern feed mill on Bangna-Trad Road K.M. 21 to deliver quality products to consumers.

1975

First company to initiate integrated poultry farming and minimum income guarantees in Thailand to reinforce the aspirations of the “Three Benefit Principle”.

● 1977



1977

Established Nongwa Agricultural Village to help poor farmers obtain land ownership. At present, farmers earn an average monthly income of 80,000 baht, and the village is considered the most modern swine farming community in Thailand.

Established the Chearavanont Uthit School Development Project to create access to basic education

1978

Established “Charoen Pokphand Animal Feed Co., Ltd.” to operate in livestock feed and farming in Thailand.

1980

Expanded minimum income guarantees to cover swine farmers.

1985

Entered a joint investment with Japan’s Mitsubishi Group to acquire knowledge on black tiger prawn farming to and share knowledge to Thai farmers.



Sustainability Milestones

## 1987



### 1987

Founded the “Rural Lives Development Foundation” to implement initiatives developed by His Majesty King Bhumibol Adulyadej in improving the quality of life of people in remote areas with the objective of creating 3 virtues, namely good people, good citizens, and good employments.

### 1988

Founded CP ALL Public Co., Ltd. to operate convenience stores under the “7-Eleven” trademark in Thailand.

### 1990

Initiated the first telecommunications business under the name of Telecom Asia Corporation to provide basic telephone service.

### 1996

Announced C.P. Group Environmental Policy to demonstrate our commitment to natural resources and environmental protection.

## 1997



### 2004

Announced the C.P. Group Safety, Health, and Environmental Policy to demonstrate our commitment to the health and safety of our employees.

### 2005

Established Panyapiwat Technological College Education Project.

### 2006

Announced the implementation of the Six Core Values by the Senior Chairman.

## 2007



### 2007

Founded Panyapiwat Institute of Management, a tertiary institution specializing in retail business education and research.

Created opportunities for students and teachers to gain access to information, news, and educational contents through True Plookpanya



### 2009

Initiated the first Group-level engineering symposium and exhibition under the name “CP Engineering & Symposium”, which was later changed to “CP Innovation Exposition” in 2011.

### 2010

Launched the leadership development training program. The first class of participants received training in the Action Learning Program (ALP).



### 2012

True published its first report on actions against climate change through the CDP to demonstrate its commitment in climate management.

Initiated the “Pinggu” pilot project, a modern circular economy agriculture project based on the “Four-in-One” collaboration approach between the government, farmers, a bank, and the Group.

### 2013

CPF chicken products were the first in the world to receive the ProSustain® standards.

CPF published its first annual report on actions against climate change through CDP.

### 2015

Established the Policy Committee, the Executive Committee, and the Sustainability, Governance and Corporate Communication Working Group.



Opened the CP Leadership Institute to prepare C.P.’s “people” in leading the organization towards sustainable growth.

### 2016

Established C.P. Group Corporate Governance Committee and developed corporate governance principles.

Announced C.P. Group’s sustainability strategy and goals for 2020.

Became a member of the UN Global Compact’s Caring for Climate and the World Business Council for Sustainable Development.

Participated in setting up the Global Compact Network Thailand.

## 2017

### 2018

Announced the policy to reduce the use of plastic.

### 2019

Signing of a joint investment agreement between the Eastern High Speed Rail Linking Three Airports Co., Ltd. (Joint venture Group, Charoen Pokphand Holding Co., Ltd. and partners) and the State Railway of Thailand.

### 2020

Constructed a hygienic mask factory to contribute to the mitigation of COVID-19.

Established the first C.P. Group Sustainability Office in Nan Province as a center for cooperation in driving sustainability with the community.

Acquired Tesco Lotus in Thailand and Malaysia to increase capacity in retail business.

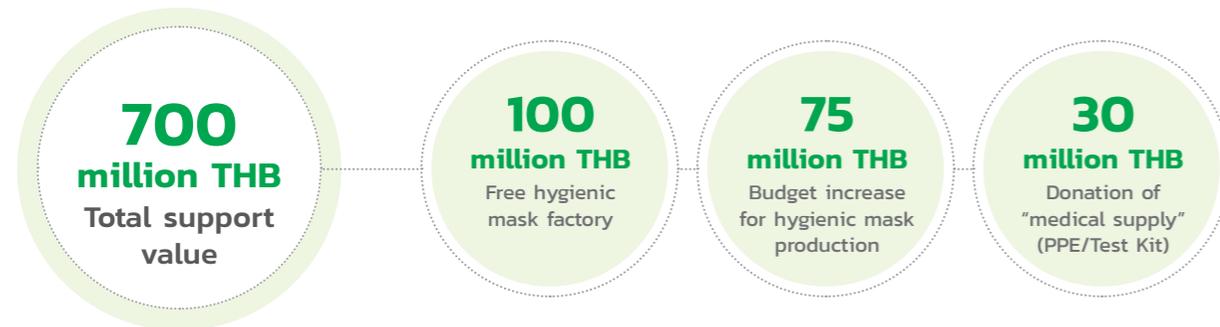
Established C.P. Group 2030 Sustainability Strategy.

# Fight Against COVID-19

At the beginning of 2020, the World Health Organization (WHO) declared the New Coronavirus 2019 or COVID-19 a pandemic after its outbreak during the end of 2019. In 2020, the global infection rate exceeded 83 million, with over 1.7 million fatalities. The pandemic does not only impact global healthcare, but also produces significant direct and indirect impacts on worldwide economies, societies and the environment. No one has yet been able to determine when the severity of this impact will end.

Therefore, in order to alleviate the ongoing impacts from the COVID-19 outbreak and to prepare all sectors for post-pandemic adaptation, Charoen Pokphand Group has been providing support in various areas to help everyone overcome this crisis together. For example, providing support for medical personnel, promoting the well-being of the society and vulnerable groups, elevating the efficiency of the production process, issuing policies to assist customers who are impacted by COVID-19, and providing aid for our employees. The value of our support amounts to more than 29.1 million USD.

## Strong Nation



Charoen Pokphand Group has adopted the Three Benefit Principle to support the country and the society as a whole. We have made financial donations to 77 hospitals nationwide, provided personal protection equipment (PPE), delivered communication devices and tools,



and sponsoring other items of necessities to medical staffs and hospitals. Besides strengthening the foundation for Thailand's fight against COVID-19, the Group also invested 100 million THB to construct a hygienic mask factory for free-of-charge distribution to medical staffs and hospitals that are in need as well as the general public who lack access to hygienic masks.

## Happy Communities and Societies

Despite COVID-19's impact on our businesses, Charoen Pokphand Group is still mindful of the responsibility we have towards our suppliers, customers, and consumers across the value chain. Therefore, we have carefully formulated an operation plan for the continuity of our business as well as that of our suppliers, enabling all to deliver quality products and services in response to the demands of customers and consumers.



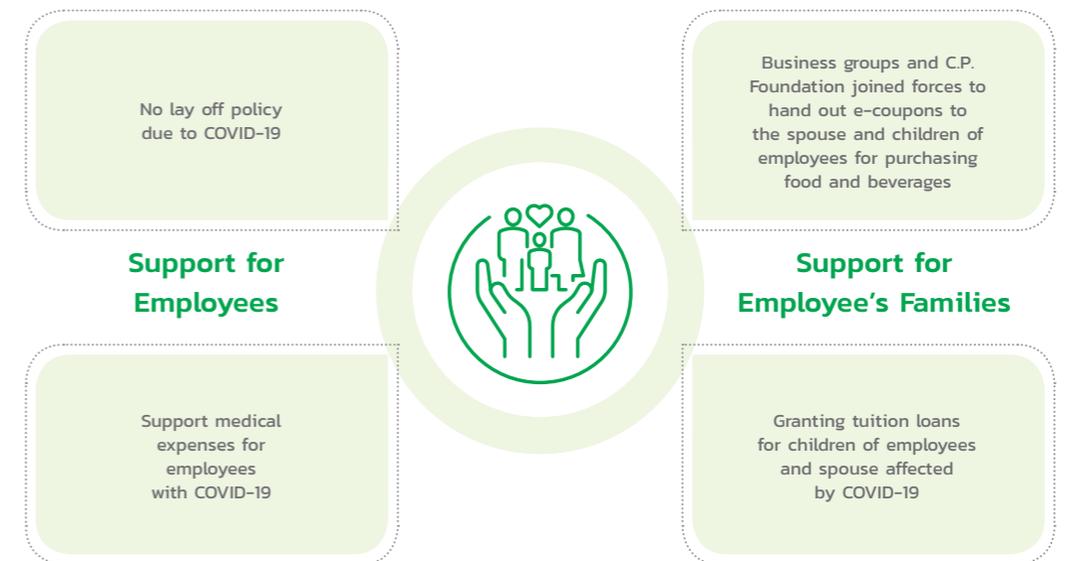
Provided support to communities and societies



Provided food and drink to people under quarantine

## Support for Employees

Charoen Pokphand Group places importance in the welfare, safety and well-being of our employees, especially under COVID-19 pandemic situation. Therefore, it is our mission to create confidence and provide adequate safety measure for our employees. Accordingly, the Group procured COVID-19 vaccine from Chulabhorn Royal Academy and has been given to employees free of charge. Employees who work at the operational sites were the first priority for the vaccination, this is to ensure safety not only for our employees, but also for customers and consumers as a whole.



# C.P. For Good Deeds



The third wave of COVID-19 caused infection rate to increase and surpass availability of hospital beds. Mr. Dhanin Chearavanont, Charoen Pokphand Group Senior Chairman, has announced the “C.P. Hearts As One Fight COVID-19” to support field hospitals and alleviate healthcare burdens in this time of national crisis. The Group and our affiliates have supported food, beverages, internet connection, etc. to the field hospitals of Chulalongkorn Hospital, Siriraj Hospital, Ramathibodi Hospital, Police Hospital, Phra Mongkut Hospital, the Royal Thai Army, the Royal Thai Navy, and the Royal Thai Air Force. Besides these eight field hospitals, support has also been provided to other field hospitals nationwide, as well as communities, and vulnerable groups.



## Joining Forces with the Royal Thai Army to Help Communities

The third wave of the COVID-19 pandemic in Thailand has greatly impacted underprivilege groups in various communities. Mr. Soopakij Chearavanont, Charoen Pokphand Group Chairman, partnered with the Royal Thai Army to provide food and survival bags to 15,000 households in 22 communities of Khlong Toei area to alleviate their distress as Khlong Toei became one of the key clusters in the third wave of the outbreak. C.P. Group acknowledges that food is an important necessity for living and, according to our business philosophy, helping the society in trouble is an important mission. Meanwhile, the Royal Thai Army also operates under the slogans: “The people’s troubles are our troubles” and “The Royal Thai Army stands with the people.”



Amidst the challenges that the communities are facing, which prevent them from performing their jobs and leading their daily lives, C.P. Group, under the leadership of Mr. Suphachai Chearavanont, C.P. Group Chief Executive Officer, sponsored food and other necessities to the Duang Prateep Foundation to help the communities. Makro also provided garbage bags for separating waste from patients and people in quarantine to prevent the spread of the virus. Furthermore, the Group cooperated with the Center for COVID-19 Situation Administration (CCSA) and the Bangkok Metropolitan Administration (BMA) to prevent the risk of widespread infection by offering Lotus’s Rama IV branch as the emergency vaccination center for more than 90,000 locals of Khlong Toei area.

## Constructing and Repairing Houses for the Poor and Underprivileged

Khlong Toei Community is a large community with dense population, located in the heart of Bangkok. Its “houses” are so dilapidated to the point of being unsafe, affecting the lives of their inhabitants. Recognizing the locals’ sufferings, Mr. Soopakij Chearavanont, Charoen Pokphand Group Chairman, joined Charoen Pokphand Foods Public Co., Ltd. to support the Royal Thai Army’s 1st Army Area in improving housing in the area with the aim to raise the quality of life and create good hygiene. Under the “Construction and Reparation of Houses for the Poor and Underprivileged in Bangkok and 25 Provinces in Central Thailand” project, 47 houses were built. After the completion of Phase 1, 40 houses were delivered to Khlong Toei Community locals. The remaining houses will be finalized in Phase 2 by 2021.



C.P. Group and Charoen Pokphand Foods Public Co., Ltd. has provided financial support worth 6,110,000 THB to the Royal Thai Army’s 1st Army Area to repair and construct houses for the poor and underprivileged in Blocks 4-5-6 of Khlong Toei Community. With a modern design and a common standard plan, the houses are aimed at improving hygiene in the community, create safety and order, and bring “houses” back to a livable state for everyone once again.



## Joining Forces with the Royal Thai Army to Help Communities

Each wave of the COVID-19 pandemic in Thailand has affected the income, lives, well-being, and employment of a large group of people. Charoen Pokphand Group, led by Mr. Soopakij Chearavanont, C.P. Group Chairman, has piloted the C.P. Loves the Earth Project in Chonburi Province. Under the project, 500 households affected by COVID-19, the unemployed, farmers, fishermen and vulnerable groups are hired to raise 500,000 saplings of local plants, helping to create jobs and spread income to 500 households in 3 areas, consisting of 100 households in Huay Yai Sub-District, 200 households in Na Jom Tien Sub-District, and 200 households in Khao Chee Chan Sub-District.

C.P. Loves the Earth is executed under the C.P. For Good Deeds Project which is in line with C.P. Group’s Six Core Values and



Sustainability Goals. Besides creating jobs, another key contribution is the reduction of global warming as the trees raised in the project can store carbon dioxide. The project is considered a model in successful integration of sustainable, social and environmental development.

## Conservation of Lat Phrao Canal

Mr. Soopakij Chearavanont, Charoen Pokphand Group Chairman, and other top-level executives of C.P. Group conducted a site visit to learn about canal side development and the model in quality-of-life improvement for Bangkok communities. They also studied the project to develop canals and canal side communities as well as the preparation of the Master Plan for Lat Phrao Canal Development which is carried out in collaboration with Urban Action. The Urban Action team, led by Asst.Prof. Pongporn

Sudbanthad, an expert in urban architecture and planning, studies the way of life and the development of canal and canal side communities. They also visited the Siam Venice Chan Kasem Community, the first model community which has been completely developed based on the Master Plan and observed the canal side areas where plans for urban forestations have been made.



# Awards and Recognitions 2020

From our commitment in all three dimensions of sustainability, Charoen Pokphand Group has achieved awards and recognitions from various institutions worldwide in 2020. The Group is proud and honored to have received all these awards and recognitions, which do not only reflect the efficiency of our sustainability performances, but also guarantee recognition from our stakeholders.

Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA



## Dow Jones Sustainability Indices

True Corporation Public Co., Ltd., CP ALL Public Co., Ltd., and Charoen Pokphand Foods Public Co., Ltd. were ranked and selected as members of the Dow Jones Sustainability Indices in Telecommunication Service, Food & Staples Retailing, Food Products, respectively.



## FTSE4Good

True Corporation Public Co., Ltd., CP ALL Public Co., Ltd., and Charoen Pokphand Foods Public Co., Ltd. were selected as members of the FTSE4Good Emerging Index, which positively reflects the commitment of Charoen Pokphand Group companies to operate with consideration for environmental, social and governance (ESG) factors.



## Ethisphere

Charoen Pokphand Group was selected as one of the most ethical companies in the world for the first year by US-based Ethisphere, which ranks a business's ethics based on their Ethics Quotient (EQ) score. This consists of five factors, namely ethical programs and CSR enforcement, ethical culture, good governance and leadership, innovation, and reputation.



## Sustainable Business Award Thailand

Charoen Pokphand Group won the Overall Winners Award with 11 regional sustainability awards from the Sustainable Business Awards Thailand, organized by the Global Initiatives, a worldclass sustainability organization. The number of awards received has placed C.P. Group as a national leader in sustainability.



## Vietnam Business Council for Sustainable Development

CP Vietnam has received a certificate from the Vietnam Business Council for Sustainable Development for its outstanding performance in sustainability among Top 10 companies, which reflect the commitment in responsible business operations on the basis of creating mutual growth together.



## Climate Disclosure Project

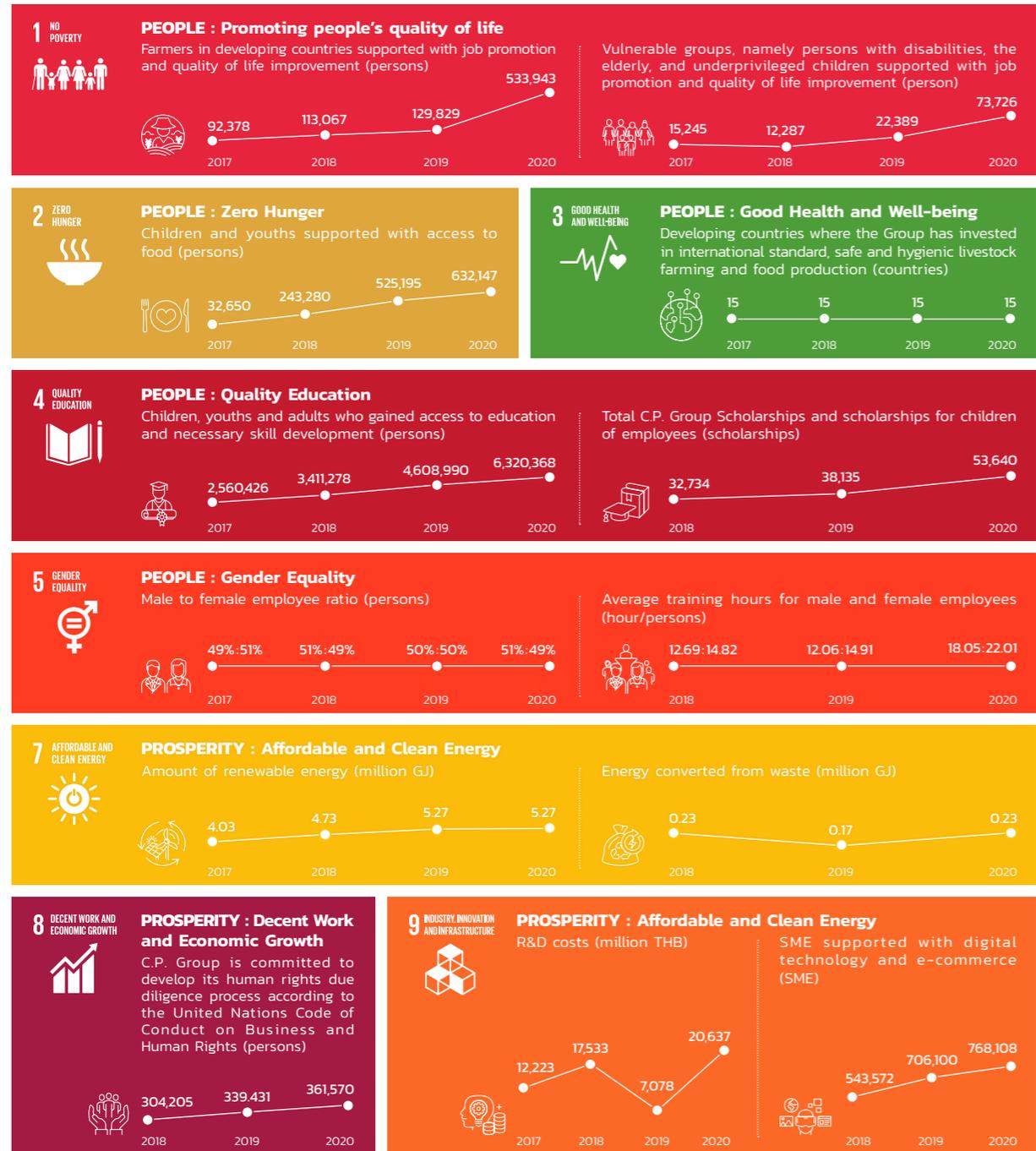
True Corporation Public Co., Ltd. and CP ALL Public Co., Ltd. achieved the Climate Change Leadership Level (A-) from CDP.



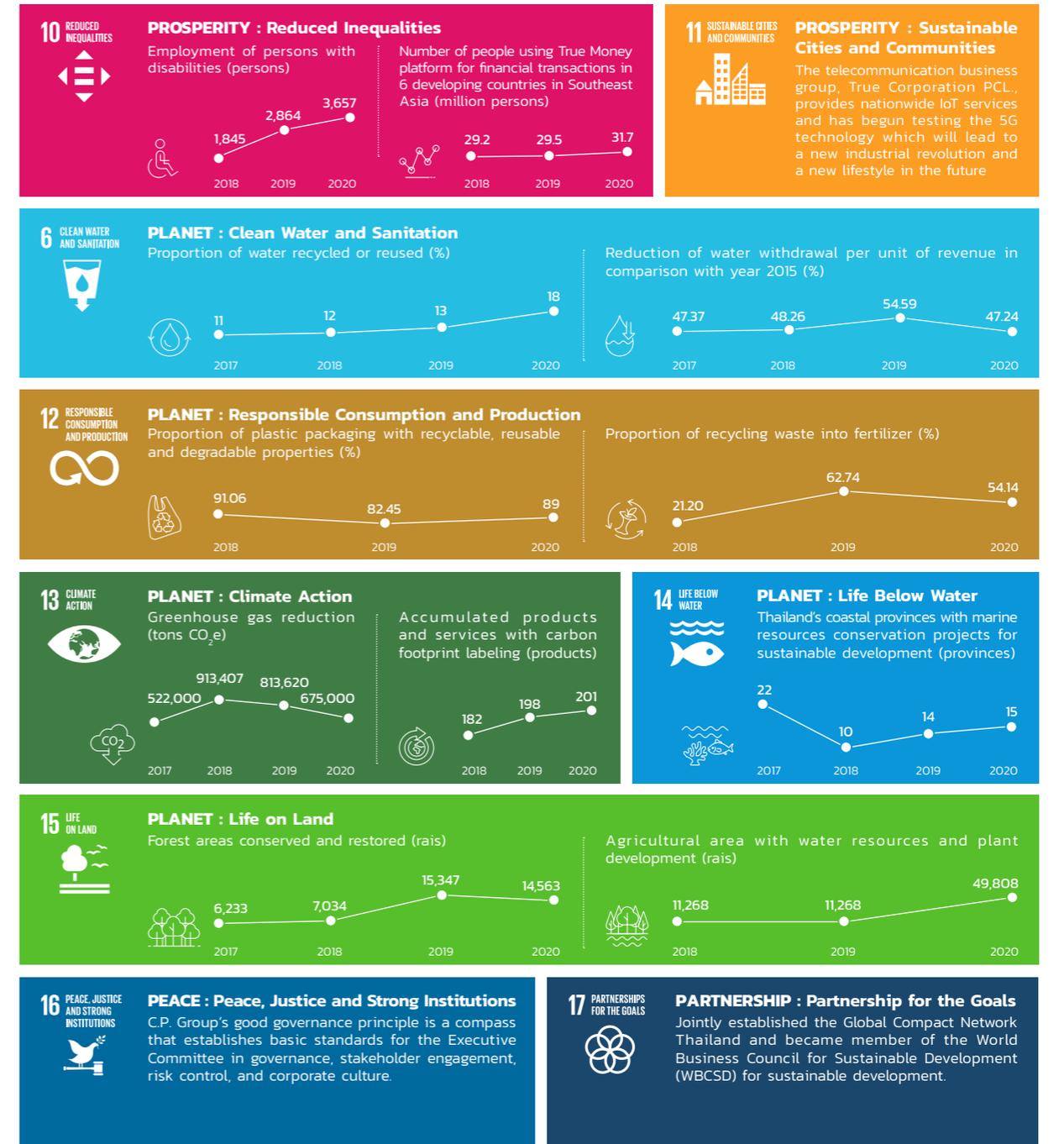
## Human Resources Awards

Siam Makro Public Co., Ltd. received the "Best Companies to Work for in Asia 2020" from HR Asia Awards 2020. True Group won the "Top Employer Thailand 2020" award for the second consecutive year from the "Top Employers APAC 2020" by the Top Employers Institute.

# Supporting United Nations Sustainable Development Goals



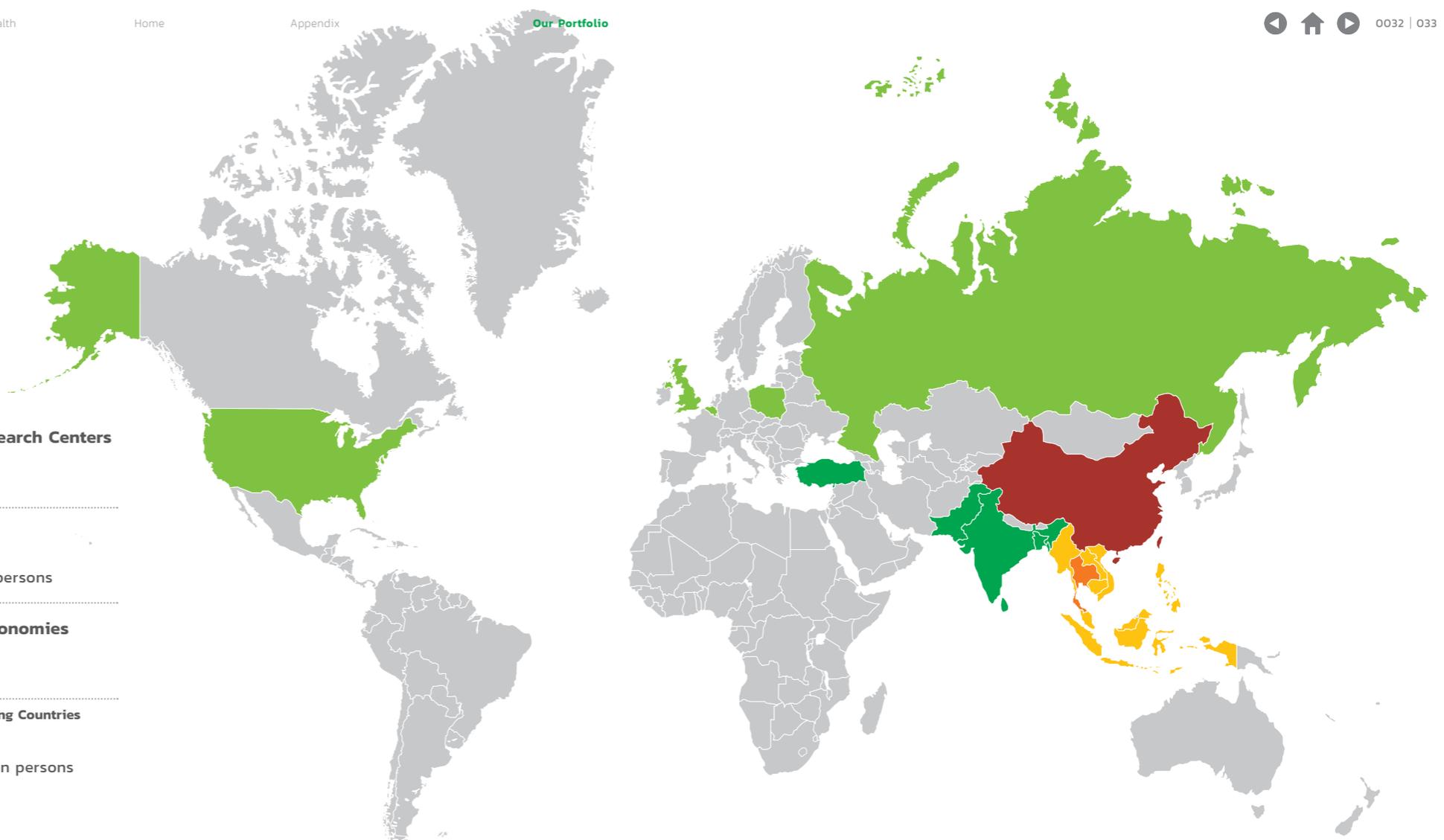
# SUSTAINABLE DEVELOPMENT GOALS



# 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."



**Production Plants**  
278 plants

**R&D Centers/Research Centers**  
110 centers

**Livestock/Aquaculture Farms**  
951 farms

**Total Employees**  
361,570 persons

**7-Eleven Stores**  
12,432 branches

**Countries and Economies**  
21 countries

**Hypermarkets/Superstores**  
219 branches

**Population in Operating Countries**  
4,595 million persons

### Thailand (Headquarters)

	Production Plants	73
	Livestock/Aquaculture Farms	352
	7-Eleven Stores	12,432
	Hypermarkets/Superstores	137
	R&D Centers/Research Centers	48
	Total Employees	214,949

**a b c d e f** Main Business Lines

### East Asia

	Production Plants	117
	Livestock/Aquaculture Farms	193
	7-Eleven Stores	-
	Hypermarkets/Superstores	76
	R&D Centers/Research Centers	59
	Total Employees	92,378

**a b e f g h** Main Business Lines

### Southeast Asia

	Production Plants	42
	Livestock/Aquaculture Farms	233
	7-Eleven Stores	-
	Hypermarkets/Superstores	3
	R&D Centers/Research Centers	1
	Total Employees	37,446

**a d f** Main Business Lines

### South Asia and West Asia

	Production Plants	27
	Livestock/Aquaculture Farms	163
	7-Eleven Stores	-
	Hypermarkets/Superstores	3
	R&D Centers/Research Centers	-
	Total Employees	9,958

**a** Main business lines

### Europe and the US

	Production Plants	19
	Livestock/Aquaculture Farms	10
	7-Eleven Stores	-
	Hypermarkets/Superstores	-
	R&D Centers/Research Centers	2
	Total Employees	6,839

**a f** Main business lines

### Symbol index :

#### Main business lines

- a** Agro-Industry and Food
- b** Retail and Distribution
- c** Media and Telecommunications
- d** E-Commerce and Digital
- e** Property Development
- f** Automotive and Industrial Products
- g** Pharmaceuticals
- h** Finance and Investment

# Charoen Pokphand Group Value Chain

Charoen Pokphand Group (C.P. Group) operates a diverse business across its 8 business lines, including: Agro-Industry and Food Business, Retail and Distribution Business, Media and Telecommunications Business, E-Commerce and Digital Business, Property Development Business, Automotive and Industrial Products Business, Pharmaceuticals Business to Finance and Investment Business. C.P. Group has been integrating the strengths from each business group, in order to sustainably maximize the benefits and deliver the utmost value to the country, people, and then the company.

The 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 Telecommunications Business Group
- 13 Finance and Banking Business Group
- 14 Property Development Business Group

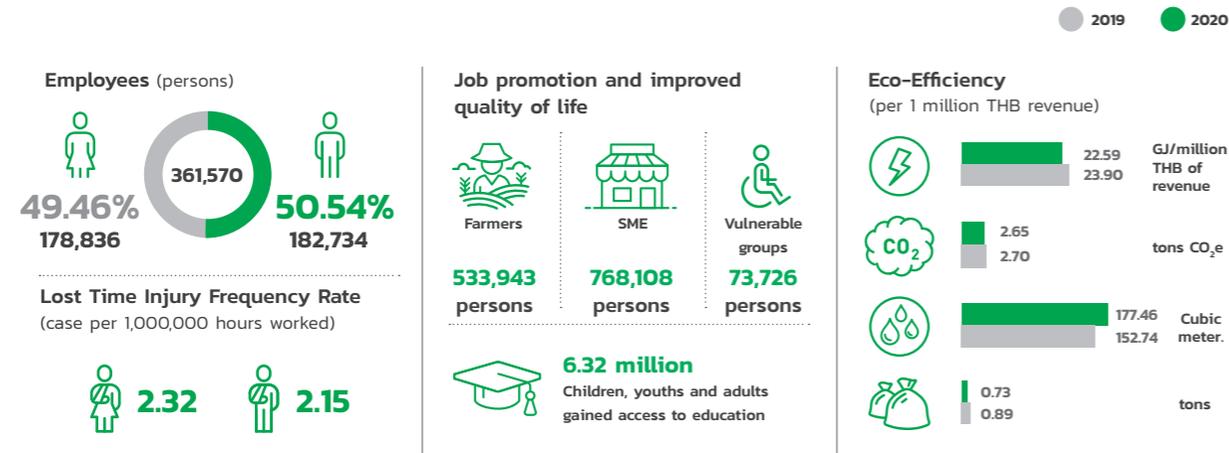
# Our Business



## Main Businesses

Charoen Pokphand Group Co., Ltd. serves as the 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, that are categorized into 8 business lines covering 14 business groups. Currently, the Group has investments in 21 countries and economies worldwide.

## Highlights 2020



### Remarks

- 1 Company listed on the Stock Exchange
- 2 Charoen Pokphand Group acquired Lotus from Tesco Group towards the end of 2020. Therefore, the sustainability performance of C.P. Retail Development Co., Ltd. will be presented in C.P. Group Sustainability Report 2021.

## Agro-Industry and Food Business

### Thailand

- Charoen Pokphand Foods Public Co., Ltd.<sup>1</sup>
- Bangkok Produce Merchandising Public Co., Ltd.<sup>1</sup>
- C.P. Intertrade Co., Ltd.
- Charoen Pokphand Produce Co., Ltd.
- Chia Tai Co., Ltd.
- Perfect Companion Group Co., Ltd.
- Charoen Pokphand Agriculture Co., Ltd.
- Charoen Pokphand Engineering Co., Ltd.

### Overseas

- C.P. Pokphand Co., Ltd.
- Charoen Pokphand Enterprises (Taiwan) Co., Ltd.
- Myanmar C.P. Livestock Co., Ltd.
- Apsara Rice (Cambodia) Co., Ltd.
- Bellisio Foods Inc.
- Tops Foods NV
- Norfolk Foods (Private) Limited
- C.P. Cambodia Co., Ltd.
- C.P. Laos Co., Ltd.
- C.P. Vietnam Corporation
- Charoen Pokphand Foods (Malaysia) Sdn. Bhd.
- Charoen Pokphand Foods Philippines Corp.
- C.P. Standart Gida Sanayi ve Ticaret A.S.
- Charoen Pokphand Foods (Overseas) Llc.
- CPF (India) Private Ltd.
- CP Food (UK) Ltd.
- CPF Poland S.A.
- C.P. Bangladesh Co., Ltd.
- Charoen Pokphand Pakistan (Pvt.) Ltd.
- Chia Tai Feedmill Pte. Ltd.

## Retail and Distribution Business

### Thailand

- CP ALL Public Co., Ltd.<sup>1</sup>
- Siam Makro Public Co., Ltd.<sup>1</sup>
- C.P. Retail Development Co., Ltd.\*<sup>2</sup>

### Overseas

- C.P. Lotus Corporation

## E-Commerce and Digital Business

### Thailand

- Freewill Solutions Co., Ltd.
- Ascend Group Co., Ltd.

### Overseas

- True Money Vietnam Joint stock Company
- True Money (Cambodia) Limited
- True Money Myanmar Co., Ltd.
- True Money Philippines Inc.
- Pt Witami Tunai Mandiri (True Money Indonesia)

## Telecommunications Business

### Thailand

- True Corporation Public Co., Ltd.

## Pharmaceuticals Business

### Overseas

- Sino Biopharmaceutical Limited

## Finance and Banking Business

### Overseas

- Zheng Xin Bank Company Limited.
- Itochu Corporation\*
- Citic Group Corporation Ltd.\*
- Ping An Insurance (Group) Company Of China, Ltd.\*
- Chia Tai Enterprises International Limited.
- CP Motor Myanmar Co.,Ltd.

\* Not included in this report

# CP Excellence

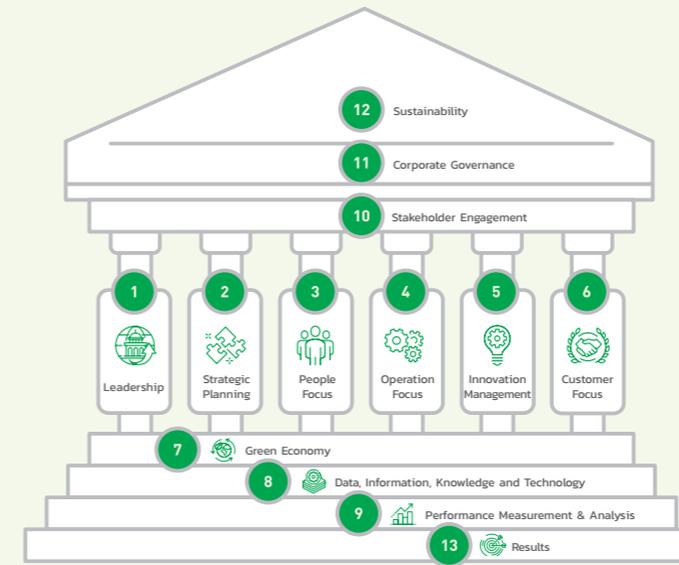
## Creating Management Standards



CP Excellence is a management system that comprehensively covers all business goals. Therefore, employing such system in the organization builds an integrated management standard, helping our business to grow, creating business results, and promoting the happiness of employees. This also includes attaching value to people, families and the society, caring for our shareholders and stakeholders, environmental management, risk management, business continuity management, ethical and good governance promotion, and adherence to sustainable decision-making which is combined with the Sufficiency Economy principle to govern all actions of leaders with sufficiency, reason, immunity, and knowledge in conjunction with integrity.

Furthermore, CP Excellence also builds operational standards, helping to create a systematic and coordinated working process throughout the value chain, focusing on process verification and leading to process development, raising standards, and increasing the efficiency of business operations with technology and digitalization in response to Charoen Pokphand Group's Digital Transformation in conjunction with promoting participatory and cross-functional collaboration.

Businesses under Charoen Pokphand Group that have implemented the CP Excellence management approach have also been encouraged to perform frequent self-assessments using the CPEX Assessment guideline. This enables the company's executives to learn the true conditions of their organization's management system; what the strengths and best practices are, what should be improved, and what is missing. This will highlight points of improvement which can be used to set clear targets and methods of implementation.



CP Excellence also reflects contribution to the society. The management system translates values into action, creating a corporate culture based on the Six Core Values. Accordingly, employees are groomed to be good and capable individuals. We aim to succeed professionally and contribute to the public and the society in the form of safe products and services, supporting collaboration with various sectors, creating benefit and improving communities and societies in economic, environmental and educational aspects.

Likewise, CP Excellence plays a key role in helping C.P. Group progress towards our goal to become a world-class organization with sustainability as we advance with steady steps into our second century.

*“CP Excellence builds a management standard for C.P. Group to become a world-class organization, ready to step into our second century with stability from the inside and share such stability with the country, society, and communities.”*

**Dr. Ajva Taolananda**  
Vice Senior Chairman,  
C.P. Group



# C.P. For Sustainability 2020

- |  |  |  |
|--|--|--|
|  <p>1. Debt Free, Happy Life for Swine Business<br/>Charoen Pokphand Foods Public Co., Ltd.</p>                                   |  <p>11. CPF Growing Happiness, Growing Futures, Ban Lat Bua Khao School<br/>Charoen Pokphand Foods Public Co., Ltd.</p> |  <p>21. Dog Lover Community<br/>CP ALL Public Co., Ltd.</p>  |
|  <p>2. Rehabilitation of the Elderly in Viang Yong Community<br/>Charoen Pokphand Foods Public Co., Ltd.</p>                      |  <p>12. Fire Prevention and Suppression Plan for Communities<br/>CP ALL Public Co., Ltd.</p>                            |  <p>22. 7-11 with the Farmers<br/>CP ALL Public Co., Ltd.</p>  |
|  <p>3. Learning Center for Sufficiency Economy Development, Ban Sap Ruang Sai<br/>Charoen Pokphand Foods Public Co., Ltd.</p>     |  <p>13. Reduction of Single-Use Plastic<br/>CP ALL Public Co., Ltd.</p>   |  <p>23. Creating Good and Capable People for the Society<br/>CP ALL Public Co., Ltd.</p>                   |
|  <p>4. CPF Grow-Share-Protect Mangrove Forestation Project for Tourism<br/>Charoen Pokphand Foods Public Co., Ltd.</p>            |  <p>14. CP ALL Art Story by Autistic Thai<br/>CP ALL Public Co., Ltd.</p>   |  <p>24. Social Enterprises by People with Disabilities<br/>True Corporation Public Co., Ltd.</p>           |
|  <p>5. CPF Grow-Share-Protect Mangrove Forestation Project, Samut Sakhon Province<br/>Charoen Pokphand Foods Public Co., Ltd.</p> |  <p>15. Heart of Hearing<br/>CP ALL Public Co., Ltd.</p>  |  <p>25. Quality of Life Development for Children in Care Homes<br/>True Corporation Public Co., Ltd.</p>   |
|  <p>6. Natural Drinking Water<br/>Charoen Pokphand Foods Public Co., Ltd.</p>  |  <p>16. Career Preparation for Interns<br/>CP ALL Public Co., Ltd.</p>   |  <p>26. Mobile Literacy for Pondok Youths, Southern Thailand<br/>True Corporation Public Co., Ltd.</p>    |
|  <p>7. Soil-Friendly Fermentation Tanks<br/>Charoen Pokphand Foods Public Co., Ltd.</p>   |  <p>17. Free Education with Income, Panyapiwat Learning Center-CPRAM<br/>CP ALL Public Co., Ltd.</p>                  |  <p>27. Digital System Development for Community Savings Group<br/>True Corporation Public Co., Ltd.</p> |
|  <p>8. CPR For Communities<br/>Charoen Pokphand Foods Public Co., Ltd.</p>  |  <p>18. Community Rare Plant Distribution Center<br/>CP ALL Public Co., Ltd.</p>                                      |  <p>28. Community Bank for Persons with Autism<br/>True Corporation Public Co., Ltd.</p>                 |
|  <p>9. CPF Growing Happiness, Growing Futures, Ban Wang Yai School<br/>Charoen Pokphand Foods Public Co., Ltd.</p>              |  <p>19. Student Care<br/>CP ALL Public Co., Ltd.</p>  |  <p>29. Universal Design QR-Code<br/>True Corporation Public Co., Ltd.</p>                               |
|  <p>10. CPF Growing Happiness, Growing Futures, Ban Mai Samrong School<br/>Charoen Pokphand Foods Public Co., Ltd.</p>          |  <p>20. Fighting Fish Business Development, Ban Om Phayot Community<br/>CP ALL Public Co., Ltd.</p>                   |  <p>30. Longan of Choice Give Back Joy to Locality<br/>Siam Makro Public Co., Ltd.</p>                   |



- |   |  |  |
|---|--|--|
|  <p>31. For Better Life of Hill Tribe Farmers<br/>Siam Makro Public Co., Ltd.</p>  |  <p>41. Reduction of Plastic Waste for Sustainable Environment<br/>C.P. Vietnam Corporation</p>                 |  <p>51. Establishing Cultivation Standards to Guarantee Product Supply for the People<br/>C.P. Lotus Corporation (Lotus South)</p>  |
|  <p>32. MaxWin Cares For All<br/>Perfect Companion Group Co., Ltd.</p>   |  <p>42. ESR Spirit<br/>C.P. Vietnam Corporation</p>   |  <p>52. Providing Education for Parents and Children<br/>C.P. Lotus Corporation (Lotus South)</p>   |
|  <p>33. Elimination of Waste<br/>C.P. Land Public Co., Ltd.</p>  |  <p>43. Sufficiency Nutrition<br/>C.P. Vietnam Corporation</p>  |  <p>53. Providing Access to Quality Education for Children in Dandelion Middle School Development Services of Industrialization and Urbanization</p>                              |
|  <p>34. Safe Nature in Mae Chaem District, (Mae Pan-San Kieng Model)<br/>Charoen Pokphand Produce Co., Ltd.</p>                      |  <p>44. Reforestation for Sustainable Environment<br/>C.P. Vietnam Corporation</p>                              |  <p>54. "Accelerating" Poverty Alleviation for the People<br/>Laibin Zhengda Modern Agriculture Co., Ltd.</p> |
|  <p>35. Promotion of Spotted Scat Conservation and Fisheries<br/>Charoen Pokphand Group Co., Ltd.</p>                                |  <p>45. Give Blood Give Life<br/>C.P. Laos Co., Ltd.</p>  |  <p>55. Career Building Training for Farmers<br/>Zhengda Agricultural Technology (Zhejiang) Co., Ltd.</p>   |
|  <p>36. Restoration of Marine Habitats for Local Fishing Communities with Artificial Coral<br/>Charoen Pokphand Group Co., Ltd.</p> |  <p>46. Clean Toilets for Students Project<br/>C.P. Cambodia Co., Ltd.</p>                                     |  <p>56. Share Love and Kindness with C.P. Qinhuangdao Employees<br/>Qinhuangdao Zhengda</p>  |
|  <p>37. Sob Khun Model<br/>Charoen Pokphand Group Co., Ltd.</p>  |  <p>47. Raising Catfish for Lunch<br/>CPF Philippines Corporation</p>   |  <p>57. C.P.'s Love, China's Dream, C.P. Xinjiang<br/>Chia Tai Food Product (Shanghai) Co., Ltd.</p>  |
|  <p>38. Coffee...Changing Lives for Wang Basin Protectors, Lampang Province<br/>Charoen Pokphand Group Co., Ltd.</p>               |  <p>48. Increase the Fisher Women Income by Solar Dryer Tunnel<br/>Charoen Pokphand Foods India Pvt. Ltd.</p> |  <p>58. "Four-in-one" in Egg Business, C.P. Beijing<br/>Beijing Zhengda Industry</p>                              |
|  <p>39. Organic Fertilizers, Changing Farmers' Way of Life, Phayao Province<br/>Charoen Pokphand Group Co., Ltd.</p>               |  <p>49. Bellisio Foods Health Center<br/>Bellisio Foods Incorporated</p>                                      |  <p>59. Care for Employees in Swine Business, Jiangsu Area<br/>Shandong &amp; Jiangsu Area</p>  |
|  <p>40. Circular Fish Trap Community Innovation<br/>Charoen Pokphand Group Co., Ltd.</p>   |  <p>50. C.P. University to Train Quality Personnel<br/>C.P. Lotus Corporation (Lotus South)</p>               |  |

# SUSTAINABILITY MANAGEMENT

With a vision to be a leading tech and innovative conglomerate, providing food for body and mind that creates shared value and brings health and well-being for all, Charoen Pokphand Group has always placed an emphasis on operating our business in parallel with sustainability development. In addition to the continuous integration of sustainability into the business operation, operational strategies and guidelines born out of such integration will underpin our future development to enable sustainable growth and to further deliver values to the country, the people, and the organization.

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## Sustainability Management

- [Summary of Performance against 2020 Sustainability Goals](#)
- [Our Look Back and Way Forward](#)
- [CPG's 2030 Sustainability Framework and Goals](#)
- [Sustainability Governance](#)
- [About this Report](#)
- [Communication Channels](#)

## Summary of Performance against 2020 Sustainability Goals

Charoen Pokphand Group was able to achieve the 2020 Sustainability Goals in 11 out of 12 issues for the businesses in Thailand. Only the issue on Climate Change Management falls slightly short of the target. C.P. Group was able to reduce Greenhouse gas intensity per unit of revenue by 8.5% from the 10% target. As a result, C.P. Group offset carbon emissions by purchasing carbon credits from the Thailand Voluntary Emission Reduction Program (T-VER) in order to reach the Group's 2020 Sustainability Goals.

	2017	2018	2019	2020	
<b>Heart : Living Right</b>	<b>Corporate Governance</b>	100%	100%	100%	100%
	<b>Human Rights and Labor Practices</b>	77%	97%	100%	100%
	<b>Leadership and Human Capital Development</b>	N/A	62%	75%	100%
	<b>Education</b>	59%	78%	100%	100%
<b>Health : Living Well</b>	<b>Social Impact</b>	100%	100%	100%	100%
	<b>Health and Well-being</b>	100%	97%	100%	100%
	<b>Stakeholder Engagement</b>	100%	100%	100%	100%
	<b>Innovation</b>	86%	100%	100%	100%
<b>Home : Living Together</b>	<b>Climate Change Management</b>	34%	36%	75.2%	85%
	<b>Water Stewardship</b>	100%	100%	100%	100%
	<b>Ecosystem and Biodiversity Protection</b>	55%	72%	83.5%	100%
	<b>Responsible Supply Chain Management</b>	75%	89%	90.2%	100%

# Our Look Back and Way Forward

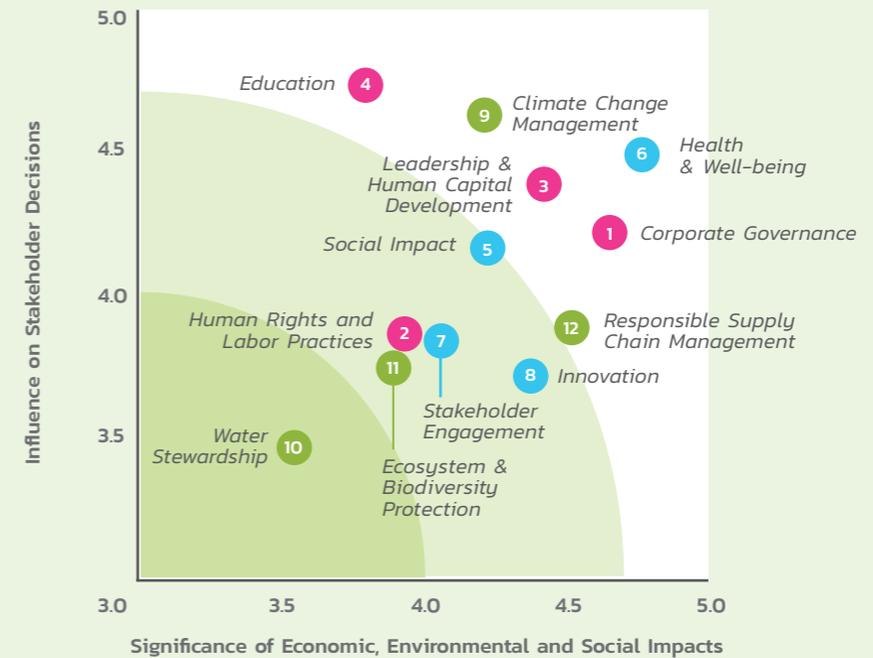
For Charoen Pokphand Group, sustainability is the chain that links all issues together. This linkage continually creates stability and growth in various dimensions, including environmental abundance, social well-being, and efficient business operations. For the past decades, the Group has integrated sustainability into our business by, preventing and reducing impacts from the operations, products, and services within the scope of the company’s activities and throughout the supply chain. Such integration is aimed to create long-term values for stakeholders.

The Group is fully aware that in order for our sustainability operations to be meaningful and create positive impacts for our stakeholders, we must focus on issues that are of importance and of interest to them. We also need to evaluate the significance and potential impacts of these issues on our own business. Accordingly, material sustainability issues are annually reviewed. Materiality review and assessment are conducted based on the guidelines of the Global Report Initiative (GRI) Sustainability Reporting Standards as follows:



In 2020, the responsible committees and executives reviewed the materiality of internal and external issues together with business risks and opportunities. It turned out that all 12 material issues and their priority ranking, which were assigned in 2019, remained important to our stakeholders; corresponded to the global trends; and were noteworthy to the Group’s business operation.

## Materiality Assessment Result in 2019-2020



**Heart : Living Right**

- Employees and families
- Business partners
- Government
- Shareholders, investors and creditors
- Non-governmental organizations
- Media
- Competitors

**Health : Living Well**

- Customers and consumers
- Farmers
- Business partners
- Communities and societies
- Government
- Shareholders, investors, and creditors
- Non-governmental organizations
- Media

**Home : Living Together**

- Customers and consumers
- Farmers
- Business partners
- Communities and societies
- Non-governmental organizations

## Our Ways Forward

At the end of 2020, Charoen Pokphand Group has reached the target year of the 2020 Sustainability Goals (Thailand). We took pride in a large number of achievements of our Goals. The notable examples included the disclosure of corporate governance performances by all business groups, the assessment of key human rights issues by all business groups in Thailand, trainings on sustainability for leaders and employees throughout the organization, access to education provided for more than 4,500,000 people, promotion of jobs and welfare 850,000 farmers, small entrepreneurs, and vulnerable groups, 37% increase in the proportion of nutritious and healthy products, the establishment of a stakeholder engagement process in all business groups, an increase of 7.9 billion THB in the value of product innovation, 39% reduction of water use per unit of revenue against the 10% goal, traceability and responsible sourcing and

sustainability assessment of 100% of our key suppliers. Nevertheless, climate change management did not reach the goal at first. To make up for it, the Group offset carbon emissions by purchasing carbon credits from the Thailand Voluntary Emission Reduction Program (T-VER) and finally met the 2020 Sustainability Goals.

Our successes and pride above are only the beginning of our efforts to create of long-term values for our stakeholders. Hence, in 2020, C.P. Group developed an integrated materiality assessment process that is more comprehensive and interrelated than before. The materiality assessment results in 2021 will be used for establishing the Group's 2030 Sustainability Strategy in our pursuit to become a global leader in corporate sustainability.

*"We must set challenging goals and indicators, which should in any case lie within the boundaries of our capacity. Maintaining such balance will allow us to enjoy contributing to others and to well prepare ourselves for driving real changes."*

**Suphachai Chearavanont**  
Chief Executive Officer,  
Charoen Pokphand Group



## Integrated Materiality Assessment Process

### In-depth Analysis

Analyze market and industrial trends relating to the Group's business, including the Group's sustainability directions at the national and global levels. Conduct broad risk analysis with executives and relevant departments from 14 business groups.

### Stakeholder Engagement

Consult and survey stakeholder opinions across the value chain to identify in-depth information concerning sustainability issues which are most important for stakeholders.

More detail available on pages 146-159

### Identification of Sustainability Issues

Analyze in-depth information and create stakeholder engagement. Out of over 200 sustainability issues that have been identified, the Group has selected only 29 issues based on the global sustainability assessment frameworks and the directions of businesses in the same industry.

### Assessment of Potential Impacts

Evaluate potential impacts along the value chain by assessing each selected issue for economic, social, and environmental impacts that may occur during each production stage all the way to consumption by customers or consumers.

### Improvement and Verification of Materiality Assessment Results

Report stakeholders' assessment results to the management for valuation and prioritization. Only 15 issues are regarded as the Group's material issues. They have been used in preparation for the a materiality matrix and for the Group's 2030 Sustainability Strategy.

# Development of C.P. Group 2030 Sustainability Strategy

## Input Factor      Materiality Assessment Results      C.P. Group 2030 Sustainability Strategy

- Stakeholder Opinions**
- Risk and Business Opportunities**
- Importance of Future Global Context**
- Global Sustainability Trends**
- Sustainability Framework**
- Industrial Analysis Results**
- Analysis of Industry Performances**

### Industry Focused

The assessment of key material issues based on factors relating to the Group and other companies in the same core industry.

### Internal Focused

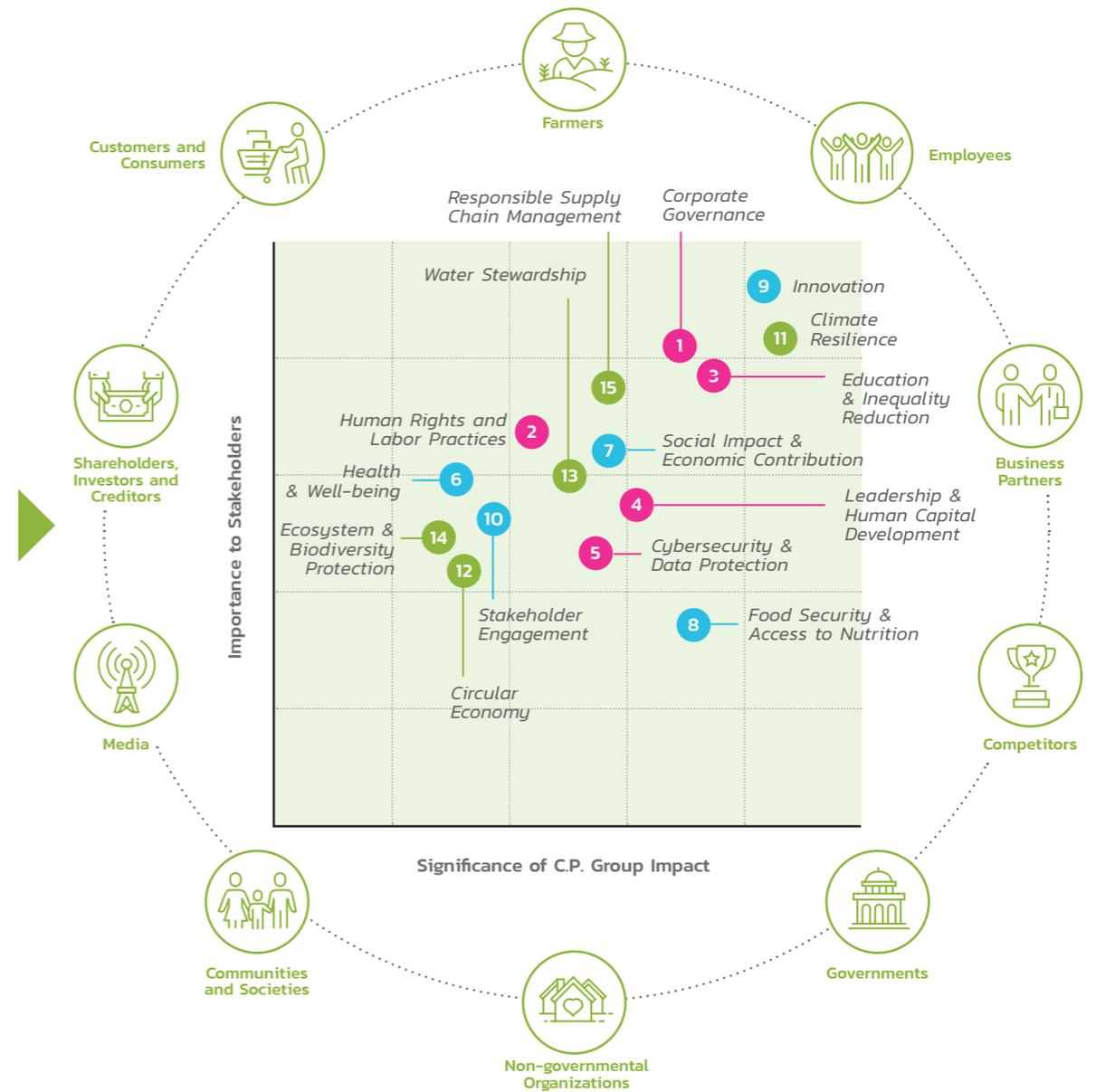
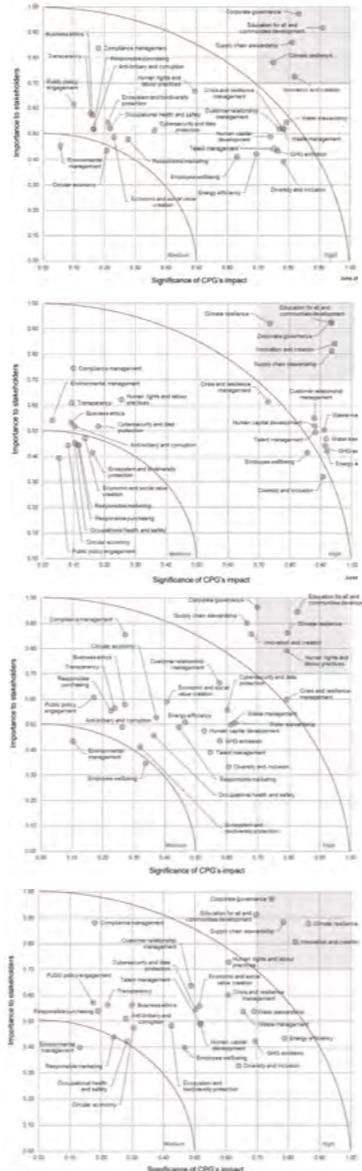
The assessment of key material issues based on fundamental factors relating to the Group's internal operations.

### External Focused

The assessment of key material issues based on issues that are of interest to external stakeholders.

### Future Focused

The assessment of key material issues based on issues that are of interest to leading organizations in the industry relating to the Group, and investor's perspectives.



# C.P. Group 2030 Sustainability Framework and Goals

Charoen Pokphand Group sets the 2030 sustainability strategies, goals, and indicators as guidelines for all business groups worldwide to set their respective targets and plans towards actions. These strategies, goals, and indicators will also be used to direct business development and operations for a period of ten years, starting from January 2021 to December 2030. They consist of 15 key sustainability material issues, 15 core goals, and sustainability indicators, they cover the issues of interest to stakeholders over the short, medium, and long term. They also respond to the direction of the Group's growth that aims to lead significant change to the country, the people, and C.P. Group in a sustainable manner.



To be a leading tech and innovative conglomerate, providing food for body and mind that creates shared value and brings health and well-being for all

## Three-Benefit Principle

Sufficiency Economy Philosophy

C.P. Excellence Management Approach

The 10 UNGC Principles 17 UN SDGs & UNGP

Regulations and Standards

### Heart : Living Right

- Corporate Governance
- Human Rights & Labor Practices
- Education & Inequality Reduction
- Leadership & Human Capital Development
- Cybersecurity & Data Protection

### Health : Living Well

- Health & Well-being
- Social Impact & Economic Contribution
- Food Security & Access to Nutrition
- Innovation
- Stakeholder Engagement

### Home : Living Together

- Climate Resilience
- Circular Economy
- Water Stewardship
- Ecosystem & Biodiversity Protection
- Responsible Supply Chain Management

Enabled by Partnership, Capability, and Culture of Sustainability

## Heart : Living Right

- Corporate Governance** 100% of businesses implement a corporate governance impact scoring assessment
- Human Rights & Labor Practices** 100% of businesses periodically conduct human rights impact assessment in high-risk own operations and tier 1 suppliers
- Education & Inequality Reduction** 50 million people supported through education, lifelong learning, and upskilling
- Leadership & Human Capital Development** 100% employees engaged in learning and initiatives
- Cybersecurity & Data Protection** 100% of businesses certified on international standards of data security and data privacy

## Health : Living Well

- Health & Well-being** 70% of total sales volume of B2B and B2C products and services promote health and/or well-being
- Social Impact & Economic Contribution** 5 million jobs supported to generate incomes for people in need e.g. small-holder farmers, SME and vulnerable groups along our supply chain
- Food Security & Access to Nutrition** 10 million children and people in need gain access to safe and nutritious food
- Innovation** 7,500 patents registration for innovations or inventions
- Stakeholder Engagement** 80% engagement score of multi-stakeholder perception survey

## Home : Living Together

- Climate Resilience** Net Zero carbon emissions of own operations (Scope 1 & 2)
- Circular Economy** 100% achievement of zero food waste and waste to landfill, and use of sustainable packaging
- Water Stewardship** 20% reduction in water withdrawal per unit revenue compared to baseline year 2020
- Ecosystem & Biodiversity Protection** 100% of business units having or participating in projects with a relevant international partner to establish biodiversity management and monitoring programs in their operations
- Responsible Supply Chain Management** 100% of high-risk raw materials are traceable and high-risk suppliers audited

# Sustainability Governance

Charoen Pokphand Group recognizes that operating business while committing to the principles of sustainability in conjunction with the Three-Benefit Principle will support the Group’s growth and capacity in delivering benefits to the country, the society, our employees and organization. Therefore, the Group has established Sustainability, Good Governance and Corporate Communication Operating Committee (SGC Operating Committee) to drive the sustainability management system towards tangible outcomes. The SGC Operating Committee oversees the execution of the Group’s strategy, considers the announcement of sustainability policies, and monitors progress in both Thailand and overseas. Meanwhile, both of the Sustainability, Good Governance and

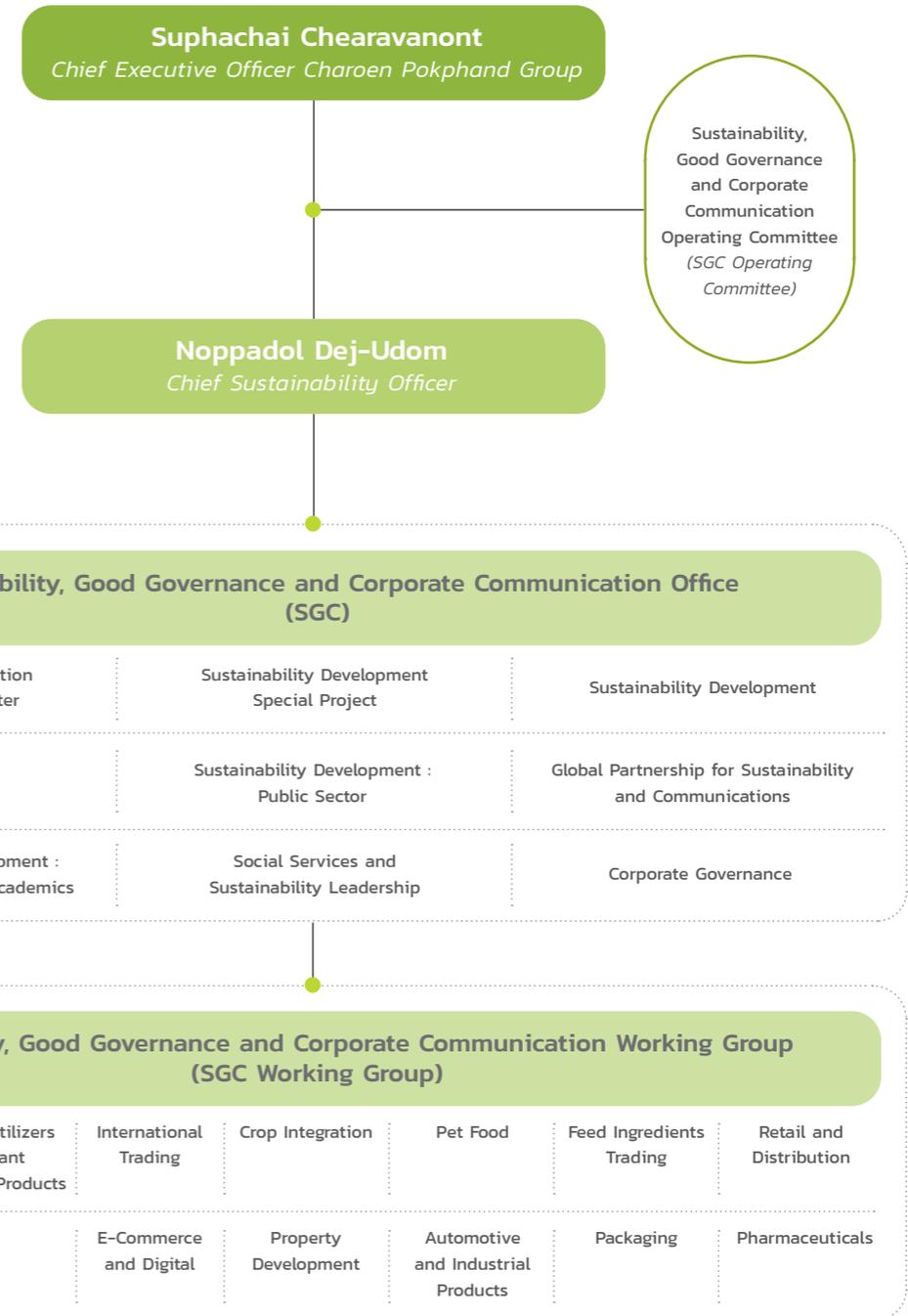
Corporate Communication Office and the Sustainability, Good Governance and Corporate Communication Working Group take lead in implementing the guidelines and directions issued by the SGC Operating Committee across the entire organization. Sustainability progress and performances in Thailand and the countries where the Group operates will be reported to C.P. Group’s Executive Board and senior executives from all business groups, which consist of over 400 members.

This sustainability governance structure ensures that sustainability principles are embedded in every business activities and decisions across 14 business groups.



*“C.P. Group’s accomplishment in sustainability management stems from our top executives’ firm belief that an integrated sustainability framework will support continual business growth.”*

**Noppadol Dej-Udom**  
 Chief Sustainability Officer  
 Sustainability, Good Governance,  
 and Corporate Communication Office  
 Charoen Pokphand Group



# About this Report

Since 2016, Charoen Pokphand Group has annually published the Group’s sustainability report. The report focuses on the Group’s sustainability strategies, management, targets, and performances that are of important to all stakeholders along the value chain, covering all three dimensions of sustainability, namely economic, social and environmental dimension.

The Sustainability Report 2020 is the fifth in its series. The scope of the report covers the overall sustainability performance of the Group companies, in 14 business groups both in Thailand and overseas, starting from 1 January – 31 December 2020. The report is based on international reporting standards and guidelines, such as:



Reporting process in accordance with the Core option of the Global Reporting Initiative (GRI) Standards



More information available on pages 246–253



Communication on Progress (CoP) on the Ten Principles of the United Nations Global Compact (UNGC) at the Advanced Level



More information available on pages 254



Reporting progress in supporting the achievement of Sustainable Development Goals (SDGs)



More information available on pages 255



Assessment of climate risks and opportunities, and scenario analysis according to the Task Force on Climate-related Financial Disclosure (TCFD)’s guidelines



More information available on pages 178–179

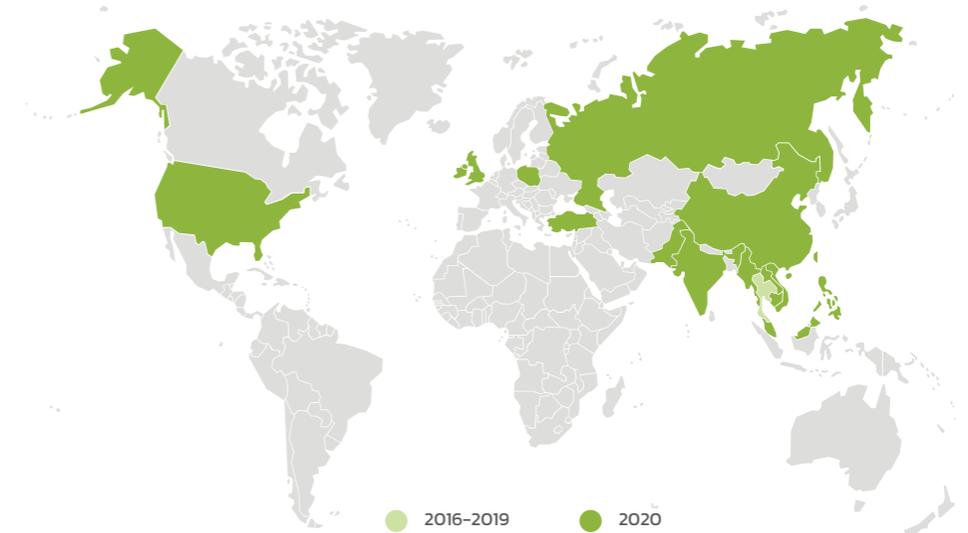
The contents of this report is approved by C.P. Group’s Sustainability, Good Governance and Corporate Communication Operating Committee (SGC Operating Committee) and top-level executives in charge of sustainability. Furthermore, the data disclosed in this report are verified by Lloyd’s Register Quality Assurance (LRQA), an independent, reliable, and internationally-recognized assurer.

The data verified for 2020 include: GRI 102-17, GRI 302-1, GRI 303-3, GRI 305-1, GRI 306-2, GRI 403-9 and GRI 403-10, which are information on the performance of companies worldwide.

## Evolution of C.P. Group Sustainability Report

Over the course of five years, each sustainability reports has been continually improved, including gradually expanding the scope to finally cover all 14 business groups in 2020, aligning with global reporting standards and guidelines which are constantly developed to meet current global situations, and expanding the scope of verification of sustainability performance conducted by external agencies from Thailand to all business groups worldwide.

## Expanded the Scope of Verification of Sustainability Performance



	GRI 102-17 (2016)	GRI 302-1 (2016)	GRI 303-1 (2016)	GRI 303-3 (2018)	GRI 305-1 (2016)	GRI 305-2 (2016)	GRI 306-2 (2016)	GRI 403-2 (2016)	GRI 403-9 (2018)	GRI 403-10 (2018)
2017			●		●	●		●		
2018		●	●		●	●	●	●		
2019		●	●		●	●	●	●		
2020	●	●		●	●	●	●		●	●

# Communication Channels

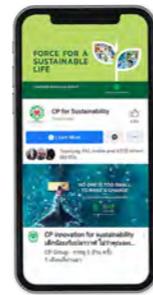
Charoen Pokphand Group attaches importance to stakeholder engagement, always open to opinions, recommendations and suggestions, in order to improve internal process efficiency and to accurately reflect stakeholders' interest. The Group has various communication channels to facilitate stakeholders in making contact with the Group.

## Website



[www.cpgroup.global.com/sustainability](http://www.cpgroup.global.com/sustainability)

## Facebook



We are CP



CP for Sustainability

## Communication Channels

This contents of this Sustainability Report contents only part of C.P. Group's commitment to sustainability. Further information on other areas of our sustainability is available via the following:

## C.P. Group Corporate Governance Report and CG Voice



C.P. Group Corporate Governance Report 2019



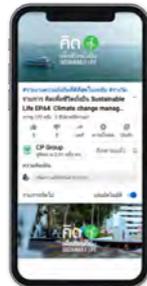
CG Voice (on Corporate Governance)

## Bua Ban Magazine



Seeds of Sustainability

## YouTube



"Sustainable Life" TV Program Series

## Office

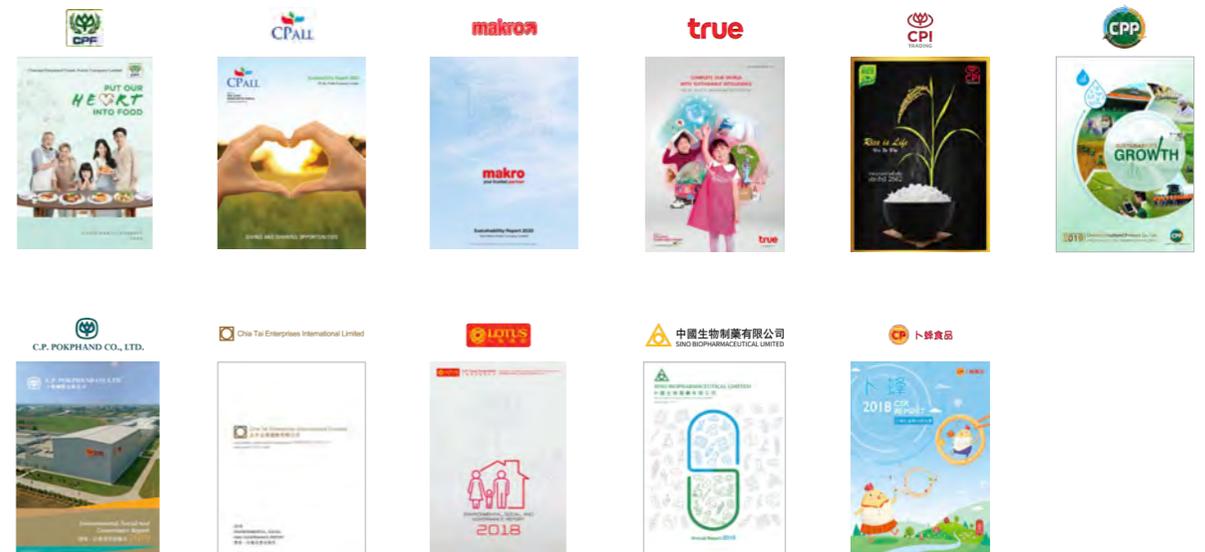
Office of Corporate Communications Affairs, C.P. Group

True Tower 23<sup>rd</sup> Floor  
18 Ratchadaphisek Road,  
Huai Khwang, Huai Khwang,  
Bangkok 10310

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[prcpgroup@cp.co.th](mailto:prcpgroup@cp.co.th)

## Sustainability Reports of Subsidiaries Charoen Pokphand Group



# HEART

LIVING RIGHT

Charoen Pokphand Group believes that a solid and efficient foundation are principal factors for long-term success. Throughout 100 years of operation, the Group always intends to build a sustainable business growth in parallel with national development and equality reduction. In doing so, the Group has been integrating several factors from different dimensions to form its business direction and strategies, such as suggestion from stakeholder groups, as well as relevant laws, regulations and guidelines. The central works that the Group has been executed to build a solid foundation included operating business ethically, respecting human rights, developing human resource capacity and developing essential education systems for all.



### Corporate Governance

- Corporate Governance
- Risk Management
- Compliance Governance
- Audit



### Human Rights and Labor Practices

- Human Rights Management
- Occupational Health & Safety Management
- Safety Management Audits
- Fleet Safety Management



### Leadership and Human Capital Development

- Human Resources Management
- Leadership Development Process through the C.P. Leadership Institute
- Strategic Attraction, Recruitment, and Recommendation of Ethical and Competent Personnel



### Education

- Connex ED Foundation
- Promoting Quality Education
- Providing Education Scholarships
- Promoting and Enhancing Education by C.P. Group



# CORPORATE GOVERNANCE

## Supporting the SDGs



### SDG 12 Responsible Consumption and Production

12.6 Encourage companies in the Group to adopt sustainable practices and to integrate sustainability information into their reporting cycle

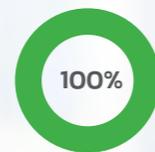
### SDG 16 Peace, Justice and Strong Institutions

- 16.5 Substantially reduce corruption and bribery in all their forms
- 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels
- 16.B Promote and enforce non-discriminatory laws and policies for sustainable development

## Our Perspective

Charoen Pokphand Group firmly believes that corporate governance is at the heart of sustainable growth. The Group places corporate governance as our core operational goal and sets a comprehensive strategy in its support. Significant functions of the strategy include Governance, Risk Management, Compliance and Audit. The implementation of the strategy has already begun in an integrated manner (Integrated GRC), and the working process has continually been improved. At the same time, we work hard to create strong corporate culture across the Group: comprising ethical business conduct, compliance and corporate governance.

## Performance (Thailand) in Comparison with 2020 Goal



All businesses within C.P. Group have disclosed their corporate governance and sustainability performance through C.P. Group Sustainability Report

## Key Plans in 2021



Adopt technology to strengthen the corporate governance system across the Group in line with global standards



Set up a Group-level online platform to ensure and monitor compliance with laws, rules and Code of Conduct, as a way to create a consistent standard across the Group



Perform risk-based audit whereby the results are analyzed and reported at Group level in an integrated manner to comply with the Integrated GRC Development Plan



Expand and enhance risk management and internal control performances of business groups, enabling self-assessment using the Risk Control Self Assessment (RCSA) system

*“Chia Tai is committed to conduct business with integrity. Therefore, strong corporate governance, risk management, and compliance in accordance with international standards will support Chia Tai to grow sustainably.”*

**Manas Chiaravanond**  
Chief Executive Officer  
Chia Tai Co., Ltd.



# Key Performances 2020



Recognized as one of 135 companies in the World's Most Ethical Companies for 2021 by Ethisphere Institute

## Corporate Governance Structure



**Very good – Excellent Results**  
Executive Board Performance Evaluation



**72 members from 14 business groups**  
Corporate Governance Network

**503 persons** Number of managers in Thailand and China that participated in risk management trainings and the Group's Ethics and Compliance Risk Assessment activities

**100%** • All business groups in Thailand and China have started implementing the Compliance Management Ecosystem Framework  
• All business groups have initiated grievance and whistleblowing processes

## Corporate Governance Processes

**100%** of C.P. Group employees worldwide recognized the Code of Conduct and passed the test.

## New Learning Formats



Online Learning



Micro E-Learning



Learning via mobile application

## 2020 Initiatives



Anti-Corruption Self-Assessment Survey



CG Voices

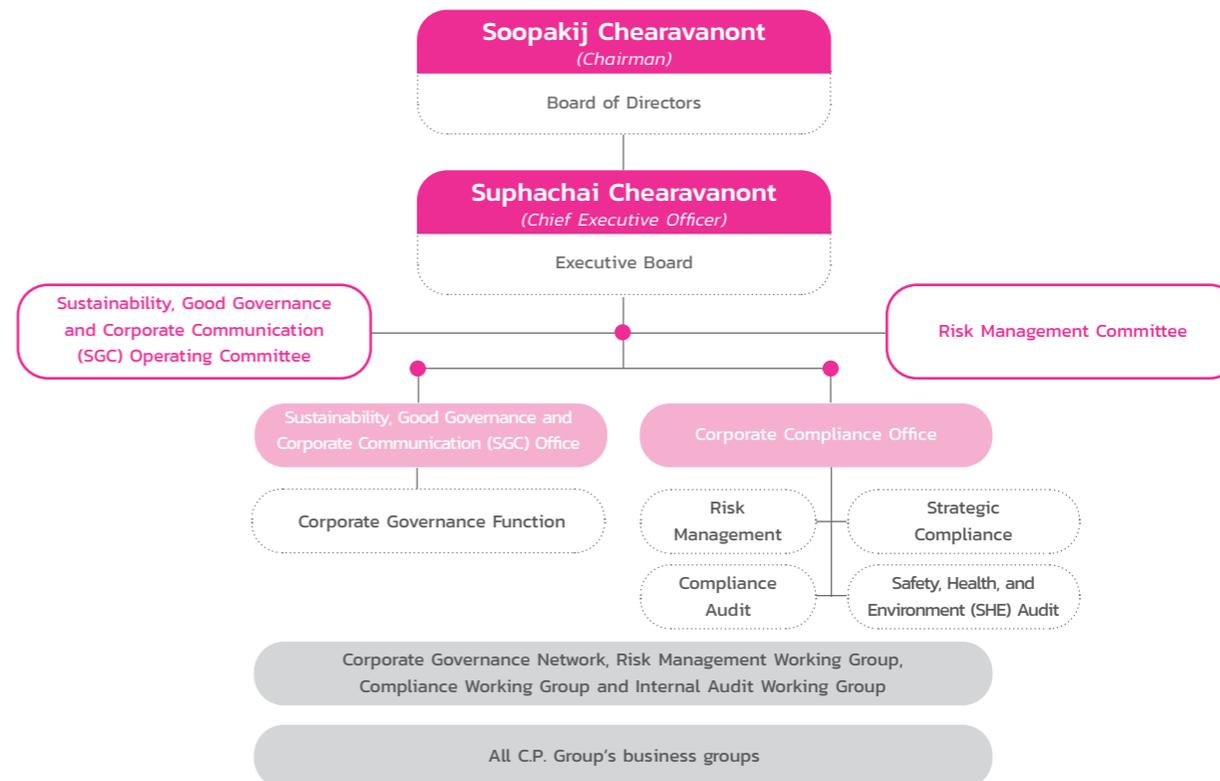


CG Dashboard



# Corporate Governance, Risk, and Compliance

Integration enhance efficiency and systematic performance



Charoen Pokphand Group is integrating corporate governance, risk management, and compliance into our business operations. All three principles have been included as the Group's Corporate Governance Goal under Sustainable Development Goals. Meanwhile, a strategy to attain each year's goals is implemented under the direct responsibility of two departments which are structured under supervision of C.P. Group's CEO. The first department is the Sustainability, Good Governance, and Corporate Communication (SGC) Office, which handles corporate governance-related issues. The second department is the Corporate Compliance Office, which manages risks, compliance with laws and regulations, and audits. The Group establishes working groups to drive concrete implementations through "networks" in collaboration with representatives from business groups. In addition,

we have received support from relevant departments including Sustainability Development of the SGC Office; the Human Resources Office; Public Relations and Public Trusts of the Office of Global Partnership for Sustainability and Communications, etc.

Such endeavours are to create uniform ethics and compliance process embedding corporate culture on ethics and demonstrate good corporate citizenship with responsibility, governance, leadership and credibility. Consequently, **Charoen Pokphand Group is recognized as one of 135 companies in the World's Most Ethical Companies for 2021 by Ethisphere Institute**, a global leader in defining and advancing the standards of ethical business practices.



# Corporate Governance

Enhancing competitiveness, creating value for stakeholders, and enabling sustainable growth

## Commitment

Charoen Pokphand Group is committed to ethical business practices in accordance with our longstanding values which we have adhered to since the beginning of our operation. We also uphold the good corporate governance principle as the heart of our business conduct. We strive to implement uniform policies and practices on corporate governance to create values for all stakeholders and enable sustainable growth.

## Challenges

Our past efforts to implement a corporate governance framework at the Group level focused on the establishment of uniform policies and practices for our affiliates. However, as C.P. Group is a large conglomerate with businesses in various countries, such efforts must be carried out in a systematic manner and require the participation of all business groups.

Furthermore, the COVID-19 pandemic in 2020 has forced the Group to adapt its plans in order to achieve the goals.

## Developing Corporate Governance Structure

In 2020, C.P. Group conducts the annual performance evaluation of its Executive Board in four areas, namely structure & qualifications, roles & responsibilities, meetings, and self development. **The evaluation result places The Executive Board's performance in the Very Good to Excellent range.**

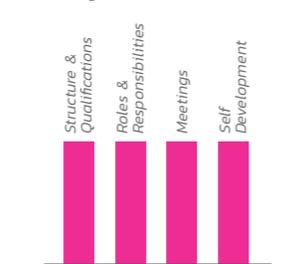
Furthermore, in 2020, 72 members of the Corporate Governance network were assigned from 14 business units. Such support from the business units enables efficient communications and working relationship within C.P. Group on this issue. It also facilitates regular monitoring of progress.

## Performance in 2020

C.P. Group's corporate governance mechanism consists of developing the corporate governance system to align with international standards, while placing emphasis on **creating a corporate governance structure and a systematic process.** The work also includes policy implementation, communication and engagement, monitoring and reporting, and disclosure of performances.



**Overall evaluation is**  
Very Good – Excellent



Criteria for Executive Board Performance Evaluation



**72** members from **14** business groups

Corporate Governance Network

## Developing Systematic Corporate Governance Process

In 2020, The Group focused on encouraging the business groups to adopt Charoen Pokphand Group's corporate governance policies and practices. In doing so, the Group communicates and monitors performances through the Corporate Governance network, which meets a monthly. Technology has been applied to adjust learning formats and progress monitoring in order to reach more employees, monitor performances continuously, and executed the established plans despite the COVID-19 outbreak. The following highlights of corporate governance work in 2020 include activities in continuation from the previous year as well as newly initiated activities:

### Code of Conduct

C.P. Group strives to build a corporate culture in ethical and moral business practices. Accordingly, we aim for employees worldwide to be educated and pass the test on the Code of Conduct. In order to help businesses form appropriate working plans to attain such goal. The Group strategically communicates the Code of Conduct to businesses through the Corporate Governance network and organizes frequent training activities to train and track performances. In 2020, **all C.P. Group employees worldwide learned and passed the test on the Code of Conduct.**



### Anti-Corruption

In 2020, C.P. Group and its companies participated in the National Anti-Corruption Day Activity hosted by the Anti-Corruption Organization of Thailand in collaboration with partners from the government sector, the private sector, the civic sector, and the media under the theme "Power of Data" It was meant to announce commitment to transparent business operations against all forms of corruption.

Furthermore, the Group has required all non-listed companies to conduct **Self-Assessment on Anti-Corruption Policies and Practices** using the assessment form prepared by the Group's Corporate Governance Function which has been developed based on the guidelines of the Thailand's Private Sector Collective Action Coalition Against Corruption. The Group aims that its companies will adopt the assessment results to further develops a systematic anti-corruption practice.

### Learning and Development

C.P. Group is well aware that a strong corporate culture cannot be achieved without continual development. In order to share new knowledge more broadly and continuously, the Group has adopted technology to support and increase access to learning from anywhere through platforms such as Micro E-Learning, mobile applications, online training, etc. Despite the COVID-19 outbreak, the Group continued to conduct trainings according to established plans.

In 2020, the Group aimed to promote training on issues that are global agendas and are of interest to stakeholders, such as:

- Human rights and labor practices
- Protection of personal information
- Cyber security

Furthermore, the Group also developed new methods for communicating information, operations and new trends in corporate governance, to employees through the **CG Voices**, an electronic corporate governance magazine available in Thai, English, and Chinese. At the same time, the Group conducted the Employee Awareness Survey and use the result to further improve corporate governance-related operations. Meanwhile, corporate governance monitoring and reporting throughout 2020 were carried out consistently and rapidly using the newly developed **CG Dashboard**.





# Risk Management

Creating business stability and reducing adverse impacts

## Commitment

Enhance the effectiveness of risk management to create business stability using the Integrated Governance, Risk Management and Compliance (Integrated GRC) concept.

## Challenges

New risks have emerged in various dimensions. These emerging risks, such as the COVID-19 pandemic, the New Normal, and cybercrime, should be properly studied and managed.

## 2020 Performances

Risk management is an integral to corporate governance, which is a key issue for Charoen Pokphand Group. We have established a **Group-Level Risk Management Committee** since 2017, which meets on a quarterly basis to supervise operations according to the Group's risk management policy and develop risk management practices to effectively handle incidents that may adversely affect our business. This policy and practices help and strengthen business stability.

## C.P. Group's Top 3 Key Risks in 2020

Ranking	Key Risks	Mitigation Measures in 2020	Trend
1	Pandemic (Human to Human)	<ul style="list-style-type: none"> <li>Regularly educating and communicating to all employees for self-projection</li> <li>Providing necessary protective equipments</li> <li>Telecommuting and social distancing</li> <li>Digitalization of operations</li> </ul>	↑↑
2	Cyber Risks	<ul style="list-style-type: none"> <li>Security Operating Center (SOC)</li> <li>Raise management standards to meet international criteria (ISO27001, NIST)</li> <li>Revise Information Management Policy</li> </ul>	↑↑
3	Food Safety and Product Responsibility	<ul style="list-style-type: none"> <li>Focus on traceability and supply chain management processes that are consistent with global standards</li> </ul>	〇〇

Risk level increases significantly     
 Risk level remains unchanged

## Risk Management Training

For Group Companies to carry out risk management in line with the Group's policies, the Corporate Compliance Office (CCO) held **training courses on Risk Management and activities on Ethics and Compliance Risk Assessment**, in which 503 managers from Thailand and China participated in 2020.

## Development of the Pilot iGRC Project

Charoen Pokphand Group has developed integrated Governance, Risk and Compliance Management (iGRC) **Pilot iGRC Project** sessions on the pilot project have been organized so that the Group Companies can use it as a model for cascading and implementation.





# Compliance Governance

Promoting standards, Good ethical and practices, building credibility and trust, and gaining global recognition

## Commitment

Charoen Pokphand Group is committed to managing and conducting our business in accordance with laws, regulations, internal and external rules, and the Group's Code of Conduct and Policies. Such commitment will contribute to the goals, build credibility and trust among stakeholders, and gaining recognition at the global level.

## Challenges

C.P. Group is subject to various laws and regulations in our operations across 21 countries and 21 countries and economies. We also employ more than 350,000 employees with multiple languages. These present corporate governance challenges in ensuring compliance with relevant laws and regulations.

Additionally, due to the COVID-19 pandemic in 2020, the compliance processes were adjusted to enable continuous and efficient operations.

## 2020 Performances

C.P. Group has streamlined compliance by establishing the Compliance Management Ecosystem Framework as a benchmark for our companies. In 2020, a **global seminar of compliance network** was held to communicate and create understanding on the Framework, and to facilitate its implementation within each business group. Other highlight performances include the following.



## CORPORATE GOVERNANCE

# Improving Processes to Meet International Standards

In order to gain global recognition and credibility for the Group's compliance performances from global stakeholders, C.P. Group has developed compliance processes based on international standards.



Develop a **training and communication program** based on data from the Ethical and Compliance Risk Assessment and the Employee Compliance Survey



**HR Due care and enforcement**  
Integrating ethical or regulatory violations with performance appraisals or promotions in the Group-wide Personnel Management Manual



Prepare **online Compliance Maturity Self Assessment** to enable business groups to self-assess and effectively improve relevant processes

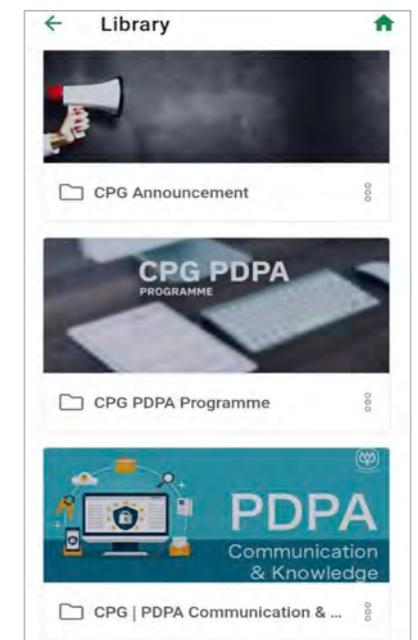


**Report major non-compliance** and present the results to the Group's Executive Board.

# Personal Data Protection Act Project

Effective enforcement of the Personal Data Protection Act (PDPA) as an emerging risk that needs to be addressed. In order to effectively comply with the Personal Data Protection Act, the Group launched the PDPA Project in 2020 with collaboration from the Corporate Compliance Working Group. Highlights of performances include the following.

- **Organizing seminars and workshops** for the business groups in Thailand which have been expanded to the companies in all business groups
- **Hiring experienced consultants on PDPA** to plan and enable C.P. Group to comply with the Act, which will be fully enforced on 1 June 2022.



# Grievances and Whistleblowing

Charoen Pokphand Group set policies and practices relating to whistleblowing, providing channels for whistleblowing and grievances, and developing a process to receive and manage grievances from all stakeholder groups. We have defined an investigative procedure and appointed a team in charge of investigating, monitoring and resolving grievances. Additionally, we ensure that the rights of the whistleblowers and related parties are protected without harassment, using an information management technology to control access to such information, which is reviewed annually. A summary report is also prepared for the management and relevant parties to acknowledge and undertake corrective actions.

In 2020, the Group held a **seminar on the development of whistleblowing and grievance systems** to raise awareness and encourage implementation among the business group in Thailand and China. This seminar contributes to shaping whistleblowing and grievance standards across the board towards a common direction, with plans for worldwide expansion.

Furthermore, a grievance and whistleblowing network has facilitated the Group's establishment of an investigative team comprising representatives from Thailand and China to conduct **online investigations of grievances during COVID-19 crisis**, allowing both sides to learn about each other's operations.



## C.P. Group Whistle Blowing Dashboard 2017-2020

### Total concern report

**235 cases**

### Action taken by

**52**

Corporate Compliance Office

**182**

BG Agencies

### We are currently working on

**1 case**

### People used internet to file complains

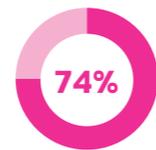
**89%**

Email 18%  
Website 71%

### The main reported category are

**111 case**

Products 45 cases  
Services 66 cases

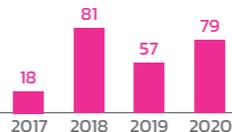


of reported case were closed within 30 days

### Most reports came from

Thailand **215 cases**

### Reported Trends



### Top 5 category (exclude products & services) reported case are

Conflict of interest	26
Environment	24
Labour	24
Fair treatment	21
Inquiry	9

### Our most concerned stakeholders are

Customers	122
Employees	45
Communities and Societies	44
Business Partners	24



# Audit

Building confidence in business transparency and standards

## Commitment

Charoen Pokphand Group strives to develop a systematic audit process that allows improvements for efficient operations and facilitates the achievement of the goals. We try our utmost to build confidence and assure all stakeholders of the Group business transparency and standards.

## Challenges

Developing an audit system that can efficiently respond to business risks in today's rapidly changing world is a key challenge for the Group's Audit Function.

Furthermore, investments in diverse businesses both in Thailand and abroad have presented the Group with a variety of audit context. These challenges the calls for extra efforts to ensure the most efficient and effective audits.

## 2020 Performances

Charoen Pokphand Group places emphasis on a systematic and preventive audit process to guarantee sustainable business operations. In 2020, the Corporate Compliance Office performed the following key audits:

## Code of Conduct Compliance Audit and Assessment

Charoen Pokphand Group has communicated and conducted tests on the Group's Code of Conduct to ensure full and correct compliance. In 2020, the Group focused on the Code of Conduct Compliance Audit and Assessment of non-listed businesses in Thailand, using an audit and assessment approach in accordance with the Compliance Management Framework. The results of the group's efficiency and effectiveness in complying with the Code of Conduct have been reported to the Executive Board, the senior management, and the relevant parties. These results can also be used to further improve operations.

## Occupational Health, Safety, and Environmental Audit

As occupational health, safety, and environment are linked to sustainable business operations, C.P. Group conducted the Occupational Health, Safety, and Environmental audit of our business groups in Thailand once again in 2020. The audit results are presented under the topic of "Safety Audit" in this Sustainability Report.

# HUMAN RIGHTS AND LABOR PRACTICES



## Supporting the SDGs



### SDG 3 Good Health and Well-being

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

### SDG 5 Gender Equality

5.1 End all forms of discrimination against all women and girls everywhere

### SDG 8 Decent Work and Economic Growth

- 8.5 Achieve full and productive employment and decent work for all women and men, and equal pay for work of equal value
- 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour
- 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers

### SDG 10 Reduced Inequalities

- 10.3 Ensure equal opportunity and reduce inequalities of outcome
- 10.7 Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies

## Our Perspective

Since its adoption in 2011, the United Nations Guiding Principles on Business and Human Rights (UNGP) have supported the business' respect for human rights worldwide. For almost ten years, while the UNGP has led corporate efforts to effectively address human rights challenges, human rights remain both business and social risks. With our diversified businesses involving a wide range of stakeholders, C.P. Group is well aware of such risks and has spared no efforts to always raising the standards in our operations and of both our suppliers and partners. The Group ensures our respect for human rights by, among others, promoting equality and fair labor practices, eliminating all forms of discrimination, managing occupational health and safety in all of our business units.

## Performance (Thailand) In Comparison With 2020 Goal



of businesses within C.P. Group conducted human rights due diligence processes.

*"We believe that "people" are the driving force of the organization. Therefore, True Corporation attaches utmost importance to our employees. We provide opportunities for diverse groups of people without discrimination, promote acceptance of differences, and build capacity equally for all our employees with such diversity."*

**Mr. Natwut Amornvivat**  
President (Co)  
True Corporation  
Public Company Limited



## Key Plans in 2021

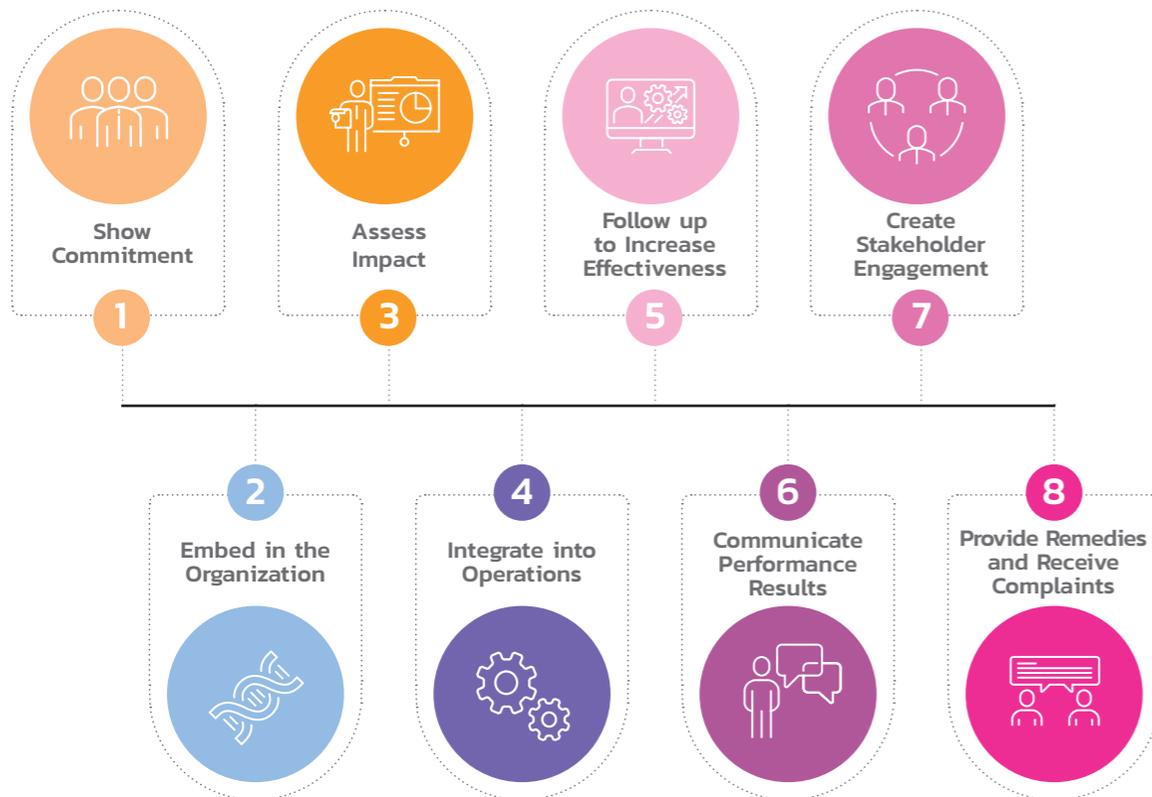
-  Expand the scope of human rights impact assessment to the global scale
-  Conduct C.P. Group's first Human Rights Report
-  Create a digital platform to develop E-logistic
-  Review the Integrated SHE Management Standard

# Human Rights Management and Performance

Charoen Pokphand Group realizes that conducting business without comprehensive consideration of human rights impact can have significant negative effects on the Group in terms of loss of stakeholder confidence; violation of relevant regulations; and loss of current and future business opportunities. Therefore, to prevent negative impacts and create opportunity for sustainable growth, C.P. Group has based our human rights management on the UN Guiding Principles on Business and Human Rights (UNGPs). The guideline covers the processes of policy making, formulation of operational procedure; human rights due diligence and mitigation of human rights impact.

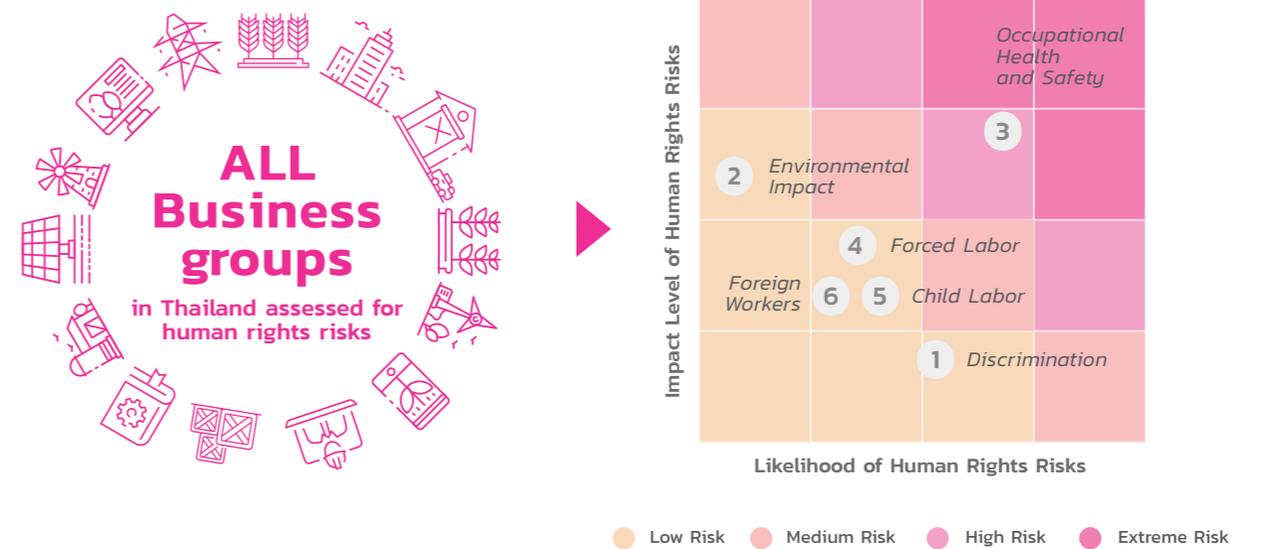
Furthermore, C.P. Group has communicated and requested all Group companies and suppliers to adopt this human rights management guideline in an effort to set the same standard across the board and to assure all stakeholders that no human rights violation will take place throughout our entire supply chain of our business operations. The Group also emphasizes on building awareness and understanding of human rights for all levels of executives and employees. In addition to setting operating standards for our current businesses, the human rights due diligence process has also been incorporated into the Group’s merger and acquisition process.

## Human Rights Due Diligence Process



## Human Rights Risk Assessment

Charoen Pokphand Group has conducted human rights risk assessment in all our business groups in Thailand. Each business group is expected to carry out such assessment every three years according to the human rights risk assessment principles of the UNGPs. After compiling the assessment results of each business group, the Group’s high-risk human rights issues in 2020 have been identified. Details on other human rights issues are available at: [www.cpgroupglobal.com/heart/SD\\_Human-Rights-and-Labor-Practice](http://www.cpgroupglobal.com/heart/SD_Human-Rights-and-Labor-Practice)



“Children are the inheritors of a future defined by our choices today, and ultimate stakeholders of all decision - social, economic and environmental issues - that move us closer to or further from the Sustainable Development Goals (SDGs)... While there has been tremendous progress for children in Thailand, recent worrying trends in areas such as early childhood development, nutrition, and youth employability - exacerbated by the impacts of COVID-19 - tell us there is much more work to be done. UNICEF calls upon C.P. Group and other firms to continuously strengthen efforts to address ongoing and emerging issues facing children, utilizing the CRBP and other guiding frameworks. We look forward to building upon our collaboration to help advance children’s rights and strive for the SDGs.”



**Mr. Eric Arndt**  
Partnerships Manager  
UNICEF Thailand Country Office

# Human Rights Risk Management Measures

Charoen Pokphand Group formulates our human rights risk management measures in accordance with the Group’s policy and guidelines on Code of Conduct, Sustainability, Supply Chain Management, Human Rights and Labor Practices, Safety, Occupational Health and Workplace, and the Foreign Workers Recruitment. Measures for high-risk human rights issues include:

## Discrimination

Supports SDGs	Impacted Group(s)	No. of Business Groups with Implementation	Approach	Results
	<ul style="list-style-type: none"> <li>Employees</li> </ul>	<ul style="list-style-type: none"> <li>Thailand (13 business groups)</li> <li>Vietnam (1 CPF)</li> </ul>	<ul style="list-style-type: none"> <li>Code of Conduct</li> <li>Young leader development program</li> <li>Employment of persons with disabilities</li> </ul>	<ul style="list-style-type: none"> <li>Trained and tested the knowledge of 216,512 employees</li> <li>Employed 2,202 persons with disabilities : 1,805 in Thailand and 397 overseas</li> </ul>

## Environmental Impact

Supports SDGs	Impacted Group(s)	No. of Business Groups with Implementation	Approach	Results
	<ul style="list-style-type: none"> <li>Local communities</li> </ul>	<ul style="list-style-type: none"> <li>Thailand (13 business groups)</li> <li>Vietnam (1 CPF)</li> </ul>	<ul style="list-style-type: none"> <li>Oversee environmental management systems</li> <li>Promote environmental projects, such as community water resources management</li> </ul>	<ul style="list-style-type: none"> <li>Over 5,000 households gained access to water resources</li> <li>No environment-related grievances</li> </ul>

## Child Labor

Supports SDGs	Impacted Group(s)	No. of Business Groups with Implementation	Approach	Results
	<ul style="list-style-type: none"> <li>Contractors</li> <li>Suppliers</li> <li>Farmers</li> <li>Workers</li> </ul>	<ul style="list-style-type: none"> <li>Thailand (13 business groups)</li> <li>Vietnam (1 CPF)</li> </ul>	<ul style="list-style-type: none"> <li>Trainings to educate and support suppliers on sustainability and encourage a no child labor policy</li> </ul>	<ul style="list-style-type: none"> <li>No child labor in the supplier assessment</li> <li>No grievances related to child labor</li> </ul>

## Occupational Health and Safety

Supports SDGs	Impacted Group(s)	No. of Business Groups with Implementation	Approach	Results
	<ul style="list-style-type: none"> <li>Employees</li> <li>Contractors</li> <li>Suppliers</li> <li>Farmers</li> <li>Workers</li> </ul>	<ul style="list-style-type: none"> <li>Thailand (13 business groups)</li> <li>China (all business groups)</li> <li>ASEAN countries (all business groups)</li> <li>Other countries (all business groups)</li> </ul>	<ul style="list-style-type: none"> <li>Conduct safety assessment</li> <li>Safe operating standards in high-risk works, such as confined spaces, working at height, etc.</li> <li>Fleet Safety Management</li> </ul>	<ul style="list-style-type: none"> <li>Reduced risk from danger in work site</li> <li>Lower rates in work-related fatalities, injuries and illnesses</li> <li>Lower accident rates in transportation and logistics</li> </ul>

## Forced Labor

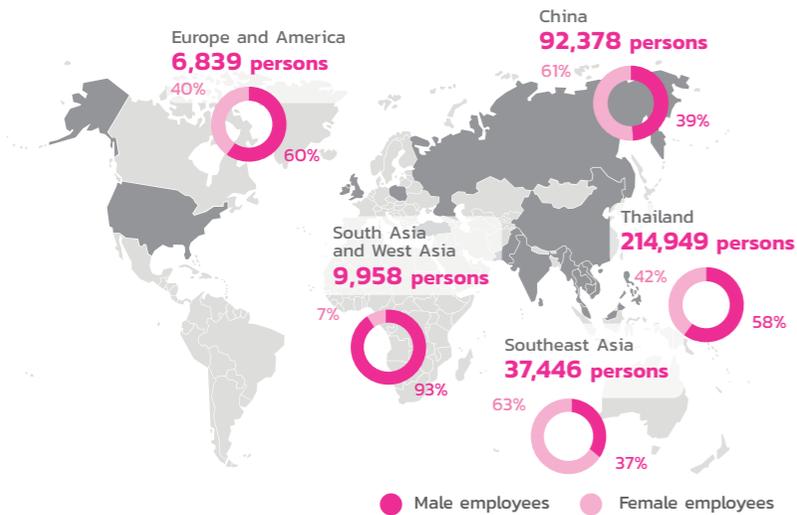
Supports SDGs	Impacted Group(s)	No. of Business Groups with Implementation	Approach	Results
	<ul style="list-style-type: none"> <li>Employees</li> <li>Contractors</li> <li>Suppliers</li> <li>Farmers</li> <li>Workers</li> </ul>	<ul style="list-style-type: none"> <li>Thailand (13 business groups)</li> <li>Vietnam (1 CPF)</li> </ul>	<ul style="list-style-type: none"> <li>Collaborate with NGOs to study and resolve the issue</li> <li>Conduct random reviews of employment agencies in Myanmar</li> </ul>	<ul style="list-style-type: none"> <li>Found no forced labor in the supplier assessment</li> <li>No grievances related to forced labor</li> </ul>

## Foreign Workers

Supports SDGs	Impacted Group(s)	No. of Business Groups with Implementation	Approach	Results
	<ul style="list-style-type: none"> <li>Contractors</li> <li>Workers</li> </ul>	<ul style="list-style-type: none"> <li>Thailand (13 business groups)</li> </ul>	<ul style="list-style-type: none"> <li>Review and announce the Foreign Workers Recruitment Policy and Guidelines and the Foreign Workers Recruitment Expenses Guidelines</li> <li>Promote and protect the welfare of life of foreign workers</li> </ul>	<ul style="list-style-type: none"> <li>Found no illegal foreign workers in the supplier assessment</li> <li>No grievances related to foreign workers</li> </ul>

# Human Resources Management Dashboard

## Number of employees by gender and region in 2020



## Empowerment of Female Employees in 2020

**36.90%**

Proportion of female employees in all management positions

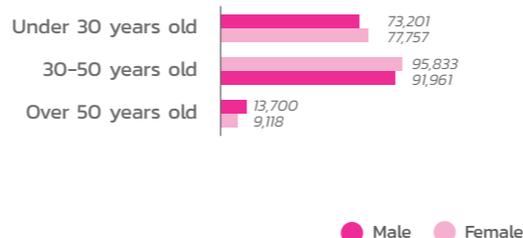
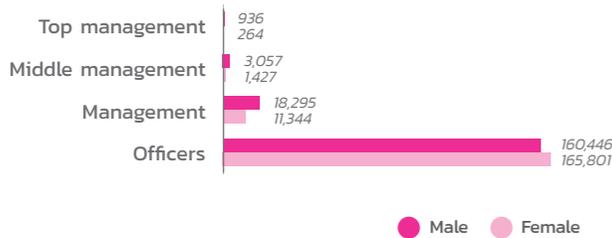
**38.27%**

Proportion of female employees in junior management positions

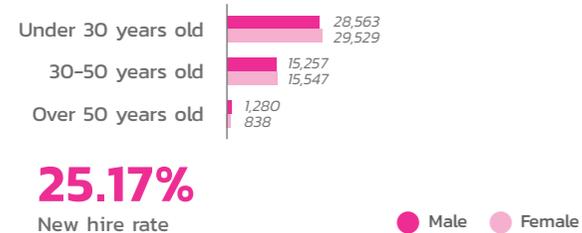
**22.00%**

Proportion of female employees in top management positions

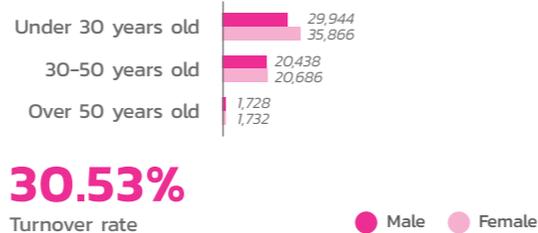
## Employee Diversity in 2020



## New Hires in 2020



## Employee Turnover in 2020



# Caring for Employees

Throughout the years, Charoen Pokphand Group has built has built capacity of our employees at all levels in order to be ready for business changes and the technological advancement in business operations. At the same time, the Group focuses on employees, based on human rights principles, by improving their quality of life to achieve work-life balance. The focus on employees' wellbeing is

especially crucial during the COVID-19 pandemic when employees may have concerns about their health and job security. The Group realizes the importance of such issue and has provided various forms of support to ease their anxiety and promote physical and mental health.

## Promoting Equal Opportunities and Employee Diversity

Charoen Pokphand Group announced the Human Rights and Labor Practices Policy and Guidelines which cover non-discrimination and equal opportunities in terms of wages and compensations; prohibition of discrimination against employees in any kind of environment; recruitment and selection based on ability and

capacity; inclusive and equitable employee development; disclosure of performance assessment criteria and results; transfer process subject to equal career advancement opportunities, and non-discriminatory dismissals.

CASE STUDY | 1

## Caring for Employees during COVID-19



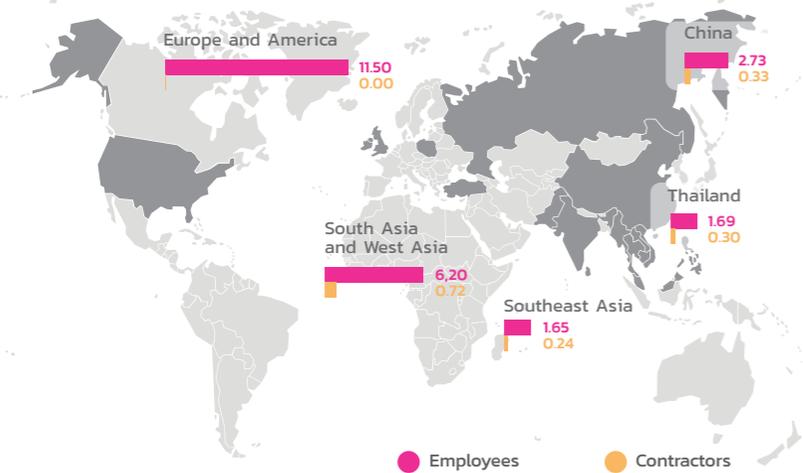
Charoen Pokphand Group clearly announced our policy to not lay off any of our employees during the COVID-19 pandemic. To care for employees' physical and mental health, the Group initiated the following:

1. Consultation hotlines for health and issues relating to the pandemic;
2. Distribution of coupons to purchase the Group's food products in order to ensure access to quality food for our employee and their families.

# Occupational Health & Safety Management Dashboard

## Lost Time Injury Rate of Employees and Contractors

Cases per 1,000,000 hours worked



## Lost Time Injury in 2020

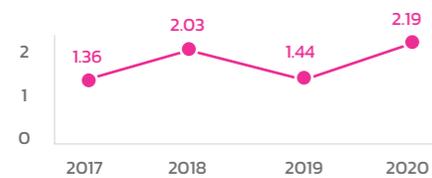
Cases per 1,000,000 hours worked

**2.19**  
Employees

**0.51**  
Contractors

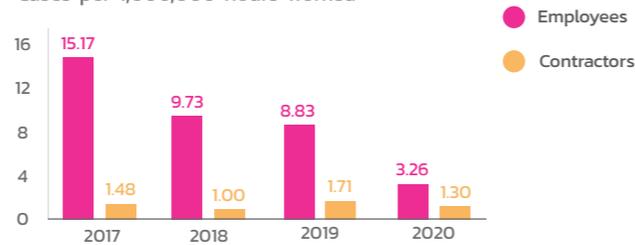
## Lost Time Injury of Employees

Cases per 1,000,000 hours worked (C.P. Group)



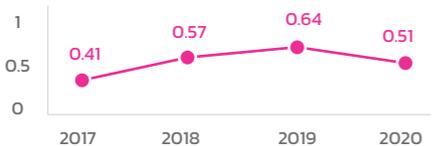
## Injury Rate

Cases per 1,000,000 hours worked



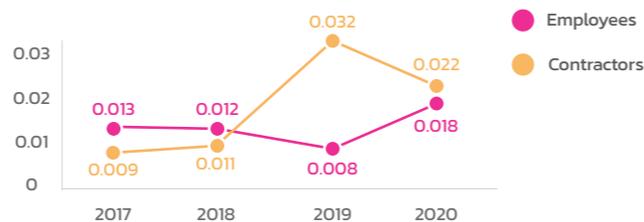
## Lost Time Injury of Contractors

Cases per 1,000,000 hours worked (C.P. Group)



## Fatality Rate of Employee and Contractor

Cases per 1,000,000 hours worked

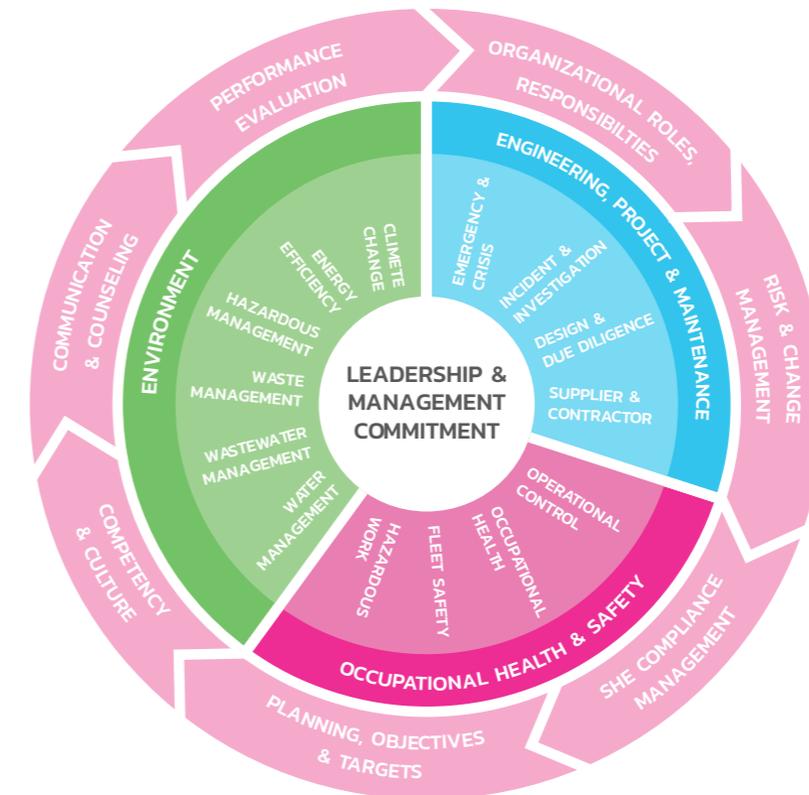


# Occupational Health, Safety and Work Environment Management System

Charoen Pokphand Group operates in diversified businesses and always comes up with new business models. The Group also has a commitment on job security, which has led to our ability to hire 8,000 new employees despite these situations common layoffs by businesses during the COVID-19 pandemic. Such arrangements present a challenge to the management of occupational health, safety, and work environment. However, the Group is still committed

to protecting the safety of employees; contractors and stakeholders in the supply chain. Accordingly, the Group conducts frequent reviews of policies and systems relating to occupational health, safety and work environment to ensure their effectiveness and suitability to the changing context. The Group also carries out knowledge and capacity development for our employees on a regular basis.

## C.P. Group's Safety, Occupational Health, and Environment Management Standards 2020



C.P. Group's Safety, Occupational Health, and Environment Management Standards comprises

- Management Standard
- Technical Standard.

Additional information is available at:



# Safety Audits

## C.P. Group's Safety Audit in 2020 (Thailand)

In order to improve safety performance governance and auditing during the COVID-19 pandemic in 2020, Charoen Pokphand Group has shifted our auditing approach to meet the Three Lines of Defense principle. The Three Lines of Defense can be divided into three levels: the first line of defense is Site Self-Audit by the Group's internal departments; the second line of defense is Business Line Audit or the appointment of SHE auditing committees by each business line to perform cross audits on other departments; and the third line of defense is Corporate Audit or random audits conducted by the Group's Corporate Compliance Office. The audit scope has also been expanded to cover distribution and customer service such as CP Fresh Marts, Five Stars outlets, and farming units, to ensure thorough supervision of occupational health, safety and work environment for all relevant stakeholders.



## The Objective of the Project Focuses on Four Outcomes

- Raising responsibility awareness for executives in each business line to make safety management part of the business, creating positive attitude, exchanging knowledge, and uniting all management levels;
- Ensuring compliance with the Group's rules, laws, policies, and SHE standards;
- Expanding the audit scope to cover retail outlets, outsources, contractors, and customers;
- Examining high-risk sites which may cause serious accidents and ensuring improvements and solutions for detected problems in management, governance and risk issues with the ultimate goal of reducing risks, business disruptions and loss of lives of the Group's valuable human resources.



The audit covered 429 sites, and 853 executives participated in the safety audits of 35 business units.

	Feed Mill	Food	DC & Store	Building	Other Factory	Farm*	Small Shop	Total
<b>Site</b>	20	39	63	34	40	123	110	429
<b>Auditors</b>	48	114	131	92	118	198	152	853

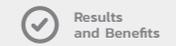
\*New group

## Creating Safety Awareness for Farm Employees (Myanmar)

In early 2019, an accident took place in an animal farm in Myanmar. The accident was caused by the lack of awareness about unsafe working conditions and the absence of appropriate operating procedures of such type of work. Therefore, a safety awareness program has been established to educate farm employees on these issues. The following improvements were carried out:



1. Emphasizing safety leadership through management visits and monthly safety meeting.
2. Building knowledge on hazard identification and raising awareness through activities;
3. Providing safety manual that correspond to farm risks;
4. Participating employees to improve safety procedures



Results and Benefits

**ZERO**  
Fatalities

Among farm employees in Myanmar

**100%**  
of management and farm employees in Myanmar participated in "Safety Start with Us" program

## Improvements as a Result of Safety Audits



### Improvement of Safety Standard on Working at Height

As a result of the safety audit, the safety standard on working at height in chicken houses in China was upgraded. A fall protection system, including the installations of a secure stairway, the lifeline system, and rooftop walkways, was applied in order to significantly reduce lost time injury from working at height.

# Fleet Safety Management Dashboard

**100%**



of company freight vehicles installed GPS and vehicle camera systems that are tracked by a central command center.

● Number of drivers who passed training and were issued the Group's driving licenses (persons)

● Number of business partners and suppliers who passed the Group's safe driving training (persons)



**0 Fatalities**



No fatalities of freight vehicle drivers in the Group since 2016.

	2018	2019	2020
Freight vehicle accident rate (traffic accident / million kilometers)	5.52	5.48	5.59
Total freight vehicle distance (million kilometers)	38.20	38.32	40.05

## Fleet Safety Management

Transportation and logistics are the key supply chains of Charoen Pokphand Group. Amid growth and intense competitions, the Group has begun employing more technology in our business administrations. Meanwhile, more diversified products and services have influenced higher volume in transportation.

The Group found that between 2018 and 2020, accidents from transportation continued to occur despite the Group's fleet safety management approach. Such approach covers capacity building for employees and contractors in charge of driving through trainings on defensive driving, testing of knowledge, skills and physical fitness for safe driving, and the issuing of the Group's driving licenses.

In order to achieve efficient and safe logistics management, the Group has appointed the Logistics Platform Board and integrated various dimensions of business and sustainability to ensure uninterrupted logistics operations.



## Digital Transformation

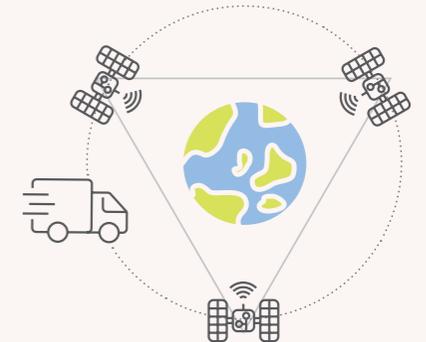
### Project Background

As a result of the COVID-19 pandemic in 2020 and the trend of digital economy transformation, the Group, under the Logistics Platform Board and in collaboration with True E-Logistics, initiated the Digital Platform Transformation, which connects information on transportation and logistics, such as driver profile, driving licenses, accident prevention trainings, vehicle routes, distance, and products. Such information can be used to analyze the efficiency in transportation performance and sustainability, covering the safety of drivers and the public as well as energy consumption and greenhouse gas emissions.

### Approach

The Group plans to apply the E-Logistic system to all our business groups in Thailand in 2021 and will expand to businesses abroad in the future.

The E-Logistic system is designed to provide easy access to users and, thus, supports laptop and smartphone uses. Drivers can be notified of their driving behaviors, routes and distance from supervisors. The system also allows trainings through an E-Learning platform and the verification of driving license information.



# LEADERSHIP AND HUMAN CAPITAL DEVELOPMENT



## Supporting the SDGs



### SDG 4 Quality Education

- 4.4 Increase the number of youths and adults who have relevant financial skills
- 4.7 Ensure that all learners acquire the knowledge and skills needed to promote sustainable development and global citizenship

### SDG 5 Gender Equality

- 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making

### SDG 17 Partnership for the Goals

- 17.6 Enhance cooperation and access to science, technology and innovation, and enhance knowledge sharing

## Our Perspective

Charoen Pokphand Group recognizes that we must emphasize on capacity building for employees by strengthening current skills and building new ones. In addition, the Group needs to reskill, retain, and attract individuals with knowledge, abilities and integrity to support the Group in overcoming the challenges above. Lastly, skilled employees will efficiently drive the Group towards our goals.

## Performance (Thailand) in Comparison with 2020 Goal



Of leaders and employees who passed the sustainability knowledge training.

## Key Plans in 2021



Develop a new generation of leaders through C.P. Leadership Institute courses



Develop an e-Learning module on corporate governance and sustainability



Develop a digital working environment format



*"C.P. Group attaches importance to the recruitment of ethical and competent individuals. We also focus on developing our human resources by building their capacity and reskilling them in all areas. Only with such human resources, we will all be ready to sustainably drive the organization together."*

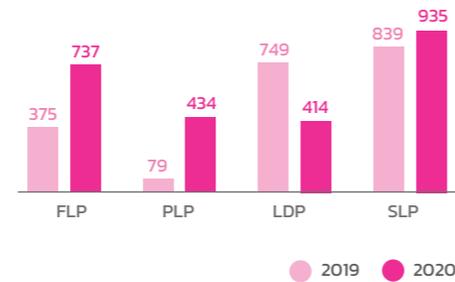
### Narong Chearavanont

Senior Vice Chairman  
Charoen Pokphand Group



# Key Performances 2020

## Number of participants in the C.P. Leadership Institute's Action Learning training courses

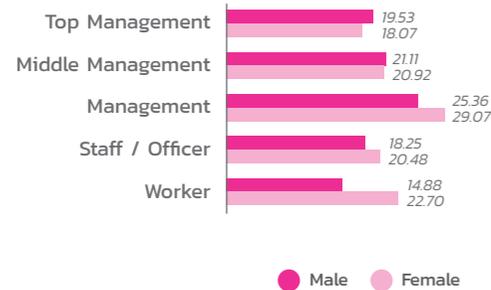
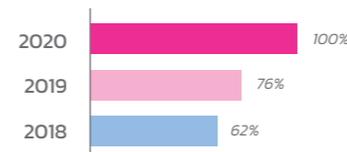


FLP (CP Future Leaders Development Program)  
 PLP (CP Potential Leaders Development Program)  
 LDP (CP Leaders Development Program)  
 SLP (CP Senior Leaders Development Program)

## Average training hours for employees (hours/person/year)

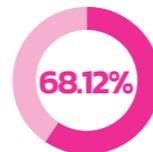


## Employees who participated in sustainability training



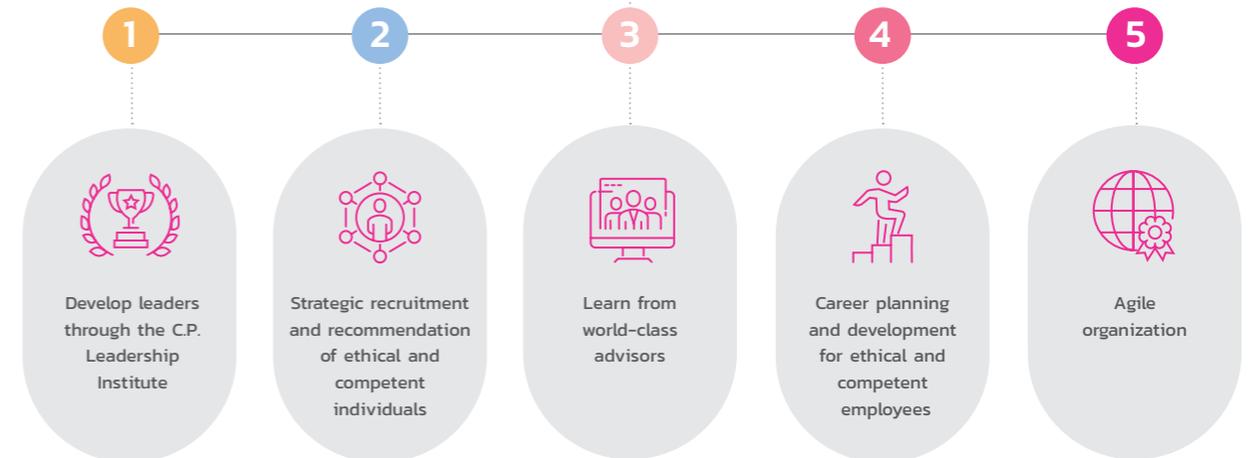
## Performance assessments

Percentage of employees who received performance assessment as well as capabilities and career development



# Human Resources Management

Throughout the years, “our people” are the cornerstone of Charoen Pokphand Group business. Especially in the era of 4.0 industry, technology is closely linked with manufacturing and services in order to enhance their efficiency and rapidly respond to market demands. Grooming a new generation of C.P. Group leaders who can bring about changes and preparing them with essential skills for the 4.0 industry will be particularly important. On top of it, structural changes and flexible working environment are also necessary to drive the Group business towards sustainable growth. Central to this effort is our human resources strategy, “Workforce 4.0,” consisting of 5 key strategies.

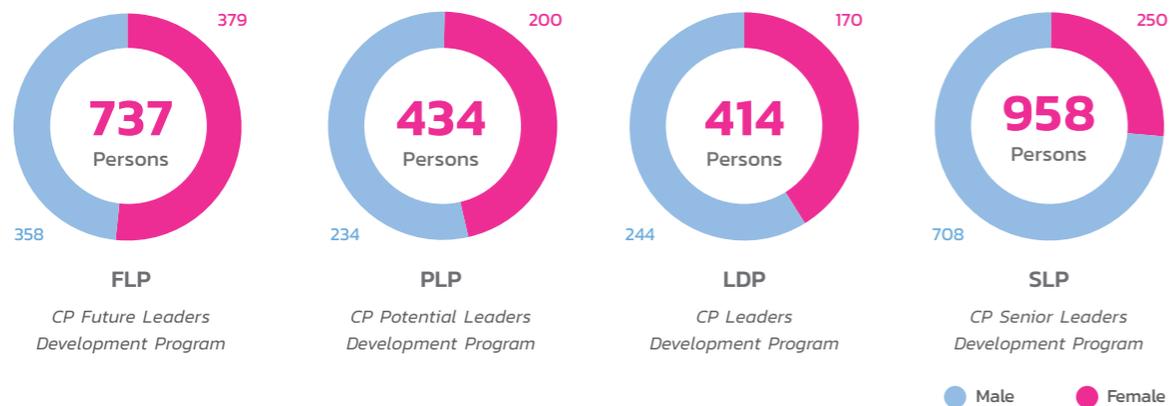


# Leadership Development Process through the C.P. Leadership Institute



C.P. Group is committed to preparing our business leaders and employees for sustainable business operations through C.P. Leadership Institute (CPLI). The Institute acts as the focal point for synergizing our human resources across functions and businesses. In doing so, CPLI embeds C.P. Group’s vision and strategy while providing cross-functional leadership training for employees of all levels from both Thailand and overseas. It employs “Action Learning Program” to develop career and corporate culture, which will propel the business into the future.

## Number of Participant of CPLI’s Action Learning Program



## CP Fresh Supermarket : An Incubator for Young Entrepreneurs



### Project Background:

CPLI’s development program for the new generation of leaders is based on an action learning program. The program encourages these young leaders to identify problems and explore solutions through hands-on experiences in all functions of the business. They also learn to develop a new business model for the Group.



### Approach:

The ideas from the leadership development courses were converted into an actual business model, resulting in the establishment of CP Fresh, a prototype supermarket in Pakchong district, Nakhon Ratchasima. The supermarket’s concept centers around fresh, clean and safe products which are subject to thorough regulations from upstream to downstream. CP Fresh is, therefore, a fresh produce destination center, delivered straight from the sea. It is home to Pakchong’s first live seafood tank. The supermarket also sources to local communities as it aims to redistribute income and develop suppliers to grow alongside C.P. Group.



Results and Benefits

Expand store size by **5 times** to more than 500 m<sup>2</sup>

Focus on fresh food **80%**

The new generation of leaders are able to **Learn in all job positions**

*“C.P. Leadership Institute provides a stage for showing talents. It gives us the opportunity to think and act on new ideas while learning by doing. The experience was just like studying multiple degrees simultaneously.”*



**Mananya Likittanawat**  
A new generation leader from Future Leaders Development Program





## Strategic Attraction, Recruitment, and Recommendation of Ethical and Competent Personnel

Charoen Pokphand Group recruits a new generation of leaders to shape the Group's future through their participation in the C.P. Future Leaders Development Program (FLP) or "Young Entrepreneurs." The candidates should have a sense of entrepreneurship; be well-rounded and disciplined; and dare to think and act. The recruitment of these talents is normally through the recommendations by the more senior leaders already working for the Group.

Furthermore, the Group also collaborates with leading universities; Democratic Youth Program; C.P. Group's scholarship program; Thai Students' Association in the UK, among others. The collaboration helps to increase channels for recruiting the new generation of ethical and competent leaders.

In 2020, the proportion of participants in the FLP based on the recommendations of the course's alumni



## Modular Organization

A modular organization is an organization with high flexibility. The sub-components of each dimension, namely: strategy, process, personnel, and technology can be adapted to become more market-driven and customer-oriented in a timely manner. It also focuses on continuous value creation and innovation.

C.P. Group has applied the modular organization concept to the Group's businesses by allowing each business unit to implement the concept in order to create a network of collaboration.



Employees at the Section Manager level and above participating in the project

**16,927**  
Persons



Strategic projects at the business unit level and across business units

**2,789**  
Projects



## Applying Technology to Enhance Efficiency in Human Resources Management

### Project Background:

With a large number of employees, precise and accurate management of human resources data is crucial. Charoen Pokphand Group has applied technology to create efficient human resources management.

### Approach:

C.P. Groups develops the CPG Connect system for efficient management of our human resources. The key modes of operation include communication, knowledge sharing, and management. It also linked with all relevant systems and accessible worldwide on both computers and smartphones.



## Key Modes



### Communications

Search for contacts and get in touch through chatrooms or calls and online meetings; follow news and announcements.



### Knowledge Sharing

Online library that allows access to learning at all times with a platform to exchange topics of mutual interests.



### Management and Connection to Other Systems

Record working time from anywhere in the world and connect to the systems of each department and related websites.

✓ Results and Benefits

**100%**  
of Charoen Pokphand Group Co., Ltd.'s employees have access to the system

**Over 1,700**  
knowledge inventories in the online library

**13 Portals**  
compiled in the system



## Developing Digital Capabilities

### Project Background:

Rapid technological changes require the adaptation of both the organization itself and its learning methods. It also demands new skillsets in order to apply digital technology to the daily work routine and to keep up with new developments.

### Approach:

Charoen Pokphand Group established the True Digital Academy in partnership with General Assembly, a global leader in digital training from USA with more than 30 campuses worldwide. It provides quality courses centered around developing and strengthening digital skills for participants. The course covers five topics: Data Analysis, Product Management, UX & Design, Digital Marketing, and Software Engineering.



Data Analysis



UX & Design



Digital Marketing



Product Management



Software Engineering



Results and Benefits

**7 courses**

held in 2020

**5,323**

Participants  
(employees and the public)

Additional information is available at



## Promoting Creation of Business Plans



### Project Background:

An approach in developing new generation of leaders is to provide them with the opportunity to express ideas and to turn ideas into actions. Therefore, C.P. Group launched platforms for translating knowledge into action.



### Approach:

The Agro-Industry and Food business group in the Northern region of China held a Business Plan Contest, with encouragement of participation by all employees, the event attracted 99% of employees and produced 245 projects which were conceived from the collective efforts of employees. These projects will further serve as the basis for business development. The Group also sponsored the Practical Marketing for Innovation and Entrepreneurship Contest for college students for five consecutive years since 2016.

Results and Benefits

The new generation leaders participated

**99%**

Number of team members who are the new generation

**577 persons**

**114 Educational institutions**

participated



# EDUCATION

## Supporting the SDGs



### SDG 4 Quality Education

- 4.3 Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university
- 4.5 Eliminate gender disparities in education
- 4.B Substantially expand globally the number of scholarships available to developing countries
- 4.C Substantially increase the supply of qualified teachers in developing countries

### SDG 8 Decent Work and Economic Growth

- 8.6 Substantially reduce the proportion of youth not in employment, education or training

### SDG 9 Industry, Innovation and Infrastructure

- 9.C Significantly increase access to information and communications technology

## Our Perspective

Education is one of the essential foundations for better quality of life and triggers positive changes in the society. International and national organization always encourage access to basic education for people of all ages and backgrounds. Despite the global interest, a survey conducted by the United Nations revealed that there is still large number of people, particularly youths, who lack access to basic education. Charoen Pokphand Group, with business operations in many parts of the world, recognizes these challenges and works hard to upgrade the quality of education in preparation for the digital age.

## Performance (Thailand) in Comparison with 2020 Goal



**6.32 million** children, youths and adults with access to education and necessary skills development

## Key Plans in 2021



Upgrade skills and knowledge, to keep pace with technology and reduce educational disparity



Create network of cooperation to promote and enhance networks education infrastructure



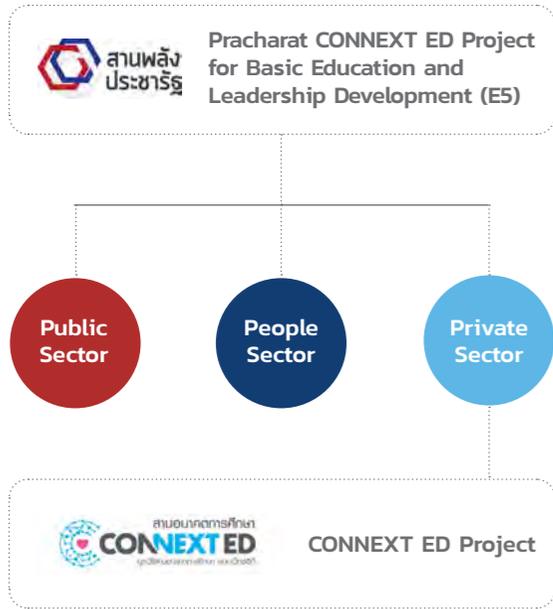
Provide scholarships for education opportunities and to improve quality of life

*“Quality education leads to creation of opportunities and careers. It grooms ethical and competent individuals and brings about sustainable development to the society.”*

**Mr. Tanin Buranamanit**  
 Managing Director and  
 Chief Executive Officer  
 C.P. ALL Public Co., Ltd.



# CONNEXT ED Foundation



Charoen Pokphand Group is committed to elevating the quality of Thailand's basic education in a sustainable manner. We have set the target to encourage Thai children and youths to draw out their potentials to become "ethical and competent individuals". In doing so, the Group has implemented five key strategies to improve the quality of education management and to attain measurable results in schools under the CONNEXT ED Foundation. Furthermore, the Group formulated an action plan, which forms the basis of our operations. We aim to provide opportunities and build a future for Thai children so that they may grow into good citizens.



## Key Modes of Operation

<p><b>CONNEXT ED Foundation</b></p> <p>A working team responsible for basic education and leadership development has been transformed into the CONNEXT ED Foundation to continue developing the quality of basic education in Thailand.</p>	<p><b>CONNEXT ED Crowdfunding</b></p> <p>Establish an online donation system to mobilize educational funds. The system compiles projects under the Pracharat School Development Plan, which have been screened by a central working group, to encourage public support for education.</p>	<p><b>Digital Booklet</b></p> <p>Develop a database and school management systems to process information on each student's academic performance in the form of a "Digital Booklet." It helps to learn about the student's weaknesses, strengths, and aptitude, leading to effective development of skills and capacity.</p>	<p><b>Potential Partner</b></p> <p>Continuously expand partnerships to various private organizations to cover all "Pracharat Schools" that still require support from the private sector. Currently, 2,657 from 4,781 schools have received support from the private sector.</p>
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## EDUCATION

# Developing and Enhancing the Quality of Education Management Strategy

<p><b>Transparency</b></p>	<p>Display information of schools on <a href="http://connected.org">connected.org</a> Provide accurate solution and development for all areas</p> <p><b>Compile information from 5,567 schools nationwide</b></p>
<p><b>Market Mechanisms</b></p>	<p>Create partnership network to engage all sectors</p> <ul style="list-style-type: none"> <li>• More than 900 school partners</li> <li>• 700 ICT talent officers</li> </ul>
<p><b>High Quality Principals &amp; Teachers</b></p>	<p>Build capacity of school administrators and teachers to improve teaching efficiency</p> <ul style="list-style-type: none"> <li>• Provide training for over 20,000 school administrators and educators</li> <li>• 700 training courses</li> </ul>
<p><b>Child Centric &amp; Curriculum</b></p>	<p>Promote child-centered learning Install multimedia in computers sponsored to schools</p> <ul style="list-style-type: none"> <li>• Establish learning centers in 9 pilot schools in 5 regions</li> <li>• Develop an online knowledge-based learning platform</li> </ul>
<p><b>Digital Infrastructures</b></p>	<p>Sponsor digital devices and media to provide access to technology for all areas</p> <ul style="list-style-type: none"> <li>• 1,294 schools equipped with high-speed internet</li> <li>• Installed IT devices and media in more than 3,351 schools, covering 39,839 classrooms</li> <li>• 5,000 notebook computers for pilot schools in 17 provinces</li> </ul>

# CONNEXT ED Crowdfunding

## Market Mechanisms and Culture of Participation

### Project Background:

Charoen Pokphand Group recognizes that the future of Thai children’s education is our future, and that is one of the most valuable and sustainable form of “giving”. Consequently, the Group developed a mechanism to support education. The mechanism leads to changes and better opportunities in education for underprivileged schools and youths nationwide.

### Approach:

A crowdfunding system for education using the CONNEXT ED Foundation links donors and schools that propose projects for funding. This creates participatory culture in promoting opportunities education in all sectors. Any parties interested in making such contributions can study the details of participating schools via connnexted.org which transparently shows schools’ information and context. The performance of the sponsored project can also be viewed on the same website. The projects listed in the system have been carefully screened by a committee consisting of members from both the public and private sectors. The projects were conceived by schools which need budget support for development.



For more information please scan this QR Code



**32 Schools**  
in the process of crowdfunding

**32 Schools**  
with fundraising projects

**42 Million THB**  
crowdfunding goal



# Online Classroom : Education in the New Normal

## Development of School Administrators and Educators

### Project Background:

Rapid technological changes have prompted all sectors to develop an educational system which can extensively respond to the growing needs. In addition to the development of the education system, grooming well educators who are well-rounded and can efficiently share their knowledge is another mission on C.P. Group’s recurring agenda.

### Approach:

The CONNEXT ED Foundation, under True Group, held training courses on “Technology in Learning Management Design” for over 5,000 school administrators and educators from 1,067 CONNEXT ED schools under the support of True Group nationwide, and “Technological Leaders in Education” for more than 200 ICT talents. The courses aim to create understanding about technological change. They promote the roles of school administrators as a coach and monitor to be able to the learning management system. They also focus on enabling “teachers” in designing an Active Learning program based on technology that is appropriate for the school’s context. This focus will keep teachers and students on par with changes in the 4.0 era. Teachers can plan a curriculum that allows learners to participate in learning through current key technologies.



Provide training for over **5,000 School administrators and teachers**

Beneficiary **1,067 Schools**

Technological leaders in education **200 ICT Talents**



## Key CONNEXT ED Projects under C.P. Group Market Mechanisms and Culture of Participation

Charoen Pokphand Group supports the development of plans to improve the quality of “Pracharat Schools” under various forms of governance that are suited to the context of each school. Together with schools and communities. School Partners take part in exchanging, learning, and analyzing problem. They are expected to conduct frequent performance monitoring and assessments through the School management System to deliver utmost benefit, in line with the project’s objectives, through the School Management System.

### ICT Talent



<b>Partner</b>	Educational Service Areas, King Mongkut’s University of Technology Thonburi
<b>Method</b>	Recruit and select ICT Talents to be stationed at schools to help improve learning and quality of life
<b>Performance</b>	<ul style="list-style-type: none"> <li>• 200 ICT Talents under the CONNEXT ED Foundation and 500 ICT Talents appointed by the government cover 2,123 schools nationwide</li> <li>• 76% of teachers apply more ICT in teaching</li> <li>• Students have higher ICT literacy</li> </ul>



### Notebook for Education



<b>Partner</b>	Srinakharinwirot University
<b>Method</b>	Promote ICT media and equipment usage skills through the sponsorship of “Notebook for Education” to schools and a workshop on Digital Classroom Management
<b>Performance</b>	<ul style="list-style-type: none"> <li>• Provided 5,000 computers to pilot schools in 17 provinces</li> <li>• Students have higher ICT literacy</li> <li>• Application of technology in teaching and Active Learning approach</li> </ul>



### International Standard Model Layer House



<b>Partner</b>	CP Foundation for Rural Life
<b>Method</b>	Create a practical learning center that integrates real life into leadership skill development for students
<b>Performance</b>	<ul style="list-style-type: none"> <li>• Develop 50 schools in 30 provinces</li> <li>• Create a model community learning center in egg processing</li> <li>• Reduce below-standard growth of children</li> </ul>



### Innovative Pracharat School Development Plan 4.0



<b>Partner</b>	Educational Service Areas, Agricultural Extension Offices, Technical Colleges
<b>Method</b>	“Cluster Workshop” to establish operating mechanisms for the public and private sector, develop innovative leaders in education, increase visionary thinking skills for sustainability
<b>Performance</b>	<ul style="list-style-type: none"> <li>• Create 6 clusters in 311 schools in 49 provinces</li> <li>• Higher school grade</li> <li>• Lower budget and expenses</li> </ul>



### Train the Trainer by Professional



<b>Partner</b>	Partnership between 10 faculties from 2 international colleges
<b>Method</b>	Formulate the “Academic Mentors” training course to link experts in each field, develop teachers, and encourage learners to further their studies and develop careers through actual practices
<b>Performance</b>	<ul style="list-style-type: none"> <li>• Develop 50 schools in 11 provinces</li> <li>• Teachers gain the skill in organizing career projects and Work Based Learning (WBL)</li> <li>• Schools are developed into models and a networks to expand the project’s results and set up the area</li> </ul>





# Promoting Quality Education

## Creation of Quality Graduates

Charoen Pokphand Group recognizes an opportunity of applying our expertise in business to supporting educational institutions. Such application will elevate the quality of education to meet both domestic and international market demands. The Group focuses on creating talented personnel, developing leadership skills, upskilling teachers, and creating quality knowledge for children and youths. We also support the youths to pursue a career path based on their expertise and to always engage with local communities. All of these will help us create the most benefits and improve quality of life for our stakeholders.

CASE STUDY | 12

## Seedlings of Hope (C.P. Lotus)

### Project Background:

C.P. Lotus attaches importance to providing education for children and youths with well-rounded knowledge and skills. The company also places emphasis on the excellent continuation of the Chinese traditional culture while enhancing self-confidence in the cultural field through regular educations and activities for parents and children, such as Seedlings of Hope project, etc.

### Approach:

The Seedlings of Hope project consists of activities, such as an environmental drawing exhibition, the “Little Experts in Waste Separation Contest”, and other environmental activities. These activities will promote the Chinese traditional culture and teach youths about gratitude for parents and teachers. Furthermore, the project also raised funds for deaf and mute homes and schools through charity events to cultivate love among teenagers and children. The “Tide Dialogue Tongue Twister Competition” also promoted local culture, and more than 20 schools participated in this competition.



Results and Benefits

**20 schools** participated in the project

**500 Children and Youths** participated in the project

CASE STUDY | 13

## Education Promotion to Pursue Dreams in Luo Yang, China

### Project Background:

In 2017, 669 underprivileged villages in Luo Yang, China lacked access to education. With funding for education, the quality of life can improve while social inequalities can be reduced in a sustainable manner. In view of this, Chia Tai Land Investment Luo Yang Company Limited initiated the “Education Promotion to Pursue Dreams” project.

### Approach:

The project focuses on developing and supporting children in financially and educationally underprivileged families to pursue studies the university level in order to expand career opportunities. This project uplifts basic well-being, reduces social inequalities, and focuses on the improvement of the local education system based on the Three-Benefit Principle. As a result, 20 students have continued their studies in the university level; 18 students have graduated with Bachelor Degree and 2 students are currently studying medicine. The company constantly monitors the students’ performance and analyzes opportunities for their future career development as well as changes in their family status. According to its performance and analysis, the project improves the well-being of not only a specific group of people, but also the society as a whole.

The company sponsored 1 million RMB to the “Luo Yang Next Generation Foundation” to carry out projects in promotion of education. Additionally, the “Education Promotion to Pursue Dreams” project granted education scholarships and internship opportunities at the company to underprivileged children from 2016 onwards.

*“I owe my gratitude to the company for supporting me in education. The campaign gave me internship and career opportunities, and provided constant care and recommendations throughout my four-year university study until my graduation.”*



**Cao Fei Qing**  
Student who received support from the Education Promotion to Pursue Dreams Project



## Quality and Equal Education in Dandelion Middle School, China

Pugongying Middle School is the only middle school in Beijing that was established to resolve the challenge of low-quality education and to reduce inequality in compulsory education. More than 550 students from underprivileged families attend the school. Chia Tai Land Ltd. Company and Chia Tai Henning Modern Agricultural Technology Co., Ltd. provided various forms of support to the school, including funding and equipment. Furthermore, an activity was also organized to open the world of education and encourage students to engage with various social organizations. These activities were aimed at developing and expanding an efficient teaching curriculum, promoting the quality of education, and elevating the quality of life for the students' families.



Results and Benefits

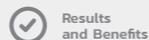
Provided financial aid and teaching equipment worth

**230,000**  
RMB



## Active Learning Livestock Training

The partnership between Myanmar C.P. Livestock Co., Ltd. and the Faculty of Veterinary Science, Veterinary Science University in Myanmar led to the establishment of a Broiler Learning Center on the university premise. The center provides training about livestock through an active learning approach and emphasizes on a project-based learning method. It educates over 500 students in the senior year of their Bachelor Degree of Veterinary Science with the skills in managing broilers and layers in chicken houses. The training focuses on hand-on learning from real situations through onsite practices and sharing experiences from seniors to junior. It also helps to prepare and promote future careers.



Results and Benefits

More than

**500 Students**  
gained knowledge and skills



## Providing Education Scholarships

Creation for Quality Graduates

### Key Performances in 2020



Awarded  
**53,640**  
scholarships



Value of Scholarships  
**1,518**  
million THB

Charoen Pokphand Group is committed to nurturing Thai youths into "capable and ethical individuals". We provide leadership development and internships with Group companies for hands-on experiences and groom the new generation of leaders who are on par with social changes and are able to uplift the quality of life.

Relevant strategies and approaches to support access to quality education have been established in all business units. C.P. Group has provided education scholarships to both underprivileged students and the children of our employees with excellent academic performance at the university level nationwide.

### C.P. Scholarship : Improving Lives and Shaping Future Leaders

*"C.P. Scholarship reflects the roles of the private sector which values education and the people development in the society. The scholarship renders an opportunity for less fortunate children and encourages recipients to strive towards success."*



**Dr. Teerarat Pantawee Wongtanaanek**  
President of the Radio and Media Association for Children and Youth  
C.P. Group scholarship recipient, Batch 12

*"I am determined to use my knowledge to develop equipment to assist the blinds. When we give help especially to those in need, the society will, in turn, help us. As a result, the Thai society will become stronger as a whole."*



**Asst. Prof. Dr. Zeng Lertmanorat**  
Lecturer,  
Faculty of Engineering, Mahidol University  
C.P. Group scholarship recipient, Batch 16

*"Scholarship is available to everyone. It is only a matter of seeking such an opportunity. Once it is in our hands, do not stop improving and creating values for ourselves. We need to constantly practice and adapt to changes while doing the utmost to use our capacity to develop the country."*



**Kamon Natsathaporn**  
Engineer, CPF (Thailand).  
C.P. Group scholarship recipient, Batch 35

# Promoting Education by C.P. Group

Through a variety of projects, Charoen Pokphand Group has supported educational opportunities for children and youths. These projects comprehensively upgrade the quality of education from its foundation. The knowledge-sharing and training activities equip students with professional skills, which support the students for growing up to be self-dependent. Moreover, students learn to appreciate their cultural heritage. It also builds Knowledge Management (KM) by combining advanced technology with culture of learning in order to enable life-long study.



### CPF Growing Happiness, Growing Future

Provide knowledge on nutrition for students and create a learning center for the school and community.

### Cultivating Capable and Ethical Individuals for the Society

Grooming children and youths with knowledge and professional skills to become quality adults.

### Happy and Safe School

Raise awareness among children on safety issues and 7 methods to improve the school improvement.

### True Startup Challenge 2020

Create new startups for the innovation

### True Young Producer Award

A platform to showcase talents and creativity in producing social advertising films.

### Loving home and improving school for children

A development model for schools in to promote learning in schools and communities.

### Portable Literacy Media for Youths

Develop academic skills and open the worldview for of learning.

### Junior Chefs

An opportunity for children and youths to apply creativity to cook healthy food.



### School – My First Home

Embed the values of education and provide learning equipment.



### Active Learning Livestock Training

Training on raising about chicken farm as a future career.



### We Give Wings Youth Academy

Develop creativity and develop professional skills.



### Seedlings of Hope

Improve quality of life and professional skills for children.

### Quality and Equal Education in Dandelion Middle School

Improve quality of life for children and develop their professional skills.

### CP University to Train Qualified Personnel

Improve quality of life for college and professional skill trainings for professional skills.



### Pig Farming Learning Center

Provide education scholarships and professional skill trainings for underprivileged children.

### Sufficient Share Nutrition Center

Gain knowledge, academic and professional skills and serve as a learning center for children.

### Introduction to Technology 4.0

Trainings on modern agriculture to farmers.



### Raising Layer Chickens for School Lunches

Learning to raise layer chicken for income generation and preparation for a future career.



### CPF Philippines Back to School Program

Provide basic school supplies to prepare children for school.

### CPF Philippines University Tie-Up & Collaboration

Job training, cooperation with universities and scholarships

# HEALTH

LIVING WELL

Charoen Pokphand Group has always been realized that one of the Group's responsibility is to create value to the society including promote good health, support secure income and career, and provide access to necessary education. Through our course of operation, the Group has been executing several efforts to demonstrate its commitment, such as networking with international organizations to form alliance and to create scalable impact, continuously communicating with all stakeholder groups to create good perception toward Group's operation, to create long-term relationship with stakeholders, and to truly understand long-term stakeholders' requirements. Moreover, the Group also values an importance of innovation development. The Group aims to create innovative products that can uplift health and well-being of customers.



### Social Impact

- Social Value Creation Strategy
- CP for Sustainability
- Supporting Farmers and Developing Rural Communities
- Supporting Small Entrepreneurs
- Supporting Vulnerable Groups



### Health and Well-being

- Developing Healthy Products
- Striving for a Quality Production Process
- Promoting Animal Welfare
- Responsible and Prudent Use of Antibiotics
- Promoting Access to Food
- Health Promotion



### Stakeholder Engagement

- Stakeholder Engagement Process
- Response to Stakeholders
- Support Various Sectors to Drive Industry Growth
- Participation in National and international organizations
- Partnership for Sustainable Development



### Innovation

- Digital Transformation
- Building Innovation Infrastructure
- Becoming an Innovative Organization
- One Day Satisfaction Project
- Open Innovation



# SOCIAL IMPACT

## Supporting the SDGs



### SDG 1 No Poverty

- 1.2 Reduce poverty by at least 50%
- 1.4 Equal rights to ownership, basic services, technology, and economic resources

### SDG 4 Quality Education

- 4.4 Increase the number of people with the necessary financial skills

### SDG 8 Decent Work and Economic Growth

- 8.6 Increase youth employment, education, and training

### SDG 10 Reduced Inequalities

- 10.1 Reduce income inequality

## Our Perspective

At present, many countries and sectors are emphasizing on reducing social disparities which remain a universal problem to be resolved. As a large private organization with operations in all regions of the world, Charoen Pokphand Group fully recognizes the magnitude of such problem and has partnered with various networks to lessen the problem of inequality at the global level as well as in countries where we have business activities. Furthermore, the Group supports the United Nations' Sustainable Development Goals to end poverty, enhance the knowledge of the people, and support promotion of jobs to reduce social inequality. For this reason, the Group has carried out various projects aimed at increasing the capabilities of farmers, supporting SME businesses, and improving the quality of life for vulnerable groups.

## Performance (Thailand) in Comparison with 2020 Goal



**780,227** beneficiaries  
*(from the target of 100,000 beneficiaries)*

Farmers, SME, vulnerable groups and others throughout the supply chain who benefited from income generation support activities

## Key Plans in 2021



Continuously promote jobs and employment to improve quality of life throughout the supply chain



Create value and build social and community engagement



Promote knowledge assets and technology transfers to local communities and society at large

*"Makro believes that our commitment to conduct a business with focus on the environment, society and economy will enable us to grow sustainably alongside the society as 'partners...for a better life'."*

**Mrs. Suchada Ithjarukul**  
Chief Executive Officer  
Siam Makro Public  
Company Limited



# Key Performances 2020

## Number of beneficiaries (persons)



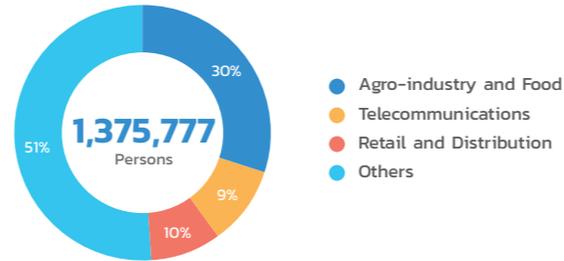
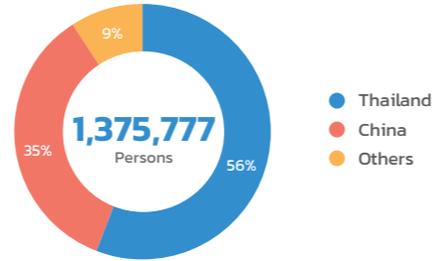
**533,943**  
Farmers Supported



**768,108**  
SMEs Supported



**73,726**  
Members of Vulnerable Groups Supported



## Social Activities



## SOCIAL IMPACT



# Social Value Creation Strategy

Charoen Pokphand Group's Social Value Creation Strategy has been developed based on the core values that represent our identity, namely gratitude and honesty, the Three-Benefit Principle, the C.P. Excellence Management Approach, and the Sustainable Development Goals according to the 2030 Strategy. Besides these internal factors, the Group has also taken into account community concerns and the United Nation's Sustainable Development Goals in order to balance between meeting the community's and society's needs and the Group's business growth.

C.P. Group's Social Value Creation Strategy actively focuses on three keys issues, namely promoting jobs and income for farmers, supporting knowledge and increasing distribution channels for small entrepreneurs, and supporting a better quality of life for vulnerable groups. Furthermore, the CP for Sustainability Project has also been implemented to drive the strategy and encourage the engagement of executives and employees worldwide in harmonizing social activities.

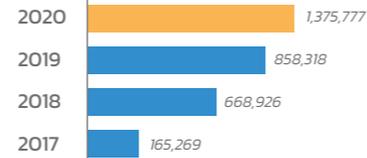
## Corporate Level's Social Value Creation Strategy Focuses on Three Key Issues





# Global Examples of Charoen Pokphand Group's Social Impact Projects for Shared Value Creation

Number of farmers, SMEs, vulnerable groups and others throughout the supply chain who benefited from income generation support activities



## Thailand

- Social Enterprises Project by People with Disabilities



## Thailand

- Nong Wah Agricultural Village



## China

- Pinggu Modern Agricultural Integration Project



## China

- Creating Safety Standards for Agricultural Bases



## Vietnam

- Livestock Farming in the Contract Farming System



## Vietnam

- Happy Homes for Farmers



## SOCIAL IMPACT

## United Kingdom

- Charity Partnership : Raising Funds for Charitable Organizations



## Myanmar

- Supporting Local Farmers to Grow Quality Vegetables



## Poland

- Scholarship Support Program



## India

- Income Promotion Program for Female Indian Farmers



## Turkey

- CP Fresh Shop : Creating Jobs and Income for Small Entrepreneurs



## Russia

- Charity Projects in Moscow and Kaluga



## Cambodia

- TrueMoney : Supporting Small Entrepreneurs Project



## Cambodia

- Clean Toilets for Students Project



## Laos

- Community Pork Shop Project





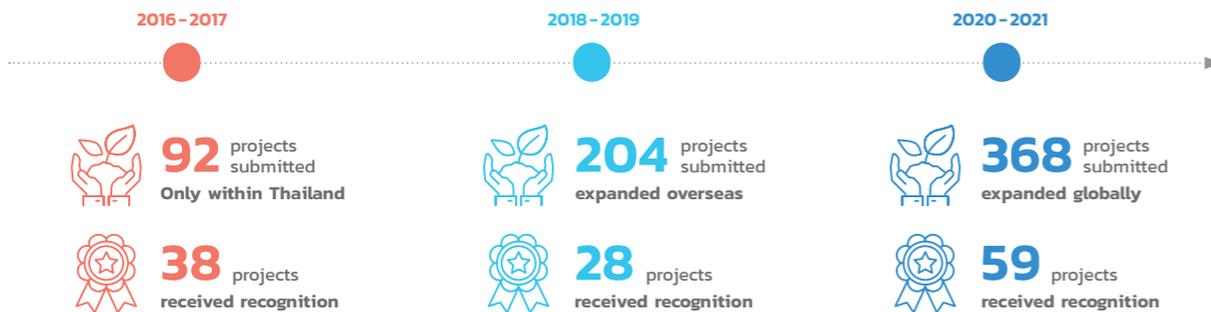
# CP For Sustainability



Throughout all this time, Charoen Pokphand Group does not only aim for profits in running our business. We also emphasize on raising the awareness of all our employees in simultaneously creating value for the greater good. We have worked to instill consciousness of sustainability into the DNA of over 350,000 C.P. employees worldwide who are the key forces in performing good deeds and creating benefit for the communities and society. This is reflected in the numerous projects conceived by local employees who see the

problems clearly and take part in resolving them, leading to the collective effort in building an effective sustainable society. The CP For Sustainability Project was held for the third consecutive year in 2020. The 59 projects that were selected and recognized are works of C.P. Group employees in both Thailand and overseas. The CP For Sustainability Recognition Ceremony in 2021 will be even more special than its predecessors as the occasion will coincide with the Group's 100<sup>th</sup> anniversary.

## CP For Sustainability Milestones



## Supporting Farmers and Developing Rural Communities

For a Better Quality of Life

Eradicating poverty is one of the United Nation's Sustainable Development Goals. Supporting such goal, therefore, creates immunity for all dimensions of the society as a whole.

Charoen Pokphand Group has continuously supported poverty alleviation efforts. We acknowledge the importance of agricultural development and capacity enhancement of farmers at both the national and international levels. In particular, the Group supports national policies on poverty eradication in all countries where we operate. In China, we have provided our support through countless project implementations, such as the 500,000 Pigs Poverty Alleviation Project in Midu County, Yunnan Province and numerous projects under the "Four in One" partnership, etc. China has been recognized by the United Nations for its success in easing poverty and for being a role model for other developing countries.



CASE STUDY | 16

## Midu 500,000 Pigs Poverty Alleviation Project in Yunnan Province

### Project Background:

With our commitment to provide access to nutritious food and eradicate poverty, Charoen Pokphand Group initiated the 500,000 Pigs Project in Yunnan Province, China. As part of this project, the Midu 500,000 Pigs Poverty Alleviation Project was formed with the goal to become the Kitchen of the World and a food provider for mankind. The Midu Project commenced its operations and productions in January 2017. The management supported the project by appointing a working team to offer recommendations, plan and design the project while also granting full powers to the new generation team. The Midu Project covers animal feed mills, breeder farms, fattening pig farms, and slaughterhouses. This creates integration in the performance of each area and maximizes efficiency.

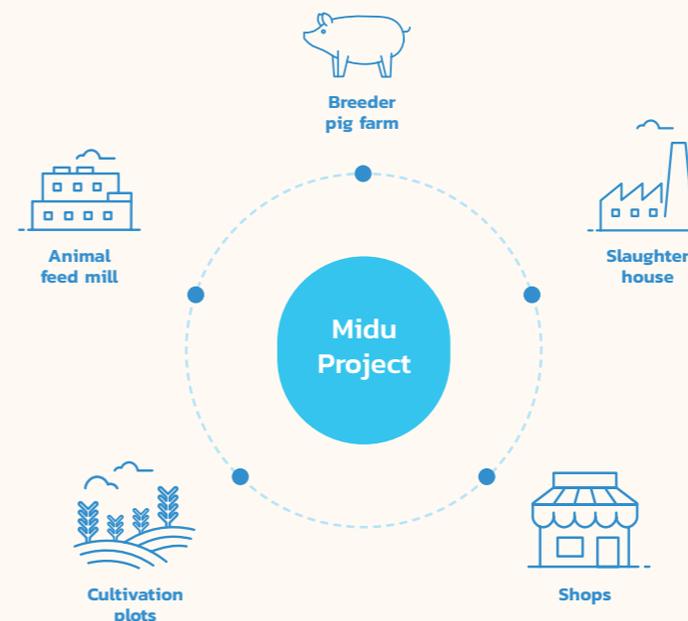
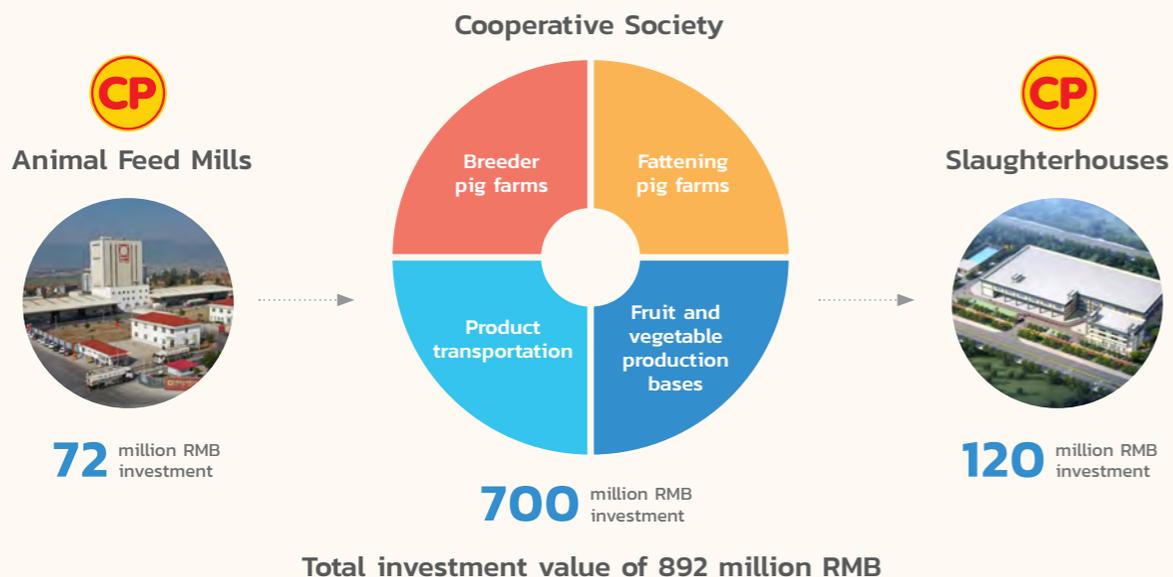


### Approach:

The Midu Project originated from the collaboration between Charoen Pokphand Group and local communities to raise and produce quality swine to meet the demand. At present, the Midu Project consists of 7,400 breeder pigs and 3 breeder farms in Binchuan, Midu, and Yunxian countries. Each breeder farm has the capacity to produce 50,000 breeder pigs per year. Additionally, the Midu Project also covers 250 fattening pig houses which yield a total of 150,000 fattening pigs per year. The continuous implementation of this project has resulted in the development and growth of a professional working team. At the same time, the project has also attracted new generation talents to join the Group. Furthermore, we have also assigned working teams in charge of animal feed technology, pig farming technology, and pig slaughter technology to support the project's efficient implementation. The Group targets to achieve the goal of 1,000,000 pigs in Yunnan Province by 2023.



### Approach of Implementation



Results and Benefits

**126 million RMB**  
(587.2 million THB)  
Benefit from the Project

**48,600 RMB**  
(223,560 THB)  
Income Generation for Farmers per Household per Year

**83,345 Persons**  
Number of People Employed

## C.P. Group Sustainability and Community Development Office in Nan Province



### Project Background:

Nan Province has been facing problems of deforested mountains, smoke, and forest fires. In view of this, Charoen Pokphand Group collaborated with various sectors to provide rehabilitation and solution to such problems. For more than 5 years, since 2015 until the present, the Group has asserted our efforts through projects such as the Sob Khun Model, Nampang Model, Rakphongprai Youth Camp, etc.

### Approach:

The first C.P. Group Sustainability and Community Development Office was established in Nan Province to focus on driving sustainability in a tangible manner in the Northern region. The Office also acts as a center to create partnership between the people, farmers, government agencies, the civic sector, and the education sector. The objective of such efforts is to engage all sectors in enhancing the community's quality of life, covering economic, social and environmental aspects, and consistent with the local way of life and culture of Nan Province.

Results and Benefits

**6,444 Persons**  
Number of Farmers Supported During 2016–2020

**1,108,751 THB**  
Total Income of Farmers During 2016–2020

SOCIAL IMPACT



## Supporting Small Entrepreneurs

### Creating Job Opportunities

Supporting small entrepreneurs is a key strategy in creating social value to which Charoen Pokphand Group has always adhered. Most small entrepreneurs operate a one-man business and bear relatively high costs. They also lack understanding about the process of systematic management. Therefore, the Group is determined to support these small entrepreneurs in manufacturing quality products to elevate product development to meet the standard and facilitate access to financial capitals. We also support the creation of a network of entrepreneurs to enable knowledge sharing in support of business expansions and new opportunities in starting and owning a business.



**Manassawan Saranvechakul**  
Khunkae Kanomwan Co., Ltd.  
Recipient of the "Sustainable SME Awards" from CP All Public Company Limited in 2020

*"CP ALL provides us with everything, starting with the opportunity to sell our products. On the first day of contact, we had nothing, but CP ALL gave us the chance to improve, propose new products, and develop products that meet the demands of the market."*

## Selection of Outstanding SME Products for Sale in 7-Eleven and Online Channel through 24Shopping

### Project Background:

The Small and Medium Enterprise Development Bank of Thailand, or SME Development Bank (SME D Bank), wishes to enhance the capacity and increase distribution channels for SME entrepreneurs during the COVID-19 pandemic. The Bank partnered with CP ALL Public Company Limited and 7-Eleven retail operators to select outstanding SME products for sale in 7-Eleven outlets nationwide and through online channels to increase sales opportunities for local SME entrepreneurs by delivering their products straight to consumers.

### Approach:

The project provided opportunities for customers of SME D Bank to sell their products via CP ALL and 24Shopping distribution channels, including 7-Eleven outlets, www.ShopAt24.com, and 24Catalogue. The customer must have sufficient production capacity to meet the



demand and a production process that meets the standard. This helps to build customer confidence in product selection and generate income for the community.



#### Results and Benefits

**>20,000 Products**  
Number of SME Products

**50,000 Families**  
Number of Farmers Supported

## Community Kitchen Project

### Project Background:

Siam Makro Public Company Limited remains determined to enhance the capacity of small retail operators or local groceries to grow strongly and sustainably. The “Community Kitchen” project

was proposed as an alternative to generate income and respond to consumer behaviour that demands ready-to-cook and ready-to-eat food close to home.



### Approach:

The Community Kitchen project centers on increasing income for local groceries with fresh and frozen food products to provide customers with more options. It also serves as a source of fresh and clean food for the community. Therefore, Makro has tailored the sizes and prices of these products to respond to local customer needs. High efficiency freezers at tangible prices were also developed to create a difference and increase sales and benefits for participating shops. With the COVID-19 outbreak in 2020, the Community Kitchen also assisted local groceries in all communities to adapt to the New Normal. Makro supported in cutting down costs for starting a Community Kitchen project; shops that purchase freezers will receive a 2,000THB discount voucher to procure fresh food from Makro outlets. Promotional media and activities were also constantly provided to boost sales. Makro believes that the Community Kitchen will kickstart the sustainable existence of local groceries and become an inspiration for local operators to develop their capacity to grow further in the future.

#### Results and Benefits

**>1,222 million THB**  
Total Sales of Freezers and Fresh Food Products from Participating Local Groceries

**12,095 Members**  
Number of Accumulated Members in the Project



## Supporting Vulnerable Groups For Social Equality

Charoen Pokphand Group is committed to supporting vulnerable groups with the target to enhance their capacity, create knowledge and skills for jobs, and increase their opportunities in a sustainable career. This coincides with the Group’s Sustainable Development Goals and the belief that “building a strong business foundation must go hand in hand with laying a solid groundwork for a good quality of life for people in the society”.

With this in mind, the Group is constantly mindful of the need to support vulnerable groups. Therefore, C.P. Group initiated a number of projects to help people with disabilities, the elderly, and those who lack social opportunities by promoting jobs and supporting them to establish a business of their own in an effort to reduce social inequality and enhance the quality of life for vulnerable groups in a sustainable manner.

CASE STUDY | 20

### Example of True Group’s Quality of Life Development Project for People with Disabilities and Underprivileged Children

**9.8**  
million THB  
Total project income



#### Social Enterprises Project by People with Disabilities

The Service Center for the Blind in Kalasin Province is a pilot project supported by True Corporation Public Company Limited. It became a model for helping people with disabilities in a sustainable manner and creating productivity for the economy through social enterprises. The project covers 27 farmers and 9 employees with disabilities in the material sorting house.

**3**  
branches  
Makro outlets in Chiang Mai using QR Code in the trial phase



#### Universal Design QR-Code

This project helps people with disabilities to gain equal access to product information using QR Code designed for the visually and hearing impaired as well as to enable general consumers to acknowledge the value of products developed and manufactured by people with disabilities.

**494**  
persons  
Number of children in care homes that have undergone skill development



#### Quality of Life Development for Children in Care Homes

The project promotes opportunities for children in care homes by “preparing them for the world ahead” through professional skill development and outside-classroom learning activities. 9 children have received scholarships.

CASE STUDY | 21

## CP Vietnam’s Sufficiency Nutrition Project

### Project Background:

Malnutrition in Vietnam is still prevalent, 28% of children under the age of 5 and 31% of the minority population in mountainous areas were found to have anemia. Meanwhile, the rate of anemia in pregnant women stands at 32%. Only one quarter of children under 6 months are solely breastfed and only 59% are nurtured from varied and adequate dietary supplements. Therefore, the Vietnamese government is seeking new methods to develop and improve comprehensive and sustainable nutrition for all Vietnamese children.



### Approach:

Towards the end of 2018, CP Vietnam received approval from the “Vietnamese Children Fund” in the “Sufficiency Nutrition Project” to establish the “Raising Layer Chickens for Lunches” for children, the elderly, and people with disabilities at social support centers in Vietnam’s provinces and cities. The Sufficiency Nutrition Project is an effort to improve nutrition and promote the health of Vietnamese students, especially orphans, people with disabilities, and the

elderly who live alone by providing access to good protein sources and creating opportunities to develop project management skills and gain additional income from sales of remaining eggs that were not used in cooking. This helps to cut costs and create income for childcare in Vietnam’s social support centers in a sustainable manner.



Results and Benefits

**2,376** Children  
who Benefited from  
the Project

**440,000** THB  
Average Total Income  
from 11 Project Sites

# HEALTH AND WELL-BEING

## Key Plans in 2021



Focus on product and service development, both B2B and B2C, that promote health and well-being



Emphasize on safe production of food throughout the supply chain



Continuously improve the process of developing healthy products.

### Supporting the SDGs



#### SDG 2 Zero Hunger

- 2.1 Access to food that is nutritious and safe based on international standards
- 2.2 End all forms of malnutrition

#### SDG 3 Health and Well-Being

- 3.4 Reduce mortality from non-communicable diseases and support good well-being
- 3.B Support research, development, and access to affordable essential medicines and vaccines

### Our Perspective

Nowadays, many consumers have shifted their focus to the quality of food they consume, paying special attention to direct and indirect health impacts, nutritional values, and a production process that is eco-friendly and up to standards. These factors impose a challenge for Charoen Pokphand Group in retaining our leadership in food production technology and innovation. Throughout the course of our business, the Group has constantly adjusted our strategy to meet the rapidly growing consumer demands. In doing so, we have procured raw materials from a standardized source, developed nutrient-rich products that are suitable for each age group, manufactured healthy products, and disclosed all nutritional information in full.

### Performance (Thailand) in Comparison with 2020 Goal



37% of new products are products that promote good health and well-being in comparison with the established goal of 30%

*"With our vision to become a sustainable Kitchen of the World, CPF aims to create food security & food accessibility with attention to quality and safety at the heart of our operations. We are ready to deliver tasty food that is rich with nutrition, suitable for each age group, and traceable in every step from the production process to the hands of consumers."*

#### Prasit Boondoungprasert

Chief Executive Officer  
Charoen Pokphand Foods  
Public Company Limited



# Key Performances 2020

## Promote Animal Welfare



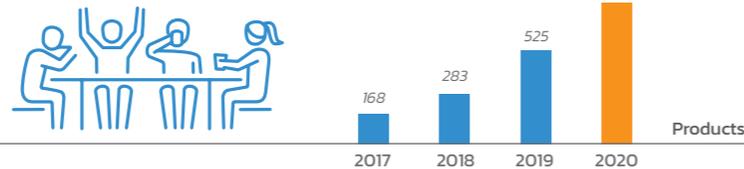
## Safe and High-Quality Production Process



\* Production capacity throughout the production value chain of businesses in Thailand

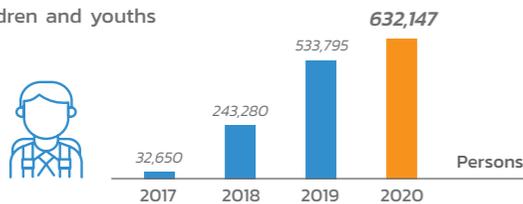
## Healthier Products

Number of new products that promote good health and well-being

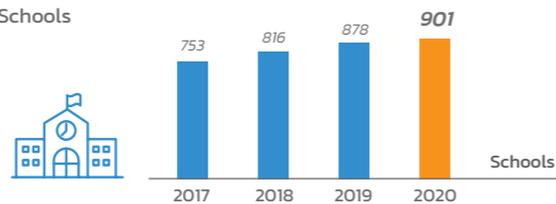


## Promote Food Access

Children and youths



Schools



## Promote Health & Well-being



# Developing Healthy Products

Promoting the Best Health and Well-being for Consumers

As a leader in agriculture and food industry, Charoen Pokphand Group acknowledges the importance of the health, safety and well-being of consumers. In response to the future market growth, the Group is devoted to create, research and develop innovative products for the health of consumers. We also continuously work to reduce the consumption of natural resources and environmental impacts. The Group has established standardized food research and development centers equipped with advanced technology in

food production to boost creativity among food researchers and developers, allowing them to demonstrate their capacity through new product trials. The centers also underscore our commitment to research and develop food for mankind that responds to the body needs of each age group by a specialized team of experts while inventing food innovations to improve the quality of life of consumers worldwide using a prototype factory that can test and develop products to meet market demands in a timely manner.

## Healthy Product Research and Development Centers



CPF Food Research & Development Center (Thailand)



CPRAM Food Research & Development Center (Thailand)



Sino-Biopharmaceutical Research & Development Center (China)



Bellisio Foods Research & Development Center (USA)

The Group has established a process for the development of healthy products based on key factors, namely product quality and safety, nutrition, appropriate pricing, market and consumer trends, and value for the society. In 2020, 791 products passed through such processes which focuses on nutrition, health and well-being.

## Examples of Nutritious Products



### Charoen Pokphand Foods (Thailand) Cheeva Pork

- Pork meat enriched with good fatty acids and high in omega-3
- No use of growth promoters
- Free from leanness-enhancing agent.
- No use of antibiotics throughout lifespan

NSF certified, award-winning health food innovation from THAIFEX-Anuga Asia 2020



### Charoen Pokphand Foods (China) Selenium Fresh Eggs

- Enriched with selenium
- Low cholesterol
- No use of antibiotics
- No use of growth promoters

CQM certified (China Quality Mark Certification), antibiotic-free product certification mark



### Tops Foods (Belgium) Vegan Lasagne

- Meat-free ready-to-eat food product
- No preservatives
- Gluten-free
- Lactose-free

Mercury's 2018 Award from the organization that oversees service standards in the airline industry, THAIFEX 2019's Innovation Award



### Overhill Farms (USA) Mashed Cauliflower

- Alternative healthy product made from cauliflower to replace mashed potato
- Rich in fiber
- 65%\* less calories, 60%\* less fat\*

\*Compared with mashed potato in the same proportion

One of C.P. Group's innovations; Overhill Farms has developed products and adjusted its production process in response to health-conscious consumers in USA



## Striving for a Quality Production Process

### Producing Quality and Safe Food

Charoen Pokphand Group has put in place a quality management system from upstream to downstream. We have also adopted various national and foreign standards pertaining to quality and animal welfare. Furthermore, the Group has arranged for independent external agencies to conduct audits and certification of our quality

management system to ensure stakeholders that all Group operations are in accordance with related international standards, rules, regulations, and laws. We also provide trainings to educate employees with knowledge and understanding about relevant standards to increase efficiency in their performance.

CASE STUDY | 22

C.P. Vietnam Corporation has inaugurated the CPV Food Binh Phuoc Factory Complex in Bin Phuoc Province in the South of Vietnam. The complex is the first fully integrated chicken breeding and processing project in Vietnam, covering animal feed, farms, and processed food for export. The complex is the largest and most advanced facility of its kind in Southeast Asia. It targets to produce 50 million broilers/year in phase 1 (2019-2023) and will double its production capacity to 100 million broilers/year in phase 2 (after 2023). All products manufactured from this complex are traceable throughout the entire supply chain. The complex's operations are eco-friendly and comply with globally recognized animal welfare principles. Phase 1 of the project will be implemented in 6 localities in Bin Phuoc Province. All 6 localities have been recognized by the World Organization for Animal Health (OIE) as the first disease-free zone in Vietnam. In each locality, a system of barns is built for safe production from Avian Influenza and Cholera according to the World Veterinary Association's standards. The company also emphasizes on the use of advanced technology, a production and processing system that is safe, disease-free and eco-friendly, and the application of 4.0 technology, artificial intelligence (AI), and big data, etc. in livestock control and management. These technologies will increase productivity and product quality, build competitiveness, and contribute to sustainable livestock development.



Detail on "Striving for a Quality Production Process" is available at: [https://www.cpgroupglobal.com/health/SD\\_Health-and-Well-being](https://www.cpgroupglobal.com/health/SD_Health-and-Well-being)



# Promoting Animal Welfare

To Achieve the Best Health and Well-being for Consumers

Charoen Pokphand Group has always committed to animal-friendly business operations. We highlight the importance of complying with the Five Freedoms of the Farm Animal Welfare Committee (FAWC). [Information on the Five Freedoms is available at https://www.cpgroupglobal.com/health/SD\\_Health-and-Well-being](https://www.cpgroupglobal.com/health/SD_Health-and-Well-being) Additionally, we have established an Animal Welfare Committee to drive policy and approaches to manage animal welfare in a systematic manner. A clear manual and standard on animal welfare has also been established and should be applied to the management of broiler, layer, duck, swine and aquatic animal farming in all countries.

Since 1989, the Group became the first in ASEAN to employ the EVAP farming technology with automatic equipment. This has raised the well-being of chickens and ensured adequate food and water. The technology also allows chickens to freely exhibit their natural behaviours, leading to healthy chickens that do not require the use of antibiotics or hormones to accelerate growth throughout the lifespan. At the same time, the Group is also the first Thai private company outside the European Union to have achieved the Animal Welfare Standard. In addition, we have been widely accepted by consumers worldwide, especially in the European Union and Japan.



**Mr. Bai Shanlin**  
Senior Vice Chairman  
Agriculture, Livestock, and  
Food Business  
C.P. Group China

Based on our success in Thailand, the Group has expanded our animal welfare practices to overseas businesses. To demonstrate our commitment in China, Mr. Bai Shanlin, Senior Vice Chairman of Agriculture, Livestock and Food Business of C.P. Group was invited to give a Keynote speech on “Promoting Animal Welfare and Corporate Sustainable Development” at the Animal Welfare Science Conference in Shanghai, China. Animal welfare is a key strategy in global sustainable development and an essential part in the 4.0 agricultural strategy. The Group lays emphasis on the welfares of animals, environment, health, mental state and animal behaviours. Highlighting on animal welfare will ultimately have effects on the health of humans who consume the meat of animals that are raised in line with animal welfare principles.



The Animal Welfare Science Conference discussed the relationship between humans, animals, environment, technology and animal welfare practices in China, USA, France and the Netherlands. It also saw exchanges about regulations and technologies relating to animal welfare, assessments, audits and certifications.

## Animal Welfare Standards in Land and Aquatic Animal Value Chains

Charoen Pokphand Group encourages compliance with international animal welfare principles and the strict responsible use of antibiotics. The Group supports both land and aquatic animals to exhibit their natural behaviours. Meanwhile, we work hard to guarantee meat and food safety throughout the production chain.



C.P. Group raises pigs according to the 3Ts principle (No Testicles Cutting, No Teeth Clipping, and No Tail Docking) in closed facilities with proper air ventilation. We have committed to reducing and eliminating any practice that alters the physical features of the pigs, such as castration (to reduce boar taint), teeth clipping (to reduce bites on sows’ udders and littermates’ tails), and tail docking (to reduce injuries from tail biting).



C.P. Group 100% avoids beak trimming in our broiler business. We provide additional materials in chicken houses to ensure that chickens can exhibit their natural behaviours of digging and scratching at the ground. The company has replaced beak trimming with Infrared Beak Treatment technology to reduce injuries for male breeder chickens and laying hens.



In our aquaculture business, C.P. Group focuses on non-eyestalk ablation of female shrimps. We have substituted ablation with innovative biotechnology in baby shrimp hatchery and nursing, allowing breeders to naturally lay eggs without the need for eyestalk ablation.

## Good Chicken Production Award

Heilongjiang Yongyuan Animal Technology Co., Ltd. and Heilongjiang Chia Tai Enterprise Co., Ltd., which are C.P. Group’s subsidiaries in China, scored 3 stars from the Good Chicken Production Award from UK. This award recognizes chicken producers with outstanding animal welfare practice based on the following criteria:

- Maximum permissible stocking density must be less than or equal to 33kg/m<sup>2</sup> with daily record keeping
- Indoor litter system and maximum stocking density of 30 kg/m<sup>2</sup>
- Compliance with stipulated management requirements (Leg health plan)





# Responsible and Prudent Use of Antibiotics

Charoen Pokphand Group is conscious about the importance of using antibiotics responsibly and prudently in animals. We carefully take into account all factors to reduce problems such as antibiotic residues in animal products, resistance to antimicrobial drugs, and negative impacts to human and environmental health. The Group has strictly adhered to the “One Health” practice which refers to the integration of human, animal and environmental health practices combined with the company’s policy in applying no antibiotic in its operations.

This has resulted in animal raising innovation that focuses on the prevention of animal illness to avoid use of antibiotics. This practice has been applied to our livestock businesses in all our farms worldwide as well as to farmers under the animal farming promotion program. At present, our businesses in Thailand, Vietnam, Cambodia, and Turkey are free of shared-class antibiotics used to accelerate growth in all kinds of animals.

## One Health Practice to Promote Animal Welfare



Free from human-only antibiotics



Free from use of shared-class antibiotics, which are important in human medicine, as growth promoters



Free from use of hormones with the purpose of growth promotion

CASE STUDY | 25



“Cheeva Pork” is raised with natural feed rich in omega, such as flaxseed, natural seaweed, and deep-sea fish oil, which help to reduce the risk of coronary heart disease. The NSF certified “Cheeva Pork” is chemical-free, safe, and raised without antibiotics.

Results and Benefits

**0%** Antibiotic use throughout the entire lifespan of the pigs

**0%** Growth promoter use

CASE STUDY | 26

# Antibiotics-Free Certification for Egg Products (China)

## Project Background:

At present, many countries are well aware of the impact on food safety and consumer health from antibiotics in food products. As China’s leading egg producer, Charoen Pokphand Group recognizes that there is a need to modify the way of thinking in the egg industry and improve the production process to become antibiotics-free in order to deliver quality, safe and nutritious products for the health of consumers.



## Approach:

The Group has researched and developed quality products, emphasizing on every process from the selection of raw materials for animal feed to farm management. Additionally, we have partnered with external agencies to research and develop a standard that is in line with the antibiotics-free product standard. This effort has elevated the antibiotics-free layer farming industry and acquired the antibiotics-free product standard certification from a nationally recognized certification body. In the next step, the Group will promote antibiotics-free product certification in our aquatic animal and pork products.

The certified product groups include “antibiotics-free layer chicken products”, “antibiotics-free egg products”, and “antibiotics-free liquid egg products” which belong to CP Eggs (Hubei) Co., Ltd., CP Eggs Beijing Co., Ltd., and CP Eggs Cixi Co., Ltd. They are the first C.P. subsidiaries in the egg industry to have received antibiotics-free certification.



Press conference on CP egg products “Antibiotic-Free for Better Quality of Life” in Beijing, China attended by Mr.Xie Yi, Mr.Yu Jianping and Mr.Zhou Yongshun, of Agribusiness, Livestock, and Food, C.P. Group China and 200 partner agencies

Results and Benefits

**0%** Antibiotic use throughout the entire lifespan of the chickens

**0%** Growth promoter use



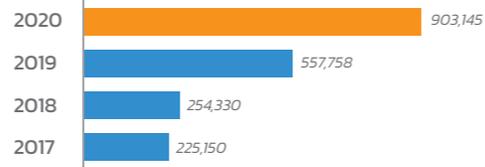
# Promoting Access to Food

## Promoting the Best Health and Well-being for Consumers

Charoen Pokphand Group is committed to promote the health and well-being of the people and alleviate the impact from limited access to food for consumers, communities, and the society. The Group conducted numerous projects and activities to encourage the consumption of hygienic and nutritious food. We have also endorsed learning and skills development in food production to contribute to improving malnutrition.

### Promoting Access to Food

Number of children, youths, the underprivileged, and those in High-risk situations who have received support to access safe and nutritious food



Additional information on the project is available at: [https://www.cpgroupglobal.com/health/SD\\_Health-and-Well-being](https://www.cpgroupglobal.com/health/SD_Health-and-Well-being)

### Thailand

- Raising Layer Chickens for School Lunches
- Open World of Learning
- CPF Growing Happiness, Growing Futures
- Promoting Cultivation of Medicinal Plants in Communities
- Promoting Good Health and Nutrition
- CPRAM Junior Chef



### China

- Product Transportation against COVID-19
- Sufficient Vegetable Delivery to fight COVID-19
- Food Safety Promotion Program in Schools



### Vietnam

- Sufficiency Nutrition Project
- Vietnam Food Bank Project
- Christmas for People with Disabilities
- Safe Vegetables for Employees



### United Kingdom

- The food on my plate
- FairShare



### Myanmar

- Milk for kids
- Food for life



### Poland

- "We Give Wings" No more hunger



### India

- COVID-19 Alleviation Support Project



### USA

- Feed IT Forward



### Philippines

- Raising Catfish for Lunch
- Food Donation against COVID-19



### Cambodia

- Lunch for Underprivileged Children



### Laos

- Food from the Heart Against COVID-19
- Organic Vegetables
- Raising Layer Chickens for Lunch



### Russia

- Food Security to Fight COVID-19





# Health Promotion

Promoting the Best Health and Well-being for Consumers

Charoen Pokphand Group is mindful of the importance to develop the health and well-being of the people. Besides access to quality food at reasonable prices, the Group also highlights the issue of good health. To grant full and equal access to good health, the Group has initiated diverse health promotion projects both in

Thailand and overseas, such as “C.P. Group 100 Years: Giving Back through Blood Donations”, “Health Promotion for Employees and Communities”, “CP CPR Volunteer”, and “Patients and Relatives Dormitories at the Cancer Hospital”, etc.

CASE STUDY | 27

## Hostel for Patients and Families at Vietnam’s National Cancer Hospital

K Tan Trieu Hospital in Hanoi, Vietnam faces the problem of overflowing patients and congestion, resulting in inconvenience and difficulty for patients to receive medical treatment. However, patients cannot transfer to less crowded hospitals for convenience due to the high cost of cancer treatment.

Therefore, CP Vietnam has joined forces with the hospital to build a hostel comprising 240 beds, with WCs, bathrooms, common areas, and an efficient management system to support patients and their families. This helps patients to save costs during treatment. The hostel does not only provide safe, convenient and affordable accommodation, but also creates confidence in safety and orderliness.

Results and Benefits

More than **300,000** times

Hospital bed circulation

**87.5%**

Reduced cost proportion for patients and families using the hostel



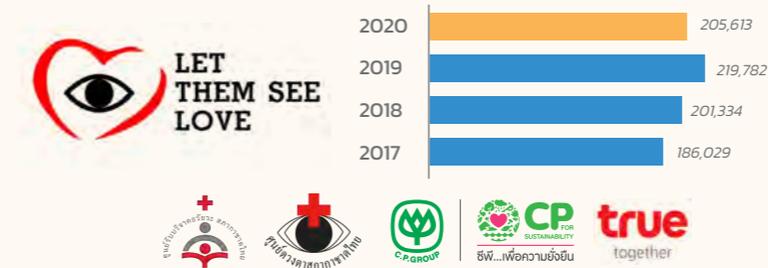
CASE STUDY | 28

## Let Them See Love Project : Campaigning for Organ and Eye Donations

Charoen Pokphand Group and True Corporation Public Company Limited, in collaboration with the Eye Bank and the Organ Donation Center of the Thai Red Cross Society, has held the “Let Them See Love” project for the 14<sup>th</sup> consecutive year to raise awareness on the importance of organ and eye donation.

In 2020, C.P. Group submitted a donation of 3,293,942 THB from True Group’s customers which were made through SMS, True Move H, True Money Wallet application, and exchange of True Points for donation money to the Thai Red Cross Society.

### Number of persons who wishes to donate organs and eyes



CASE STUDY | 29

## Bellisio Health Center



The US-based Bellisio Foods Inc., under Charoen Pokphand Group, has established the Bellisio Health Center in Jackson, Ohio to provide free healthcare services and affordable medications for employees. The center also promotes knowledge and awareness of a health-conscious lifestyle.

Furthermore, the company closely follows up on employees in high-risk groups and those who have non-communicable chronic diseases. After participating in the project, employees were found to have better health.

For example, 48% of employees with high blood pressure have normal readings, 32% of high Body Mass Index (BMI) employees have returned to the normal BMI range, etc.

Results and Benefits

**1,128** Employees  
Who have benefited from Bellisio Health Center services

CASE STUDY | 30

## C.P. Group 100 Years : Giving Back through Blood Donations

Charoen Pokphand Group, through the Special Projects Management Office, partnered with the National Blood Center of the Thai Red Cross Society to organize the “C.P. Group 100 Years: Giving Back through Blood Donations” Project, which encourages blood donations from companies within the Group, both in Thailand and overseas. In 2020, the Project received the support of 192 C.P. Group companies.



**243.45 million C.C.**

Volume of blood donated by C.P. Group companies between 1991 and 2020



183.71 million C.C.



0.92 million C.C.



57.91 million C.C.



0.92 million C.C.



CASE STUDY | 31

## Basic First Aid and CPR Training Project

Charoen Pokphand Group, through the Special Projects Management Office and in collaboration with the Heart Foundation of Thailand under Royal Patronage, commenced the project in 2010 to increase safety measures in the Group’s operations and provide all employees with basic knowledge of first aid and CPR. The CP CPR Volunteers have been appointed to educate such knowledge both in theory and in practice. The training is divided into courses for C.P. employees, the general public, and youths. The latter is carried out through the “CPG Blood Donation Project for Thai Youths” and the “CPR Youth Volunteers Project”.



**65,784 persons**

Accumulated number of participants from 2010-2020



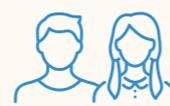
**17,146**

C.P. Group Employees



**5,330**

General Public



**43,308**

Youths



# STAKEHOLDER ENGAGEMENT

## Key Plans in 2021



Review material sustainability issues from stakeholders



Monitor performance of digital channels of communication with stakeholders



Develop stakeholder engagement survey process for all C.P. Group businesses

### Supporting the SDGs



#### SDG 16 Peace, Justice, and Strong Institutions

16.7 Ensure responsive, inclusive, participatory, and representative decision-making at all levels

#### SDG 17 Partnerships for the Goals

17.16 Enhance the global partnership for sustainable development

17.17 Encourage and promote effective partnerships

### Our Perspective

Stakeholder expectations have continuously raised and shifted as a result of the rapidly changing global circumstances due to economic, social and environmental factors, especially the COVID-19 outbreak. Consequently, Charoen Pokphand Group has reviewed material sustainability issues from stakeholders, upgraded the stakeholder engagement survey process, and adjusted to altering situations and expectations in order to retain a positive relationship among companies under C.P. Group as well as grow and respond efficiently to the expectations of all stakeholders.

### Performance (Thailand) in Comparison with 2020 Goal



100% of Business Groups within C.P. Group has developed a stakeholder engagement process

*"I work to retain people and customers. Customers are important. If they go out of business, how will I find customers? We should give rather than receive. It is impossible to leave our customers behind while we thrive."*

**Sunthorn Arunanondchai**  
President and Chief Executive Officer  
C.P. Land Public Company Limited



# Stakeholder Engagement Process

Charoen Pokphand Group adopts the AA1000 Stakeholder Engagement Standard, which provides guidance on developing effective engagement and communication plans, preparing data and sufficient personnel for on-the-ground engagements with stakeholders to collect key information, assess performance and revise the company’s business plans to better respond to stakeholder needs and deliver sustainable values.

## Plan

Understand and establish engagement and communication methods with stakeholders



## Review and Improve

Monitor, evaluate, and improve to achieve better performance

## Prepare

Mobilize human resources and forecast potential challenges and solutions

## Implement

Engage with stakeholders according to pre-determined methods

## STAKEHOLDER ENGAGEMENT

During the second half of 2020, Charoen Pokphand Group has commenced the formulation of the 2030 Sustainability Strategy. An in-depth stakeholder engagement survey has been conducted by an external consultant. The scope of the survey covered C.P. Group’s core businesses both in Thailand and overseas. The survey employed methods such as in-depth interviews, discussions with the target audience, and quantitative opinion surveys in order to accurately learn about the needs and key concerns of each stakeholder groups. This has been carried out in addition to the customary process to gather information on stakeholder needs and expectations by the designated authority.

Our Stakeholders	Digital Communication or Reports	Meetings, Discussions, Activities, Collaborative Projects	Complaints or Suggestions Channels	Academic Service and Counselling Center	Satisfaction Survey
Employees and Families	✓ At least once a year	✓ At least once a year	✓ At all time	✓ At all time	✓ At least once a year
Customers and Consumers	✓ At least once a year	✓ At least once a year	✓ At all time	✓ At all time	✓ At least once a year
Farmers	✓ At least once a year	✓ At least once a year	✓ At all time	✓ At all time	
Business Partners	✓ At least once a year	✓ At least once a year	✓ At all time	✓ At all time	
Communities and Societies	✓ At least once a year	✓ At least once a year	✓ At all time	✓ At all time	✓ At least once a year
Governments	✓ At least once a year	✓ At least once a year	✓ At all time		
Shareholders, Investors and Creditors	✓ At least once a year	✓ At least once a year	✓ At all time		
Non-governmental Organizations	✓ At least once a year	✓ Monthly	✓ At all time		
Media	✓ Monthly	✓ Monthly	✓ At all time		
Competitors	✓ At least once a year	✓ At least once a year	✓ At all time		

# Response to Stakeholders

<p><b>Employees and Families</b></p>	<p><b>Customers and Consumers</b></p>	<p><b>Farmers</b></p>	<p><b>Business Partners</b></p>	<p><b>Communities and Societies</b></p>
<ul style="list-style-type: none"> <li>Survey employee satisfaction and form safety plan in accordance with human rights principles</li> <li>Continuously develop employees' capability and retain good and ethical employees</li> <li>Communicate with employees through various digital channels</li> </ul>	<ul style="list-style-type: none"> <li>Develop products and services that are traceable and meet quality and safety standards</li> <li>Help customers and consumers understand about products and services through diverse modern channels</li> <li>Ensure security of customer data</li> <li>Provide channels for consultations, complaints and feedbacks from customers</li> </ul>	<ul style="list-style-type: none"> <li>Guarantee sources of income, and find markets and distribution channels for farmers</li> <li>Develop fair contracts</li> <li>Support knowledge, skills, technologies and responsible operations that are appropriate and adequate for farmers' needs</li> </ul>	<ul style="list-style-type: none"> <li>Communicate Supplier Code of Conduct to business partners</li> <li>Treat all suppliers equally and fairly according to business agreements and Business Code of Conduct</li> <li>Manage the supply chain responsibly</li> <li>Develop partnership projects to enhance business growth</li> </ul>	<ul style="list-style-type: none"> <li>Survey opinions and take part in caring for the environment and well-being of the communities</li> <li>Leverage the Group's competitive advantages as tools to create positive impacts and mitigate negative impacts on societies</li> </ul>
<p><b>Governments</b></p>	<p><b>Shareholders, Investors and Creditors</b></p>	<p><b>Non-governmental Organizations</b></p>	<p><b>Media</b></p>	<p><b>Competitors</b></p>
<ul style="list-style-type: none"> <li>Comply with all relevant laws and operating guidelines</li> <li>Collaborate on and support initiatives, and develop projects and activities that will benefit the country</li> <li>Communicate and disclose performance in a complete, transparent, and efficient manner, and be open to recommendations for improving operational plans.</li> </ul>	<ul style="list-style-type: none"> <li>Operate in compliance with corporate governance principles, company's regulations, and decisions of the shareholders</li> <li>Listen to recommendations and reflections from shareholders and investors</li> <li>Strictly comply with conditions of creditors</li> <li>Collaborate with relevant authorities to improve operational efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Communicate and disclose performance in a complete, transparent, and efficient manner, and be open to recommendations for improving operational plans.</li> <li>Coordinate work locally to jointly analyze and solve problems</li> </ul>	<ul style="list-style-type: none"> <li>Engage media to strengthen good relations</li> <li>Provide factual, useful, and up-to-date information for official communication to the public</li> <li>Monitor news reports to determine future operational approach</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to rules and ethics of competition, and establish a monitoring system to prevent any conduct associated with gaining trade secrets from competitors</li> <li>Prohibit any actions to defame competitors' reputation based on unfounded facts</li> </ul>





**Dr. Pipat Yodprudtikan**  
 Chairman of *Thaipat Institute*  
 C.P. For Sustainability Selection Committee

“The interesting thing about this year’s entries is that most of them deliberated on the benefits that could be created from upstream to downstream throughout the supply chain. They center more on the value chain, which is a good thing and should be applauded. When we talk about sustainability, we must take into account the significance of both internal and external stakeholders as they are the key in running a business under the principle of sustainability. On another note, more entries have been submitted by overseas business groups this year. These projects carry the unique characteristics of their originating countries, and they point out the importance of Charoen Pokphand Group’s role in making investments to create benefit and improve the quality of life for people in these countries.”



**Sawit Soothipunt**  
 Vice President  
 Digital Transformation, *TOA Paint (Thailand)*  
 Economic Committee,  
 CP Innovation Exposition

“As an external committee member, I am admitted that the entries are extremely interesting, especially in the area of health. The projects are practical and can impact the society as a whole. With proper joint research and connection between relevant fields of work, many projects can become highly beneficial. If Charoen Pokphand Group provides more opportunities for innovators to discuss and cooperate beyond these projects that are destined specifically for their respective companies, it will create integration and more impact on the company’s business.”

“I see the genuine determination of Charoen Pokphand Group’s employees reflected in projects that benefit the society in various dimensions of sustainability. In education, for instance, we have received a proposal for an in-depth project that requires skill development for people in the community so that they may apply the acquired knowledge to create a living. There are also projects which place more importance on improving the quality of life for people with disabilities and the underprivileged.

Furthermore, projects from overseas business groups demonstrate a more systematic way of thinking. We have seen projects that integrate technological education with agriculture. I applaud C.P. Group for allowing employees to truly and sustainably create benefit for the Thai people in parallel with driving the Group’s business growth.”



**Dr. Permsak Makarapirom**  
 Advisor to the Research Center for  
 Peace Building, *Mahidol University*  
 C.P. For Sustainability Selection Committee

“This year’s innovations stand out more than last year’s. They are more advanced and correspond with the trends of the changing world. Technologies, such as robotics, Artificial Intelligence (AI), and Internet of Things (IoT) have been applied. There are also works that are based on biotechnology, such as vaccines. These projects reflect good efforts. Charoen Pokphand Group must demonstrate a more rapid application of technology which will produce direct impact on competitiveness in the global arena and contribute to the rapid development of the industry.”



**Dr. Somwong Trakulroong**  
 Advisor to the President  
 National Science and Technology  
 Development Agency  
 Technology Committee,  
 CP Innovation Exposition



**Boonlarp Poosuwan**  
 Founder / Managing Editor  
 ThaiPublica  
 CP For Sustainability Selection Committee

“We have seen more diversity in this year’s entries both in the format of CSR projects at the community level and collaborative projects between Charoen Pokphand Group and the government that will create sustainability at the national level. At the same time, most projects require continuity. This is consistent with the concept of sustainability which must be carried out in a continuous manner with efficient value creation for the society as the key. I wish to commend C.P. Group for developing projects that do not only focus on the community level, but also consider the benefit of the country and sustainability in all dimensions.”



**Asst. Prof. Nikhom Laemsak, Ph.D**  
 Vice President for Innovation  
 and Social Engagement,  
 Kasetsart University  
 Social Committee, CP Innovation Exposition

“Projects where the private sector is involved in innovation promotion are interesting. The impacts of each project may vary which is normal based on how they were designed. I wish to draw your attention to the wide gap that still exists, such as educational inequality, especially in the borders and among ethnic groups. Personally, I believe that Charoen Pokphand Group already acknowledges this and is able to inquire deeper into the subject in a quantitative and qualitative manner which will lead to greater success in the project implementation.”



**Mr. James Gomme**  
 Director, People & Society  
 World Business Council  
 for Sustainable Development (WBCSD)

“As Thailand’s largest company and one of the biggest conglomerates in the world, Charoen Pokphand Group can impact the lives of millions of people every day. By making respect for human rights a core element of its business operations and relationships, C.P. Group has the opportunity to transform people’s lives in a positive way while building trust with stakeholders and strengthening its business success.

In 2019, Mr. Suphachai Cheravanont, CEO of C.P. Group was one of the first senior business executives to endorse WBCSD’s Call to Action for Business Leadership on Human Rights. A year later, C.P. Group took the lead in creating a Thai edition of WBCSD’s CEO Guide to Human Rights, promoting the importance of corporate respect for human rights among its own businesses and the Thai business community. We applaud C.P. Group for being an example of business leadership on promoting respect for human rights, and encourage the company to continue strengthening its efforts to address the human rights issues that may result from its operations, business relationships, products and services.”



**Asst. Prof. Chol Bunnag**  
 Director, SDG Move

“We have had the opportunity to work with Charoen Pokphand Group in the SDG Game Fest and rendered our support in driving the SDGs with the Global Compact Network Thailand (GCNT). Such experiences have led us to realize that C.P. Group is one of the few large conglomerates that has profound understanding of SDGs. The Group is willing to allocate its resources to drive SDGs through creative projects with high anticipation of success. The SDG Game Fest supports SDGs by communicating about the subject to youths through smartphone gaming application. Employing games to ingeniously convey such message is one of the most advanced and creative ways of instilling SDGs in youths. Furthermore, the fact that C.P. Group is one of the main supporters of GCNT, which serves as a platform in linking and empowering the private sectors to drive SDGs, also reflects that C.P. Group does not focus only on its own role in sustainability, but also looks ahead to create a mechanism to attract other private companies to join the wagon in advocating for sustainability. This collaborative partnership for development is a key element in pushing the 2030 Development Agenda towards reality.”



**Col. Pongsiri Pongariyamongkol**  
 Head of Press and Public Relations  
 Internal Security Operations  
 Command in Nan Province

“In the past, agricultural produce were largely dependent on nature. However, this changed after Charoen Pokphand Group had introduced academic guidance, brought in academics and personnel to provide knowledge and assistance, set up a preliminary processing factory, and made continuous purchases of produce from social enterprises. The Group also established the C.P. Group Sustainability and Community Development Office in Nan Province as a platform for knowledge exchange. I believe that in the future, this form of operation will expand to all areas of the province, resulting in reforestations, income and job creation, stability and sustainability. It will also contribute to economic development in local communities.

I hope that this development model will not be confined only to Nan Province, but that it will also spread to other areas of Thailand as it will generate positive impacts on climate change reduction both in Thailand and the world.

I also believe that C.P. Group will bring new hopes to community and social development, conserve the environment, and create suitable jobs for the locality, leading to sustainability in all dimensions.”



**Torpong Selanon**  
 Vice President  
 Thailand Association of the Blind

“Sustainability must consist of dimensions that take into account or at least cover social, environmental, and human value aspects with the economy as the driving force. Sustainability must help people to achieve the goal of self-reliance and self-determination with dignity without being subject to risks from other factors to the point of inability to regain oneself. Sustainability must also promote to a better quality of life for both individuals and the society. We should be able to connect human and other resources together to empower each other, leading to greater capabilities.

With Charoen Pokphand Group immense potential, all sectors are confident that the Group will be able to further continue this success in development and accelerate social development which will lead to more rapid partnerships. There may be the need to increase resources, especially on-the-ground resources, budget, space, and technology, in order to upgrade development. The level of synergy within the Group should also be raised so that the direction of policies and management accurately responds to sustainable development in the social sector. C.P. Group has attached higher importance to this issue especially at the operational level where more process to create partnerships is required.”

# Support Various Sectors to Drive Industry Growth



The Digital Council of Thailand (DCT) represents the private sector involved in digital business to draw up digital strategies. This is an important driving force for Thailand’s transition towards a digital economy and society. The DCT unanimously resolved to appoint Mr. Suphachai Chearavanont, Chief Executive Officer of Charoen Pokphand Group, as the first DCT Chairman. The council works with the government, civic and private sectors to increase competitiveness, develop digital workforce, and offer recommendationsto the government on regulations and laws pertaining to digital business and industry.



The DCT brings together more than 4,000 large and small entrepreneurs in the digital business and provides a forum for key digital entrepreneurs to talk with the government. It also serves as aplatform to combine ideas and work with the government sector to drive the 4.0 technology and industry. Entrepreneurs who need to adapt quickly can become a mirror to help the government realize the impacts and direction of the digital industry development and become the leader of change in the future.



## Past Key Activities

- Announcing DCT policies and plans with focus on digital technology, elevating the economy to keep up with the global changes after the COVID-19 crisis where the New Normal is believed to generate the New Economy
- Proposing digital solutions to economic problems in the meeting of the Advisory Board on the Private Business Sector within the Centre for the Administration of the Situation due to the Outbreak of the Communicable Disease Coronavirus 2019 (COVID-19)
- Organizing a workshop on “Building Thailand as a Technology Hub of Asia in the Digital Era”
- Signing an academic cooperation agreement with the Association of Private Higher Education Institutions of Thailand to develop digital learning capacity and upgrade digital knowledge for more than 200,000 students nationwide.

# Participation in National and International Organizations

Charoen Pokphand Group becomes a member of many national and international organizations to jointly drive the Sustainable Development Goals through various collaborative projects and promote the management of the Group’s key sustainability issues.

		HEART	HEALTH	HOME
		Corporate Governance Human Rights and Labor Practices Leadership and Human Capital	Education Social Impact Health and Well-being Stakeholder Engagement	Innovation Climate Change Management Water Stewardship Ecosystem and Biodiversity Protection Responsible Supply Chain Management
UN Global Compact (UNGC)	United Nations Global Compact	● ●	●	
United Nations Development Programme	UNDP		● ●	
United Nations Environment Programme	UNEP		●	● ● ●
Caring for Climate Initiative	Caring for Climate		●	●
The Race to Zero Emissions by 2050	RACE TO ZERO		●	●
CDP	CDP			● ● ●
Global Compact Network Thailand (GCNT)	Global Compact Network Thailand	● ●	●	
World Business Council for Sustainable Development (WBCSD)	wbcasd		● ●	● ●
Food Reform for Sustainability and Health (FRSH)	FRSH		● ●	
World Economic Forum (WEF)	WORLD ECONOMIC FORUM		●	● ●
CONNEXT ED Foundation	CONNEXT ED		●	
Digital Council of Thailand (DCT)	DCT		● ● ●	
The Thai Red Cross Society	Thai Red Cross Society		● ●	
Thai Private Sector Collective Action Against Corruption (CAC)	CAC	●	●	

# Partnerships for Sustainable Development

Charoen Pokphand Group is committed to build cooperation with both our national and international partners from all sectors to collectively drive sustainable development. The Group's roles in key collaborative frameworks for sustainable development include:

## World Business Council for Sustainable Development (WBCSD)

C.P. Group supports the promotion of sustainable food systems under the FReSH framework. The Group also encourages an operational format that corresponds with the digital transformation era and promotes the well-being of employees under the Future of Work framework.

## World Economic Forum (WEF)

C.P. Group's senior management joined representatives from global business organizations to exchange knowledge and visions on the topics of the direction of the global economy, COVID-19 mitigation strategy, digital technology progress, and issues relating to various aspects of sustainable development.

## United Nations Global Compact (UNGC)

C.P. Group is a Global Compact LEAD company and has participated in two Action Platforms, namely Decent Work in the Global Supply Chains and Climate Ambition. Additionally, C.P. Group is also a founding member of the Global Compact Network Thailand (GCNT). In 2020, the Group has joined in the effort to encourage the business sector to pledge their commitment towards sustainable development even during the COVID-19 crisis as well as continuously raised awareness on business and human rights.



**As a founding member of the Global Compact Network of Thailand (GCNT), Charoen Pokphand Group and GCNT members joined forces to drive SDGs. 21 member organizations declared their intent to make an investment worth more than 1.2 trillion THB in 998 projects for sustainable development by 2030. The Sufficiency Economy Principles, the UN Global Compact Principles, and the Sustainable Development Goals will be adopted as the heart of the strategy to drive the recovery and growth of Thailand's and Asia's economy in heading towards a more sustainable path.**



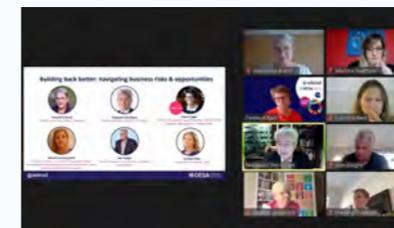
## UNFCCC, Climate Week NYC:

Charoen Pokphand Group joined the global community under the United Nations Framework Convention on Climate Change (UNFCCC) to pledge our commitment for the "Race to Zero" campaign to lead the organization into the era of "Carbon Free Economy" during the United Nations' Climate Week in New York. The Group has set the goal to reduce net greenhouse gas emission to zero by 2030 using advanced technology and innovation in the production process.



## UNGC, Virtual Leaders Summit 2020:

Mr. Suphachai Chearavanont, Chief Executive Officer, Charoen Pokphand Group, shared his vision on the topic of "Reflections on Change & Roadmaps to Recovery" at the "UN Global Compact Virtual Leaders Summit 2020", a platform which gathers more than 200 global leaders in sustainability to share their visions and business perspectives to emerge strongly from the COVID-19 crisis based on sustainability. Over 15,000 people registered to participate in the online event from 193 countries worldwide.



## WBCSD, High-level Political Forum on Sustainable Development 2020:

Mr. Noppadol Dej-Udom, Chief Sustainability Officer of Charoen Pokphand Group, participated in a panel discussion organized by WBCSD and the United Nations Department of Economic and Social Affairs (UN DESA) during the United Nations General Assembly to review the progress of the SDGs, highlighting the Group's position in "Job Security, Food Security, and Health & Well-being".



## GRI, Bright Lights of ASEAN-Sustainability Insights & Ideas from Leading Companies in the Region:

Mr. Noppadol Dej-Udom, Chief Sustainability Officer of Charoen Pokphand Group, shared the Group's water stewardship best practices in an online forum held by the Global Reporting Initiative (GRI), a globally recognized sustainability standard organization, and the Global Initiatives, a civil society organization that advances partnership solutions to global sustainability challenges through multi-stakeholder engagement.

# INNOVATION



## Supporting the SDGs



### SDG 8 Decent Work and Economic Growth

8.2 Diversification, innovation, and lifting economic productivity

### SDG 9 Industry, Innovation and Infrastructure

- 9.5 Increase research and technological capabilities of industrial sectors
- 9.B Support domestic technology development and industrial diversification

### SDG 17 Partnership for the Goals

17.17 Support effective partnerships

## Our Perspective

We cannot deny that today's world is changing rapidly as a result of the continuous advancement of technology. These changes has compelled businesses to adapt in alignment with global trends as it will help them to efficiently meet stakeholder needs and retain their competitive edge.

In the case of Charoen Pokphand Group, innovation management remains a challenge. Therefore, we have never ceased to develop the capabilities of our people to innovate while also seeking novel production technologies to constantly improve the quality of our products and services.

## Performance (Thailand) in Comparison with 2020 Goal



16.051 billion THB increase in product and process innovation value from 4.058 billion THB in 2016 base year as a result of the CP Innovation Exposition

## Key Plans in 2021



Formulate an innovation roadmap to support the 2030 Goal



Encourage employees to innovate through the CP Innovation Exposition

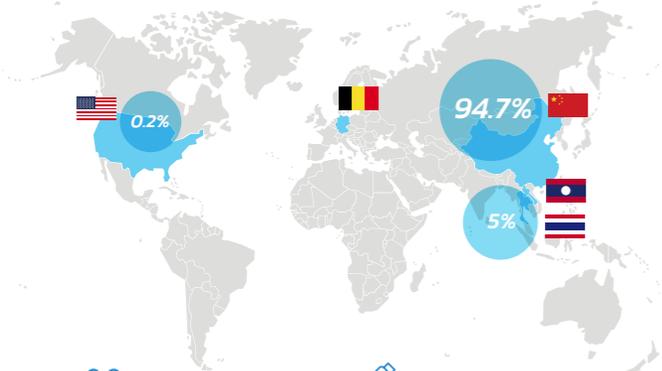
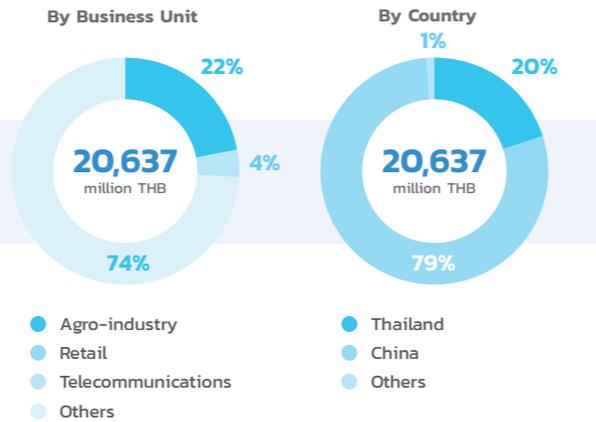
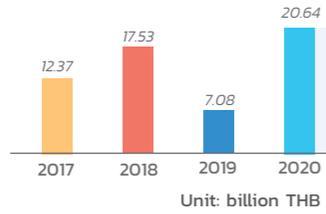
*"An organization of knowledge and innovation is driven by the heart."*

**Dr. Ajva Taulananda**  
Senior Vice Chairman  
Charoen Pokphand Group

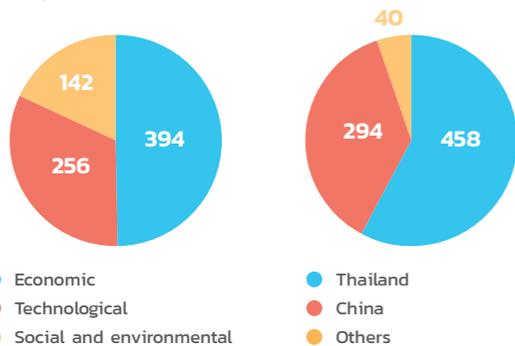


# Key Performances 2020

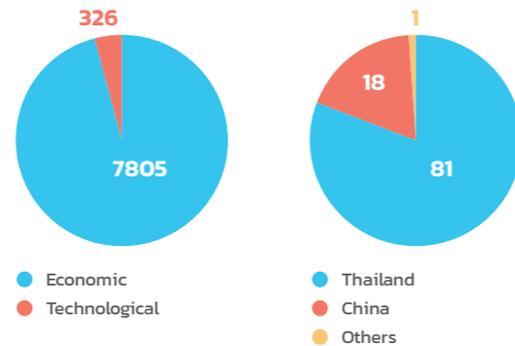
## Research & Development Investments



## Number of Innovations (projects)



## Economic Value (million THB)



# Digital Transformation

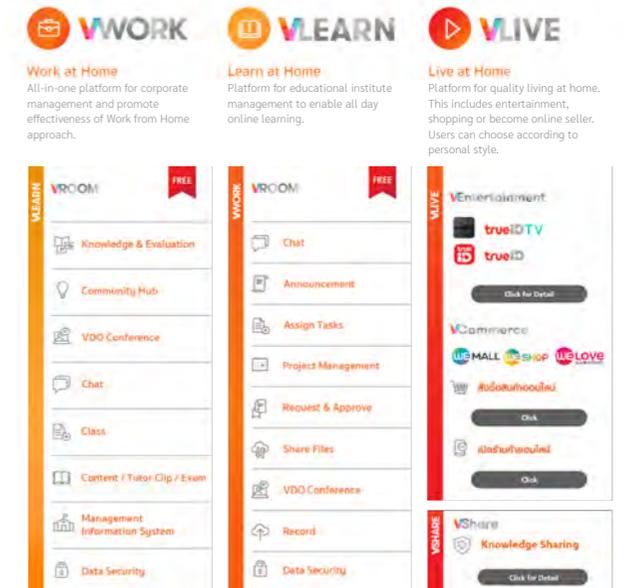


In 2020, Charoen Pokphand Group has made progress in the organization's digital transformation. In the Digital Workplace domain, we have adjusted the Self-Service System for employees, such as Smart Nurse and Smart Expense. In Automation, 8 Artificial Intelligence (AI) and Space collaboration projects have been carried out to automate the entire value chain across agro-industry, retail, and telecommunications businesses, such as "Dr. Pig" which provides support for the entire pig farming chain, and "Geopulse" which is a measurement index for population density, quality and age to assist in marketing analysis, etc.



## TRUE VIRTUALWORLD: The Digital Assistant

Daily lives have largely been affected by the COVID-19 crisis. In view of this, True Corporation, a subsidiary of C.P. Group, has launched TRUE VIRTUALWORLD to help Thai people carry on with their lives amidst the COVID-19 crisis. The platform will also contribute to enhancing the country's Digital Thailand Strategy. TRUE VIRTUALWORLD consists of VWORK to effectively support business organizations and facilitate the trend of working from home, helping to elevate corporate and national competitiveness, VLEARN to support educational institutions in online teaching anytime, anywhere, promoting human capital development with knowledge and skills suitable for life and career in the digital era while also creating equal opportunities in education, VLIVE to enrich at-home experience with entertainment, shopping, or online shop establishment, creating equal social opportunities with information and services through digital media to enhance the people's quality of life, and VSHARE to enable knowledge exchange anytime, anywhere. To demonstrate our position to share and promote digital development in Thailand, access to the platform is free to all groups of people.





# Building Innovation Infrastructure

## Paving the Way for Future Research, Development, and Innovation

To enable exponential growth and competitive advantages in the area of innovation, Charoen Pokphand Group has continuously made investment in infrastructure development. In 2020, the Group invested in the C.P. Group R&D Asset Platform for Cloud Lab and launched the IP Service Center to support the organization's

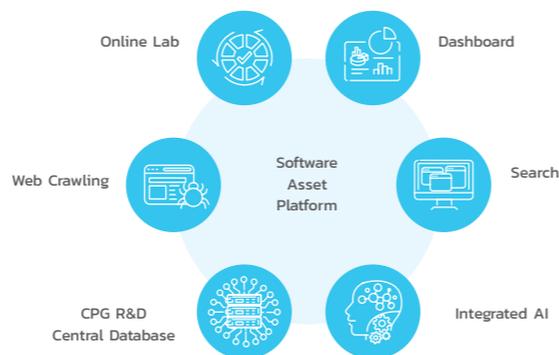
intellectual property goal of achieving 7,500 patents and petty patents by 2030. C.P. Group is confident that these infrastructures can support the Group's innovative growth to render quality, fresh, and diverse products and services for customers and consumers in a continuous manner.

### IP SERVICE CENTER



The CP IP Service Center is located in True Digital Park, Thailand's first digital innovation hub. The CP IP Service Center will support the creation of innovations and push for the application of patents or petty patents for inventions by C.P. Group innovators. It also provides consultations and trainings on intellectual property. Additionally, the C.P. Group R&D Asset Platform for Cloud Lab has been established as a cross-business group collaboration to share basic information on R&D, researchers' expertise in various fields, and R&D equipment and tools. The sharing of expertise and researches between business groups will further upgrade and increase the Group's innovations in various fields.

### C.P. Group R&D Asset Platform for Cloud Lab Model



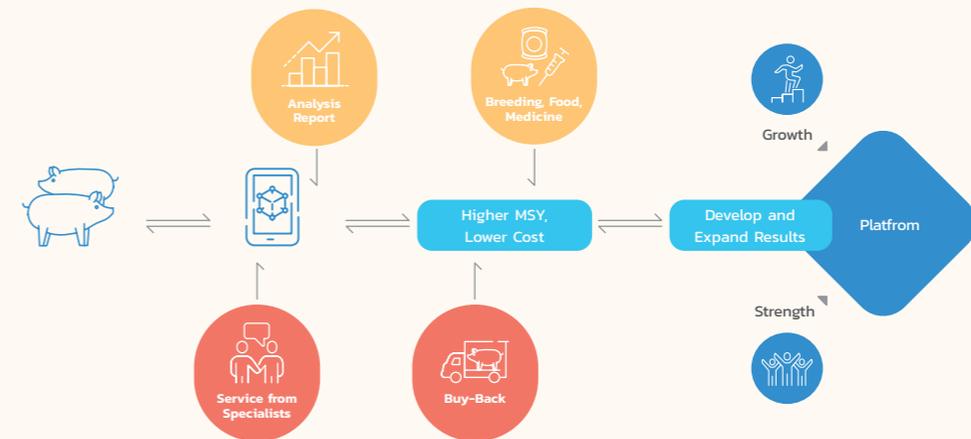
# Dr. Pig : A Comprehensive Agricultural Industry Chain Service Platform

### Project Background:

China has a large production volume of pork meat to cater to its large consumer market. However, the Chinese pig breeding industry is still underperforming. At present, 3 out of 4 pig farms are small and medium-scaled (less than 5,000 pigs per year). They all face the problems of technological advancement, financial capital, capabilities, and other issues which have complicated growth and resulted in products with low efficiency.

### Approach:

With more than 40 years of pig farming experience and expertise in China as well as being the first company to establish the Chinese pig farming industry chain, Charoen Pokphand Group has leveraged our potential to enhance pig farming in China by employing the "Dr. Pig" platform, which applies technology and big data analytics system to increase advantage for small and medium-scaled pig farms.



Results and Benefits

**25,000**  
Platform users per month

**4.2 million pigs**  
Sold per year



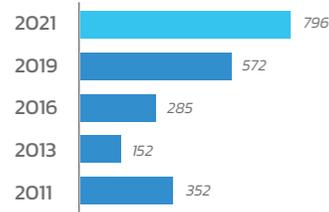
## Becoming an Innovative Organization

“Becoming an organization whose employees at all levels have the outlook and heart for, and believe in the importance of driving, supporting, and sharing to co-create innovation”

For more than 10 years, Charoen Pokphand Group has organized the CP Innovation Exposition. Along the way, the Group has seen the determination to introduce novel innovations, including innovative products to increase revenue, innovative processes to increase production capacity, and other innovations that promote the well-being of the society and conserve the environment.

C.P. Group has not ceased to support and inspire employees to invent and innovate. We believe that processes, products, and services conceived from new inventions will enhance our economic, social and environmental performance in a sustainable and continuous manner.

### Number of Innovations (projects)

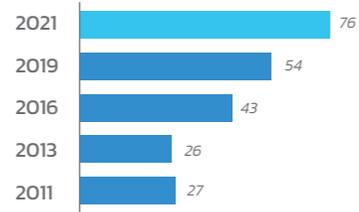


“CP Innovation Exposition is a forum to encourage employees to innovate. Innovation is the groundwork of capacity building and sustainable development. In the future, innovation will lead us to excellence, creating benefit for the country, the people and the organization.”



**Mr. Yu Jianping**  
Senior Vice Chairman,  
CPG Agro-industry and Food  
Business and Retail Business China Area

### Number of Innovations that Received Chairman Award

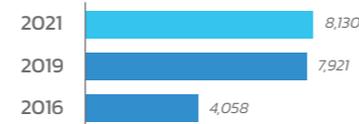


“Innovation is the driving force that brings progress to the organization’s sustainable development. Under the Group’s vision, innovation is the strategic goal that will lead farmers into the 4.0 era. Creating innovation is, therefore, creating the Group’s future.”



**Mr. Bai Shanlin**  
Senior Vice Chairman,  
CPG Agro-industry and Food  
Business and Retail Business China Area

### Economic Value (million THB)



“CP Innovation Exposition provides our employees with knowledge and inspiration. It also encourages creativity, inventions, and new projects among the management and employees in order to enhance efficiency, lower costs, and create competitiveness. This strategy will result in sustainable development in line with the corporate value.”



**Mr. Montri Suwanposri**  
President  
C.P. Vietnam Corporation

## CP Innovation Exposition

C.P. Group’s award of excellence for innovation

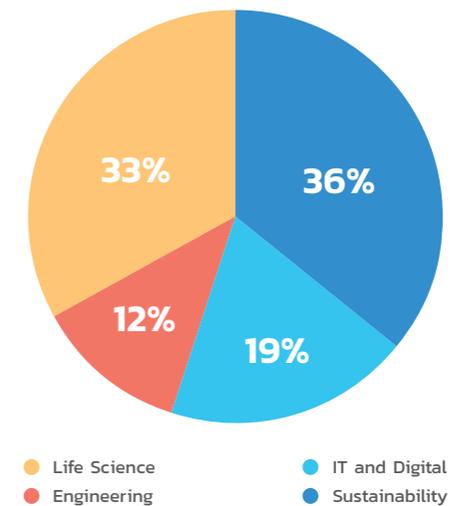
Charoen Pokphand Group and our affiliates place importance in innovation in order to create opportunities and further the creation of new products and businesses. Accordingly, the Group has invested in R&D, adopted technology in our operations, and encouraged all employees to take part in improving, changing and innovating. Over the course of 100 years, C.P. Group has rendered a plethora of innovations.

Furthermore, the Group has initiated the CP Innovation Exposition, which is held biennially, as a mechanism to recognize employees who innovate. In 2020, the Group has carefully judged 1,975 innovation projects at the corporate level. 792 entries have been selected for exhibition at the CP Innovation Exposition 2021 for knowledge sharing between business groups.



To upgrade works of innovation, the Group has classified them into three categories, namely economic, technological, and social and environmental innovations. Additionally, specialists within the Group have been recruited to select the project entries while external specialists from various fields have been invited to give scores to the projects in order to determine the winners of the Chairman Award, which is the pride of C.P. Group employees. Besides the innovation contest, the CP Innovation Exposition also features academic knowledge sharing through the CP Symposium. The academic works on display have been intensively selected. The CP Symposium focuses on four areas of knowledge, namely Life Science, Engineering, IT and Digital, and Sustainability.

### CP SYMPOSIUM

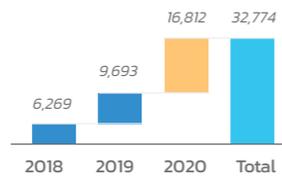
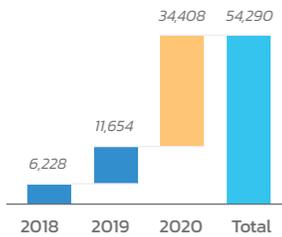


# One Day Satisfaction Project

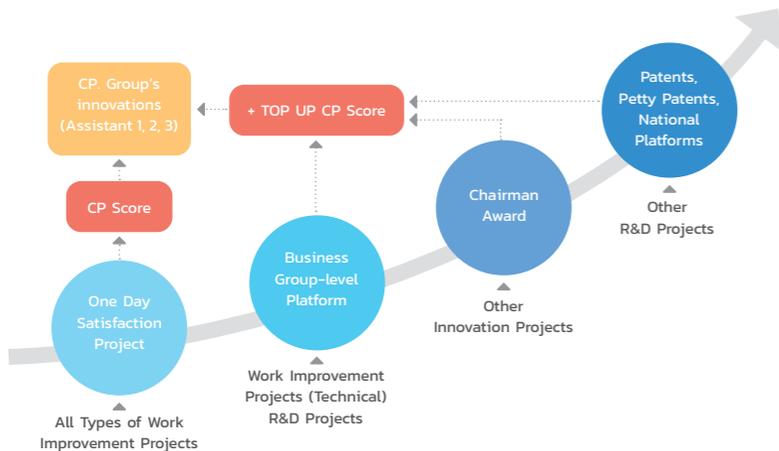
From values to applications, transforming into a sustainable innovative organization

Charoen Pokphand Group's 6 Core Values is the foundation that has been imparted into the DNA of our employees worldwide. The Group encourages all employees to participate in the One Day Satisfaction Project to instill values through hands-on experience. The project is now in its third year with a total of 32,774 participants and 54,290 project submissions. A scoring mechanism has been established to evaluate performance. The scores count towards

the criteria to be recognized as "innovators". This scoring mechanism also awards points to employees for their innovative works or patents. This encourages employees from the entry level to the participatory level to take part in innovation. As a result, there are currently 13,313 innovators under C.P. Group. Meanwhile, the Group has commenced overseas project expansion to encourage more employee engagement.



## Employee Scoring System to Become C.P. Group's Innovators



The employee scoring system to become C.P. Group's innovators connects basic work improvement projects to innovation projects. It also links together innovations at the business-group level to lay a foundation and encourage employees to innovate and continue to improve the efficiency of their assigned work. This is one way of expressing the Group's values. Innovation or patented works will earn the employees more points, allowing them to continuously improve or innovate.

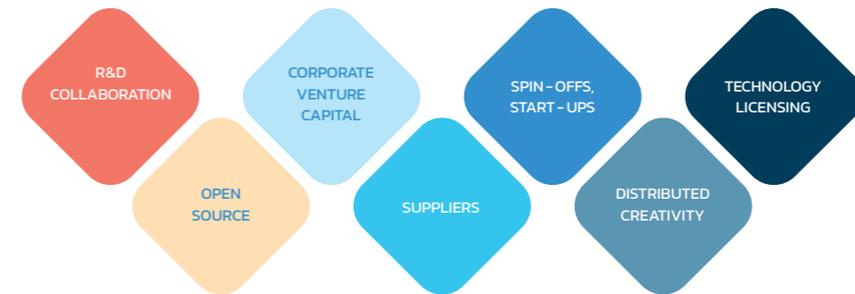


# Open Innovation

Creating a conducive ecosystem for innovation collaboration

Continuous R&D investment has resulted in the development of the Group's new products and services to create constant satisfaction for customers. Additionally, the Group is also aware that internal knowledge is not the only essential element for R&D, but collaboration with external agencies, including research institutes, universities, suppliers, or trade partners will also

accelerate the creation of innovation in response to the rapidly changing market. In the past year, C.P. Group has collaborated with external bodies to research and develop products and processes to expand revenue and enhance productivity. The Group is also committed to collaborate and share these knowledge to further create innovation.



The 7 Innovation Awards is a platform to encourage open innovation at the national level. It is the collaboration between 11 organizations to promote and encourage organizations and SME to test or experiment their products and services on customers or consumers in the real market. This creates an exchange of knowledge that could be furthered into the development of higher innovation at the national level.



TRUE INCUBE is an incubating program for students and the new generation with inspiration and passion for start-up business. It is a collaboration between business groups under C.P. Group and True Corporation which provides incubation, promotion and support through consultations and funding that can be used to expand various businesses and boost the creation of a start-up ecosystem and further innovation.



**True HEALTH**

True Corporation Public Co., Ltd.

True Digital has partnered with Chiiwii to connect Thai people with more accessible health services, both online and offline, through an intelligent healthcare platform, “True HEALTH”. Consultations with doctors specializing in various fields can take place anytime, anywhere via smartphone and prescriptions for medication can also be made. Accordingly, True HEALTH will become a convenient and safe health choice for everyone.



**Ultrasonic Sealer**

Bellisio Foods, Inc.

Currently, products under the Michelina’s brand has a sales of over 7 billion THB. The ready-to-eat food products packaged in paper trays reduced plastic usage by 75%. Microwave sealing was originally used to seal the products; however, the technology was complicated and resulted in some incomplete sealing which required reworking. Therefore, the team invented and developed the Ultrasonic Sealer which provided an excellent solution to the previous sealing failure, reducing costs by 62 million THB per year.



**New Strain of Probiotics to Prevent Dental Caries**

CP ALL Public Co., Ltd.

A collaboration with the Faculty of Dentistry, Prince of Songkla University and Dairy Home Co., Ltd. to research a good and safe strain of probiotics that can activate the immune system in saliva, control the number of pathogens causing dental caries, and last in the oral cavity to eliminate the source of dental caries. This new strain is effective in preventing dental caries and is more economical than importing. It can prevent dental caries and reduce premature tooth loss in children and the elderly.

✓ Results and Benefits

**20 fields**

Of healthcare covered by the platform

**100+ persons**

Experts in various fields of health

✓ Results and Benefits

**62 million THB**

Reduced cost

**400 parts**

Reduced machinery parts to increase maintenance efficiency

✓ Results and Benefits

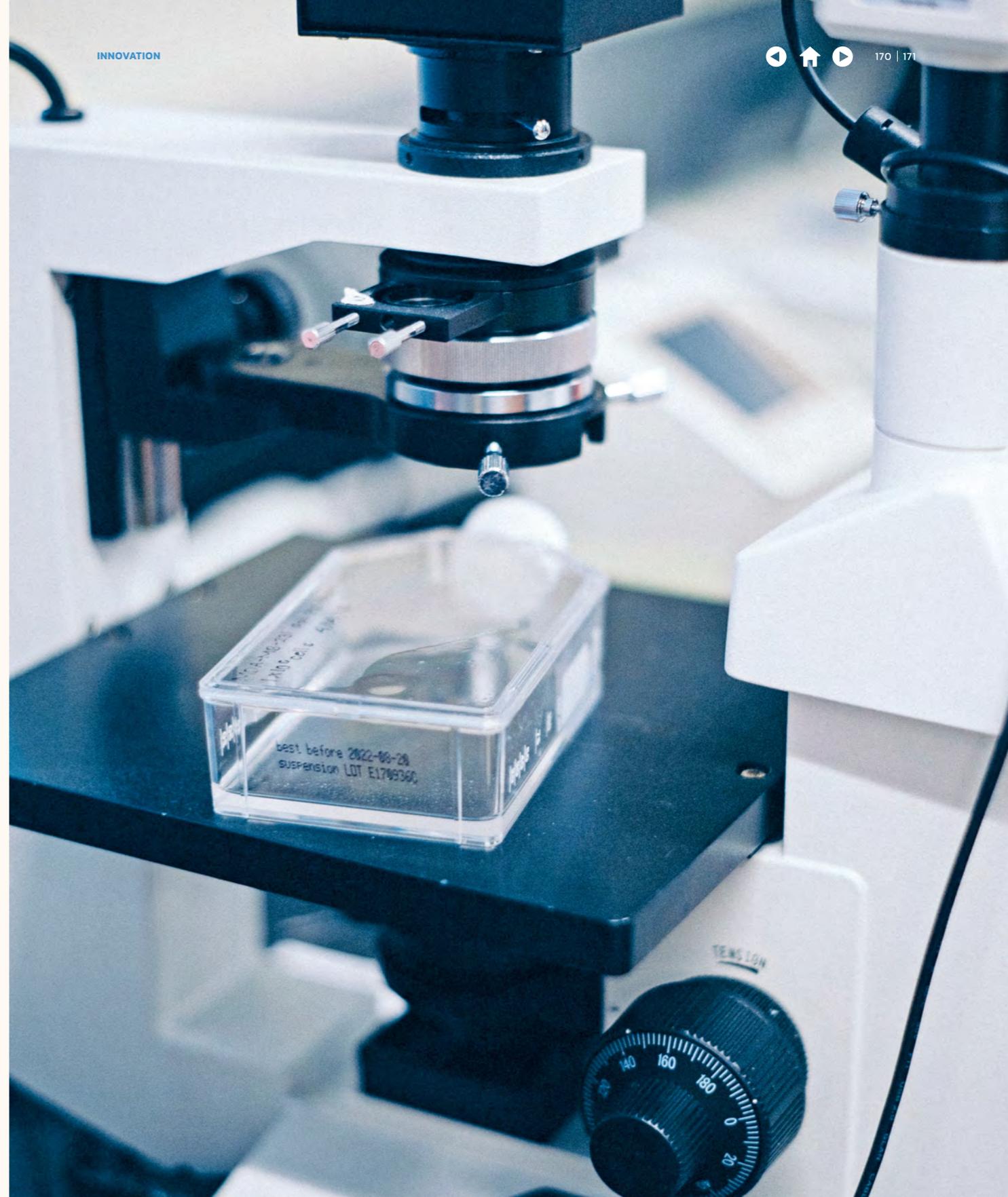
**607,500**

THB/year

Cost-saving on dental treatment expenses evaluated from 1,500 volunteers

**1,500**

Volunteer children



# HOME

## LIVING TOGETHER

In addition to Charoen Pokphand Group’s commitment to operate the business on the foundation of honesty and fairness, this including the Group’s dedication to promote well-being of the communities and societies, the Group is also committed to protect and conserve a lavishness of natural resources and the environment. The abundance of natural resources will sustainably support life on earth as well as promote sustainable business operation for today and the future. In the past years, the Group has been continuously reducing our impact on the environment, such as reducing Greenhouse Gas emission, managing water resources, and protecting ecosystem and biodiversity. It is our pride to state that the results are going as planned. In addition to internal projects, the Group has been expanding our commitment on suppliers and business partners throughout the supply chain. The Group is encouraging our suppliers and business partners to adopt our practices in order to create tangible and national-wide level impact.



### Climate Change Management

- Circular Economy to Drive a Sustainable Business
- Assessment of Climate-related Risks and Opportunities Matrix
- Climate Change and Energy Management
- Environmental Investment
- Energy Management and Efficiency Improvements, and Promoting Renewable Energy Use
- Product Life Cycle Assessment
- Waste Management
- Reducing the Use of Plastic Packaging



### Water Stewardship

- Integrated Water Risk Assessment
- Water Management for Suppliers
- Circular Water Management
- Collaborating with Partners to Promote Access to Water for Communities



### Ecosystem and Biodiversity Protection

- Raw Materials Sourcing and Traceability
- Conserving and Restoring Forest Resources
- Conserving and Restoring Marine Resources



### Responsible Supply Chain Management

- Supplier Code of Conduct
- Awareness and Risk Exposure
- Risk Management Measures
- Enhancing Suppliers’ Capabilities



# CLIMATE CHANGE MANAGEMENT

## Supporting the SDGs



### SDG 7 Affordable and Clean Energy

- 7.2 Increase substantially the share of renewable energy in the global energy mix
- 7.3 Double the global rate of improvement in energy efficiency

### SDG 11 Sustainable Cities and Communities

- 11.6 Reduce the adverse per capita environmental impact of cities

### SDG 12 Responsible Consumption and Production

- 12.2 Achieve the sustainable management and efficient use of natural resources
- 12.3 Halve per capita global food waste
- 12.5 Substantially reduce waste generation

### SDG 13 Climate Action

- 13.3 Improve education, awareness-raising and human and institutional capacity on climate change

## Our Perspective

The intensifying problems of global warming and climate change are urgent agenda items that call for the cooperation of all parties in reducing greenhouse gas in order to reach the goals of the Paris Agreement. Following Thailand's ratification to the Paris Agreement, Charoen Pokphand Group has announced our own goal to cut down greenhouse gas emissions to zero by 2030 across all of our business groups. Meanwhile, with climate change as a global issue of interest, C.P. Group is expected to report our progress in greenhouse gas emissions reduction in accordance with established goals, such as the Science Based Targets Initiative and the Task Force on Climate related Financial Disclosure. These present a challenge to the Group, and we have worked to instill awareness of climate crisis alleviation in our employees, suppliers, and investors who will join forces to attain the goal in reducing and avoiding greenhouse gas emissions in a sustainable manner.

## Performance (Thailand) in Comparison with 2020 Goal



Reduce greenhouse gas emissions per unit of revenue by 8.5% from the target of 10%, compared to the 2015 baseline

## Key Plans in 2021



Establish a Greenhouse Gas Reduction Plan to achieve Net Zero Carbon (Scope 1 and Scope 2)



Voluntarily disclose information on corporate climate change management through the CDP



Set emissions reduction targets to achieve Net Zero Carbon within 2030 through Science Based Targets Initiative (SBTi)



Published the first C.P. Group's Climate-Related Risk Management Report



*"Sustainable agriculture is both a proactive and reactive approach in adapting from climate change impacts. It is also a key strategy for curbing greenhouse gas emissions and building global food security."*

**Sumeth Laomoraporn**  
Chief Executive Officer  
C.P. Intertrade Co., Ltd.



## Key Performances 2020



Leadership commitment to mitigate climate change impact



Pledge to become a carbon neutral organization by 2030



**100%** Employees trained to acknowledge and comply with environmental policies.



**4%** Higher efficiency in production and energy consumption



**15%** Increase in renewable energy consumption ratio



**37%** Greater reduction in plastic usage and increased plastic recycling



**33%** Reduction of food waste from all activities



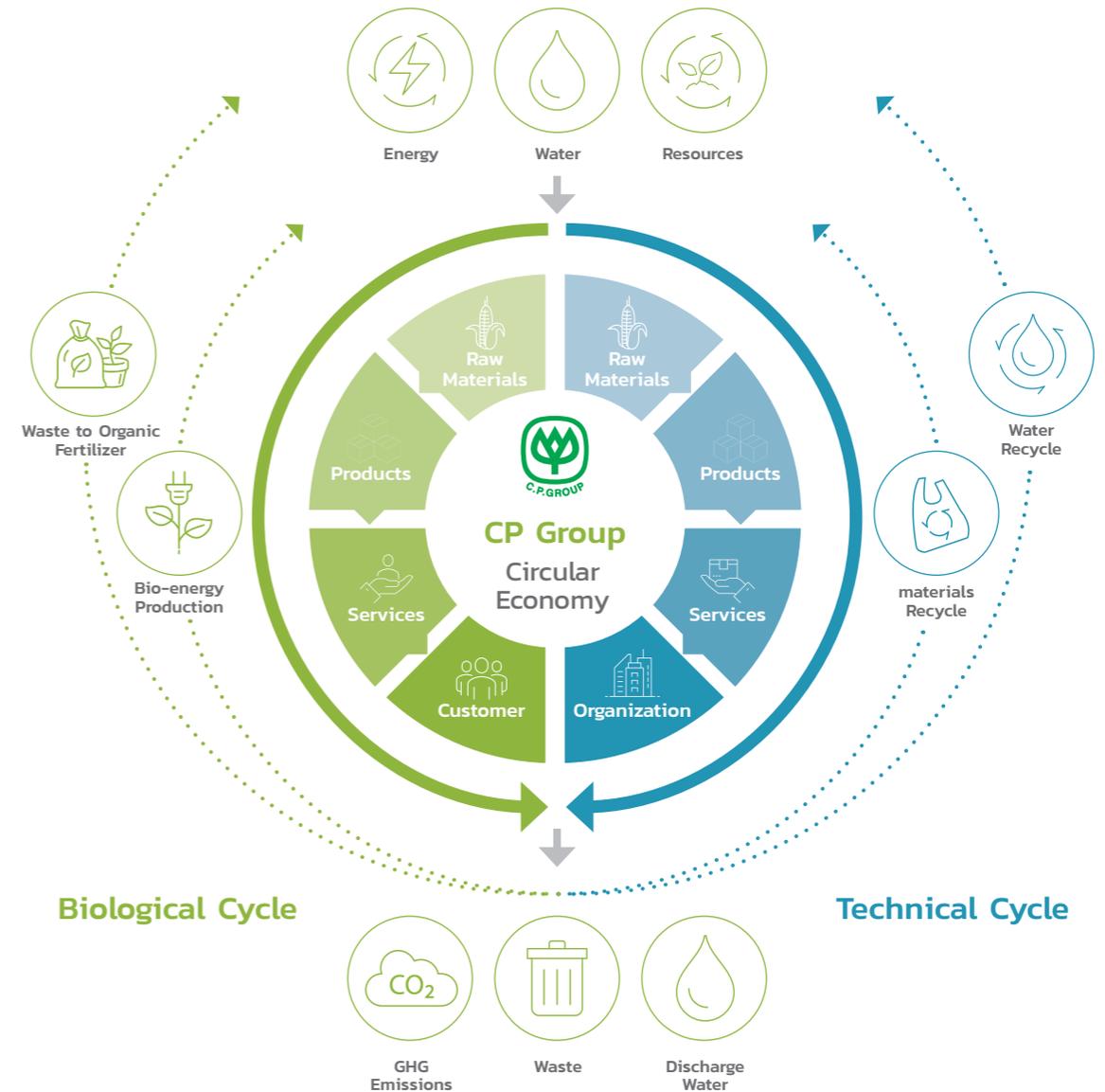
**15%** Increase in environmental investment ratio



Promotion of tree planting within and beyond the Group

## Driving Sustainable Business through Circular Economy

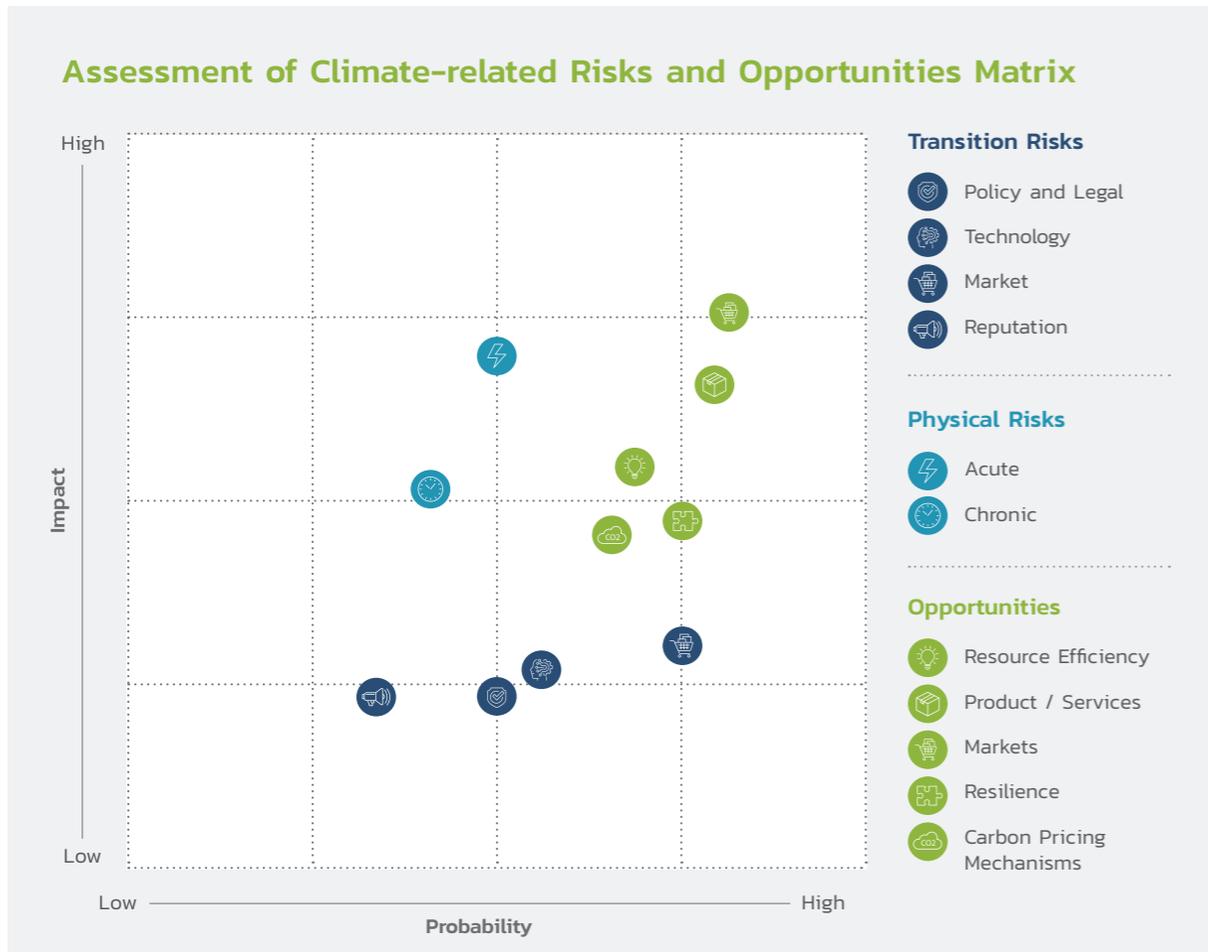
Charoen Pokphand Group places emphasis on reducing waste from the manufacturing process of our products and services that may impact the environment. In doing so, the Group has adopted the “Circular Economy” concept to drive business sustainability, focusing on transforming and utilizing used materials by applying innovation, technology and biology to manufacture products and services. This will optimize the use of valuable materials, leading to economic sustainability and environmental pollution reduction.



# (Assessment of Climate-related Risks and Opportunities Matrix)

Charoen Pokphand Group has put in place a framework for climate change management across our entire supply chain. We have established policies and targets that cover energy efficiency, renewable energy use, waste management, and plastic packaging use reduction. We further assess climate-related risks and opportunities, conduct scenario analyses according to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), and develop comprehensive risk management plans that include physical,

technology, market, policy and legal, and reputational risks. In addition, the Group communicates our performance on climate change impact management and mitigation to our stakeholders through various channels. These include our Sustainability Report, the Communication on Progress to the UN Global Compact, and CDP's climate change disclosure system.



## Transition Risks



### Policy and Legal

**Time Period : Short- and Medium-term (1-10 Years)**

**Financial Impact : Impact on Business Less than 1%**

- Increased of operating costs and depreciation of assets due to changes in policies and regulations, or a carbon tax that may be imposed in the future.
- Risk from changes in governmental policies and laws, as well as carbon taxation.
- Increased in standard for environmentally-friendly products and services.



### Technology

**Time Period : Short- and Medium-term (1-10 Years)**

**Financial Impact : Cost of High-technology Machinery Increase by 2%**

- The cost of high-technology machinery and cutting-edge technology is increasing faster than projected.
- Demands for non-environmentally-friendly products are decreasing and being replaced.



### Market

**Time Period : Short- and Medium-term (1-5 Years)**

**Financial Impact : Budget on Research & Development for Sustainable Products Increase by 5%**

- Budget on investment and research & development for sustainable product increase.
- Market share might decrease as customers are demanding for low carbon products.



### Reputation

**Time Period : Throughout the Period of Operation**

**Financial Impact : Low Risk or no Quantitative Impact**

- Demands for our products and services decreased due to negative perception toward our branding.

## Physical Risks



### Acute

**Time Period : Medium-term (3-10 Years)**

**Financial Impact : Investment for Significant Facilities Increase by 10%**

- Increased in operating cost due to disruption in the business operating system.



### Chronic

**Time Period : Medium- and Long-term (3-20 Years)**

**Financial Impact : Impact on Business Less than 1%**

- Supply chain disruptions and climate change impacts are likely to severely interrupt the business operation.
- Cost of insurance increase when comparing with coverage that might be limited in high-risk areas.

## Opportunities



### Resource Efficiency

**Time Period : Short- and Medium-term (1-7 Years)**

**Financial Impact : Cost of Energy Decrease by 3-5%**

- Reduction in the cost of energy.
- Promotion of resource efficiency.
- Increase business profit.



### Product & Service

**Time Period : Short-term (1-3 Years)**

**Financial Impact : Incomes from Sustainable Products and Services Increase by 5-10%**

- Investment or alternative or renewable energy businesses.
- Development of low carbon and environmentally-friendly product.



### Markets

**Time Period : Short-term (1-3 Years)**

**Financial Impact : Market Share for Sustainable Product Increase by 5-10%**

- New Market
- Market share for sustainable product increase.
- Buildup positive perception toward our branding.
- Increase of incomes from environmentally-friendly products and services. Also, increase chances of repeated purchases.



### Resilience

**Time Period : Short- and Medium-term (1-7 Years)**

**Financial Impact : No Quantitative Impact**

- Increase chances of investment in sustainable products, services and foundation.
- Increase credibility of the business branding and create sustainability for the business.
- Increase ability to manage supply chain



### Carbon pricing mechanisms

**Time Period : Short- and Medium-term (1-10 Years)**

**Financial Impact : Business Income Increase Less than 1%**

- Investment or alternative or renewable energy businesses.
- Development of carbon trading scheme both internal and external.

# Climate Change and Energy Management

The exacerbating problems of global warming and climate change are urgent global concerns that require the cooperation of all parties to collectively reduce greenhouse gas in accordance with the Paris Agreement, which aims to control the global temperature increase to below 2 degrees Celsius and ultimately targets to cap global temperature rise at 1.5 degrees Celsius. Charoen Pokphand Group acknowledges that global warming is caused by anthropogenic

greenhouse gas emission, driven primarily by consumption of fossil fuel, which is a limited natural resources. Therefore, the Group has adopted technologies to improve our production and services processes, enhance energy efficiency by increasing use of eco-friendly alternative energy, and develop low carbon products that contribute to reducing greenhouse gas emissions in order to optimize energy management sustainably.



## Renewable Energy

- Solar Energy
- Wind Energy
- Biomass Energy
- Biodiesel, Biomethane



## Forestation

- Sustainable Forestation
- REDD+ (Reducing Emission from Deforestation and Forest Degradation and Enhancing Carbon Sequestration in Forest Area)



## Energy Efficiency

- Cogeneration System
- High Efficiency Chiller
- Waste Heat Recovery and Utilization
- High Efficiency Lighting



## Agriculture

- Reducing Emissions from Livestock
- Good Fertilization Practice
- Carbon Sequestration



## Waste Management

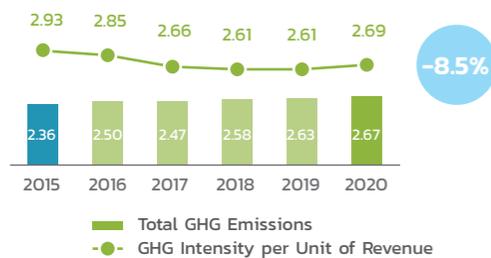
- GHG Capture and Utilization
- Production of Compost from Organic Waste
- Biomass Energy
- Recycling



## Transportation

- High Speed Rails Systems
- Mass Rapid Transit Project
- Electric Vehicle Charging Systems
- Lightweight Pallets
- Fuel Switch

Charoen Pokphand Group is determined to contribute to climate change reduction and join in the effort of reducing environmental impacts. Accordingly, we have established a climate change management target to lower greenhouse gas intensity per unit of revenue by 10% in 2020, compared to the 2015 baseline, and offset emissions by purchasing 46,700 tCO<sub>2</sub>e of carbon credits.



**46,700 tCO<sub>2</sub>e** Charoen Pokphand Group purchases carbon credits from 2 organizations, namely the Electricity Generating Authority of Thailand (EGAT) and Mitr Phol Group

# Becoming a Net Zero Carbon Organization by 2030

Based on our commitment to mitigate climate change which is a crucial problem for our common future, Charoen Pokphand Group has set the target to become a Net Zero Carbon Organization by 2030. Additionally, the Group remains resolute to reduce greenhouse gas by 42% in accordance with the Science Based Targets Initiative

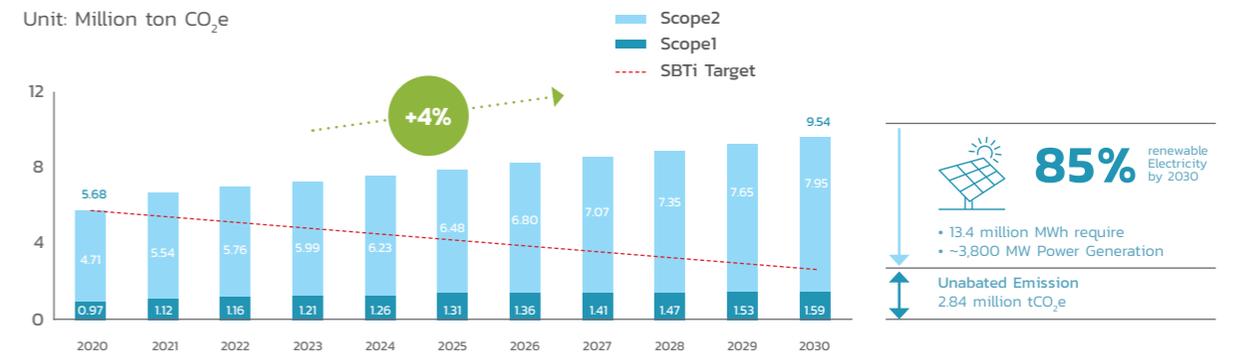
(SBTi) by 2030, using 2020 as the baseline year to manage greenhouse gas emissions reduction from the Group's operations. This is in line with the ultimate goal of the Paris Agreement in limiting global temperature rise to below 1.5 degrees Celsius.



C.P. Group sets annual targets to reduce greenhouse gas emissions in accordance with the Paris Agreement and Thailand's national goals as well as establishes strategies for each business unit to reduce emissions of greenhouse gases and energy consumption and promote the use of renewable energy. The Group also promotes the use of economic measures and instruments, such as internal carbon pricing, and the disclosure of climate change-related data according to international guidelines, such as TCFD and CDP

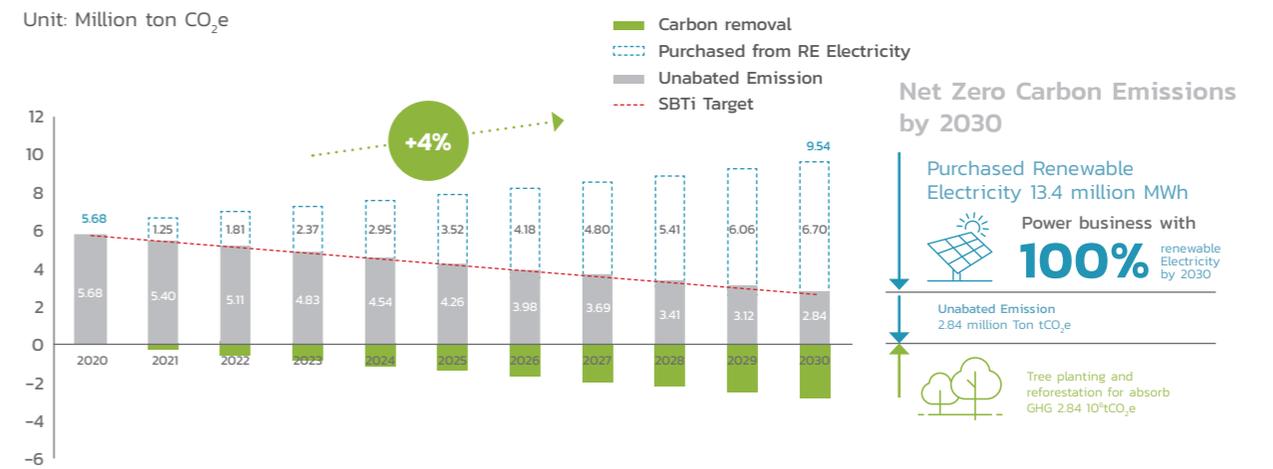
## Interim SBTi Greenhouse Gas Emissions

Unit: Million ton CO<sub>2</sub>e



## Pathways to Net Zero Carbon Emissions

Unit: Million ton CO<sub>2</sub>e



# Greenhouse Gas Management Data

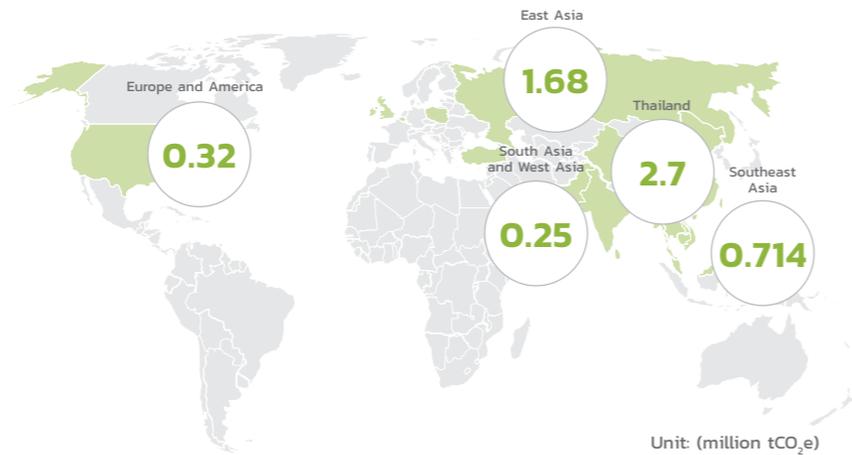
## 2020 Performance



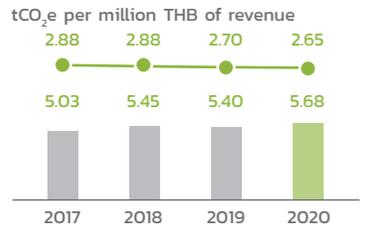
Total Greenhouse Gas Emissions  
**5.68**  
million tCO<sub>2</sub>e



Total Greenhouse Gas Reduction  
**0.72**  
million tCO<sub>2</sub>e

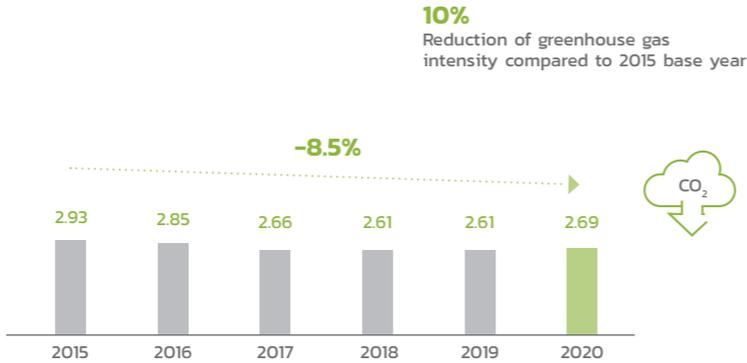


## Greenhouse Gas Emissions Intensity per Unit of Revenue (Global)



Greenhouse Gas Emissions (million tCO<sub>2</sub>e)

## 2020 Goal (Thailand)

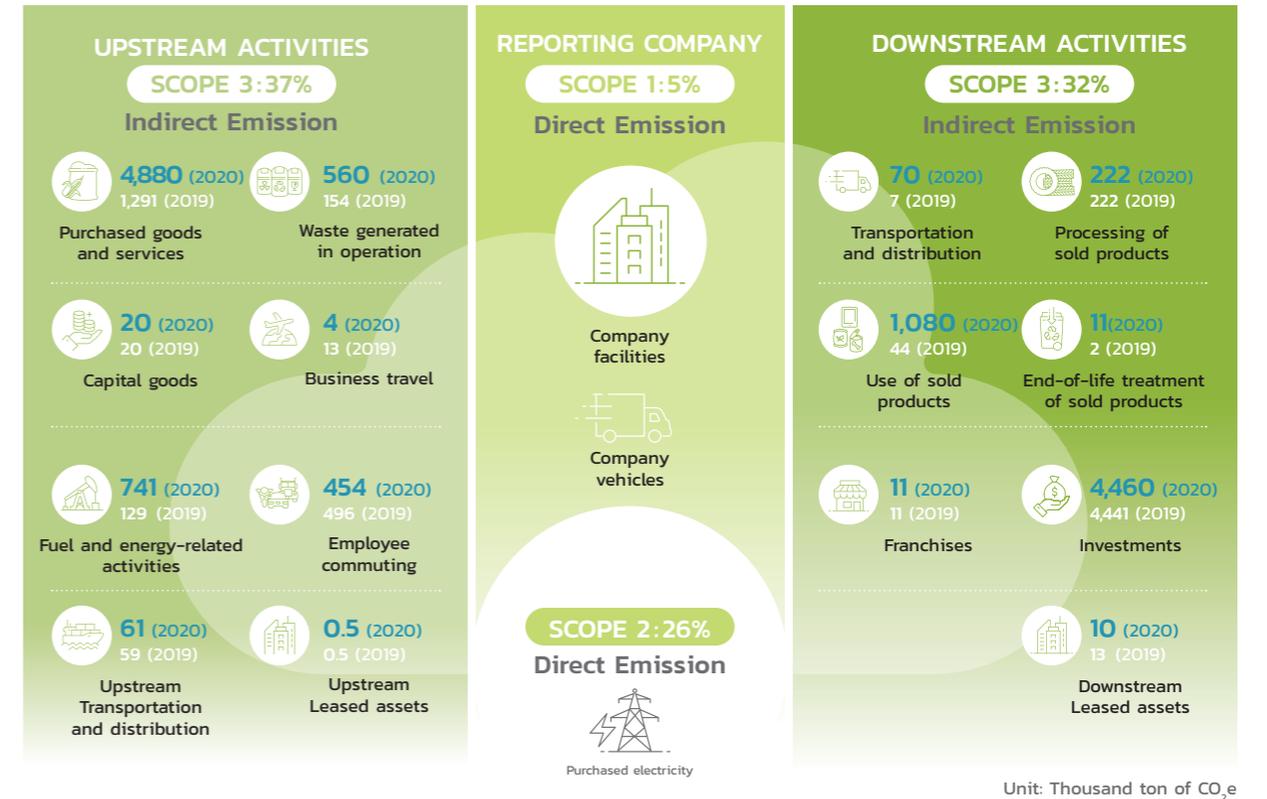


## Greenhouse Gas Emissions Ratios 2020



## CLIMATE CHANGE MANAGEMENT

## Scope 3 Emissions (Thailand)



## Remarks

\*Based on GHG Protocol (scopes and emissions across the value chain)  
 GHG Scope 1 refers to direct GHG emissions  
 GHG Scope 2 refers to indirect GHG emissions from energy use  
 GHG Scope 3 refers to indirect emissions from other sources, including

- 1: Purchased goods and services from external parties for use by the organization – The manufacturing of mobile phones sold through True Group outlets; purchasing of plastic packaging from 7-Eleven stores; and quantities of key raw materials purchased, including maize for animal feed, wheat, soybean, and fishmeal.
- 2: Capital goods – Construction of base stations for mobile phone network.
- 3: Fuel and energy-related activities – Electricity generation from source to power stations (C to G), and from electricity consumption by businesses in Thailand
- 4: Transportation and distribution of goods (Upstream) – The transportation of key raw materials such as maize for animal feed, wheat, soybean, and fishmeal.
- 5: Waste management in operations – Total waste generated by True Group and CP ALL offices in 2020.
- 6: Business travel – Off-site domestic and international employee travel via plane.
- 7: Employee commuting – Commuting, through various modes of transportation, by employees of True Group and CPF.
- 8: Leased assets – Electricity consumed by 120 True Coffee shops in spaces rented from external parties.
- 9: Transportation and distribution of goods (Downstream) – The total quantity of products sold in Thailand by CPF Group.
- 10: Processing of sold products – Manufacturing processes for truck tires (refer to: Carbon Footprint of Product: TGO-CF15-108-406), and TSR products (Technically Specified Rubber, or block rubber) in the Rubber Processing Factory of Charoen Pokphand Agriculture Co., Ltd.
- 11: Use of sold products – The usage period of communications equipment sold by True Group, and of bagged 'Royal Umbrella' rice products.
- 12: End-of-life treatment of sold products – Disposal of the used bagged 'Royal Umbrella' rice products of Khao C.P. Co., Ltd.
- 13: Leased assets – Total electricity consumed by tenants in three real estate properties: C.P. Tower 1, C.P. Tower 2, and C.P. Tower 3.
- 14: Franchises – Electricity consumed by 90 franchises of Chester's Food Co., Ltd.
- 15: Investments – Quantities of shares held by the Group in Ping An Insurance (Group) Company of China Ltd., China; CITIC Group Corporation Ltd., China; and ITOCHU Corporation, Japan.

# Environmental Investments

Changing in environmental does not only impacting the nature, but it also produces impacts on the social well-being and business operations. Charoen Pokphand Group and our affiliates place emphasis on continuously addressing environmental problems with a management system that meets the global standard in the areas of water management, waste management, and recycling. We also increase energy efficiency and develop alternative energy, such as

the solar-powered electricity generation project, transforming waste into fuel or value-added products. Furthermore, we innovate to render eco-friendly products and services, such as heat-dissipating or energy-saving building materials and electric cars. Based on our operations in the past year, the Group has made over 1,464 million THB in environmental investment.



## Environmental Investments

Detail	Unit	2017	2018	2019	2020
<b>Investment Cost</b>	million THB	1,150	2,511	1,086	1,464
<b>Operational Cost</b>	million THB	114	310	204	220
<b>Cost-savings</b>	million THB	413	854	486	590
<b>Energy Reduction</b>	GJ	450,795	663,622	448,312	551,189

## Environmental Returns on Investment

Business groups under Charoen Pokphand Group has developed the Environmental Management Accounting (EMA) project to increase efficiency in accounting and budget management of energy, environment and renewable energy. The EMA is used as a decision-making tool to enhance efficiency in environmental investment management and to measure the effectiveness of environmental investments, demonstrating a clearer outcome of project implementations.



SAIC Motor-CP Co., Ltd. has launched Thailand’s largest solar carpark, covering an area of 31,000 m<sup>2</sup> with a total production capacity of 4.88 megawatts.



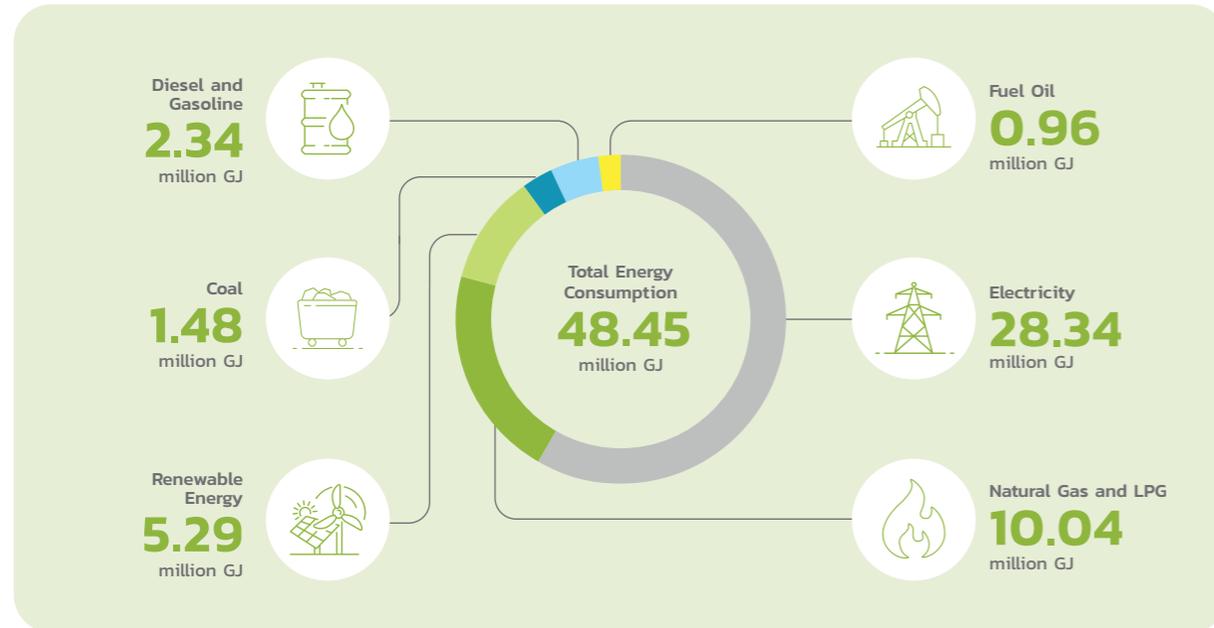
CPF Vietnam and Cambodia promote the use of alternative energy from swine manure to produce electricity and fuel for the boiler. At present, 70 biogas system have been established for electricity generation, reducing 1.3 million tons of CO<sub>2</sub> per year and replacing 6.7 million kilowatt-hours of electricity consumption per year. The project is expected to cover 100% by 2021.



CPF has developed raw materials for the production and development of animal feed formulas that meet the dietary requirements of animals in each age group, helping animals to digest food more effectively, contributing to animal growth and good health while producing minimal or zero waste. At the same time, the effort has helped to reduce 116,000 tons of CO<sub>2</sub> per year.

# Energy Management Data

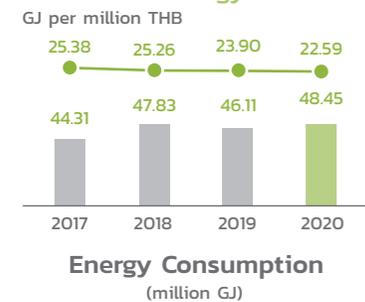
## 2020 Performance



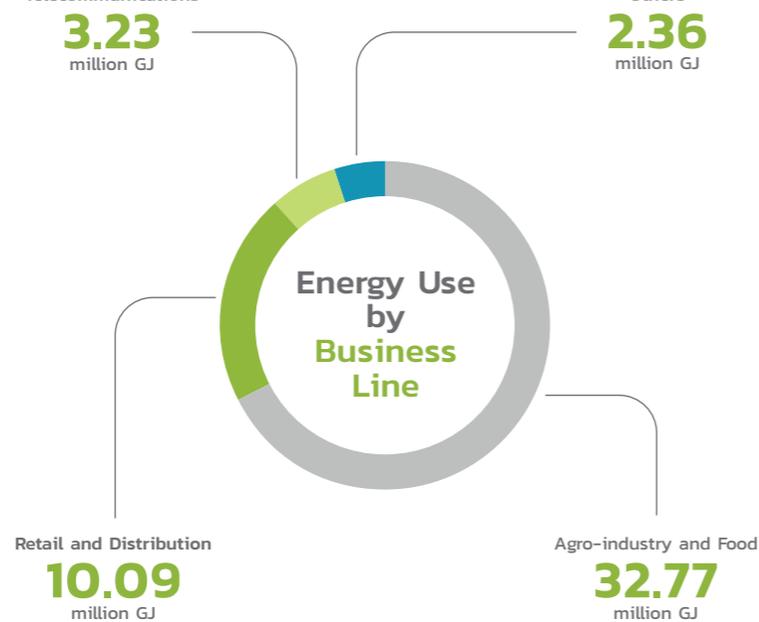
### Proportion of Renewable Energy



### Proportion of Renewable Energy

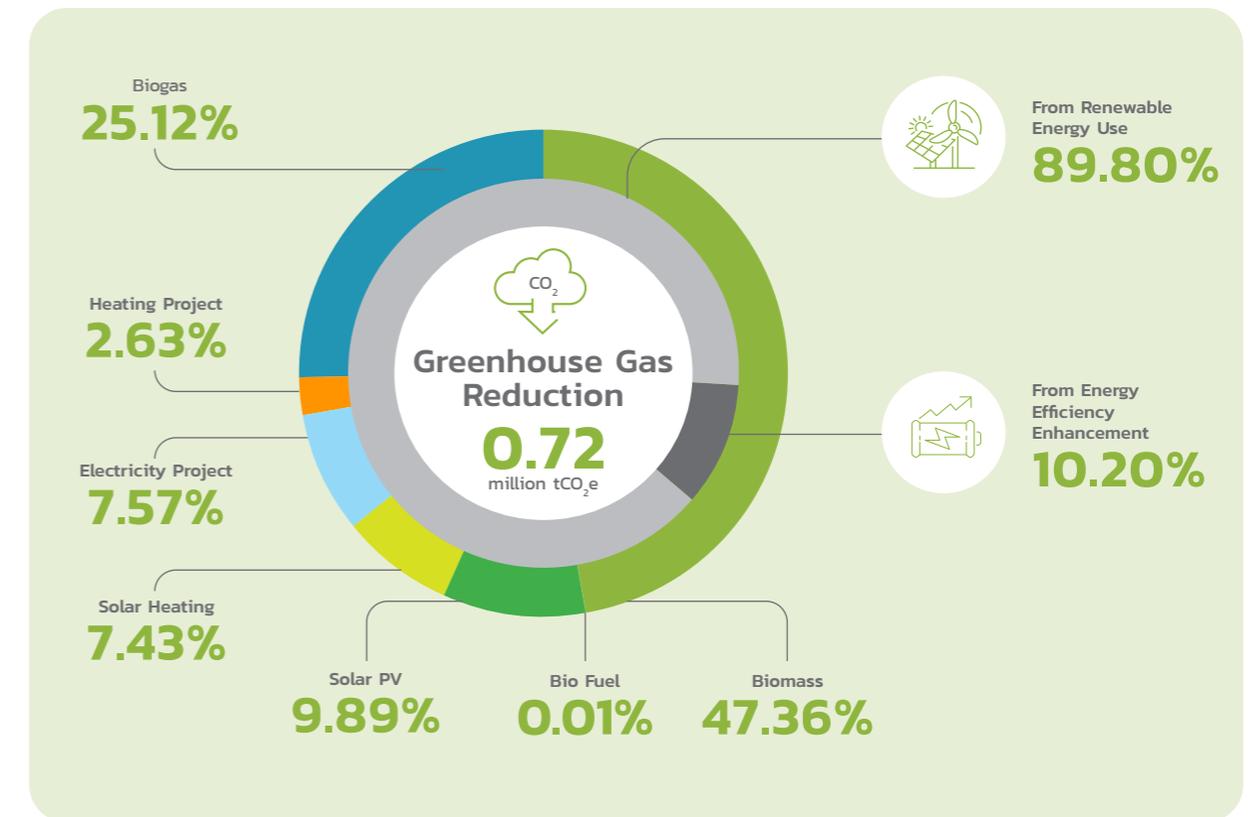
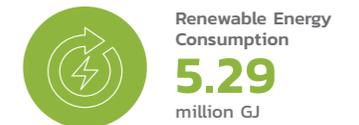
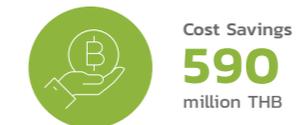
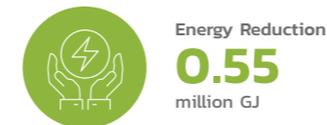


### Energy Use by Business Line



# Energy Management and Efficiency Improvements, and Promoting Renewable Energy Use

Increasing energy demand by economic expansion has led to acceleration of a global warming. It may also bring about changes to life and even cause the extinction of certain plant or animal species in the future. Charoen Pokphand Group recognizes the magnitude of such problems and is firmly committed to improving energy efficiency in its systems and supporting the increase of renewable energy consumption ratio. The Group targets to replace electricity and fossil fuel with renewable energy, especially solar energy, biogas, biomass, across all of its business groups.



## Solar-powered Electricity Generation

Charoen Pokphand Group and its subsidiaries have adopted the policy to conduct business with continuous management of the environment and climate change to reduce relevant problems and impacts. We encourage all business groups to become committed to employing diverse clean energies in electricity generation, adopting advanced technologies to facilitate power generation that is both stable and eco-friendly. This is done by increasing the ratio of alternative energy powered electricity generation from combining resources available in each country, such as China, Poland, and Thailand, to investment in energy and technology infrastructure in order to focus on investment in clean energy that emit minimal or zero carbon.



✓ Results and Benefits



Installed capacity of solar rooftop system  
**119**  
MWp



Facilities with solar rooftop electricity generation system  
**2,814**  
locations



Reduction in GHG emissions  
**56,148**  
tCO<sub>2</sub>e

## C.P. Center

C.P. Center is a twin-tower complex consisting of the C.P. Group Headquarters Building and the World Chinese Business Building. It is located in the CBD of Beijing, covering an area of 4.05 acres with a total usable area of 316,000m<sup>2</sup>. The complex is 238 meters in height and comprises 45 floors.

With its eco-friendly design, C.P. Center has been awarded the Gold-Level LEED for Core & Shell (LEED CS). Furthermore, it has received the Green Building Standard certification from the Beijing Municipal Planning and Land and Resources Management Committee.



# Product Life Cycle Assessment

Charoen Pokphand Group carefully considers the potential environmental impacts of our products on future greenhouse gas emissions. In doing so, we evaluate the impact of each product throughout its entire life cycle, starting from raw material sourcing through to transport, production, use, and disposal, by calculating the CO<sub>2</sub> equivalent emissions of the product. Additionally, the Group has developed a more environmentally-friendly and fully-recyclable packaging for “Royal Umbrella” Rice.



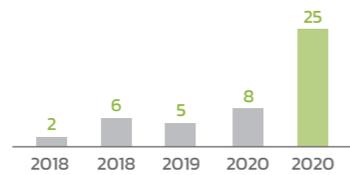
## 201 products

certified with Carbon Footprint for Product label



## 25 products

certified with Carbon Footprint Reduction label



## 7 organizations

certified with Carbon Footprint for Organization label



C.P. Group’s International Trading Business Group, which produces and exports high quality rice internationally, collaborated with 2 leading companies, namely DOW and SCGP, under the sustainable development framework, to become the first in producing a new type of rice packaging called “green rice bags”. The bags still retain their air-tight and humidity-proof properties, thinness and can also withstand drop from heights. Most importantly, the bags reduce the use of plastic in the overall production process:- Plastic reduction = 260 MT/Year\* - tCO<sub>2</sub>e emissions reduction = 550 tCO<sub>2</sub>e (\*In the case of 5-kg. rice bags using 1,320 M.T/year of plastic in production)



Charoen Pokphand Foods Public Company Limited has applied for Carbon Footprint Reduction labels and Carbon Footprint labels of its products. These include products from fattening pigs, weaning pigs, and kurobuta fattening pigs. A total of 610 animal feed products have acquired Carbon Footprint Labeling and Carbon Footprint Reduction Labeling. Currently, CPF holds the highest record of products with Carbon Footprint labels in Thailand, with up to 790 products, starting from 2009 to the present.



Greenhouse gas reduction in 2020  
**1,418**  
thousand tCO<sub>2</sub>e

# Waste Management

Charoen Pokphand Group gives priority to the management of waste generated from the production and services of our subsidiaries as well as from upstream and downstream suppliers. The Group has established waste management approaches and frameworks throughout the entire supply chain. One type of waste that has caught the global attention is food waste. The Food and Agriculture Organization of the United Nations (FAO) has estimated that one-third of all food produced in the world is lost or wasted. Besides producing negative impacts on the economy, food waste also affects

greenhouse gas emissions and reduces the efficiency of water resource and land use. C.P. Group, as the producer, distributor, and deliverer of agricultural and food products, recognizes our role in jointly taking responsibility to address such issue and has, thus, participated in driving the achievement of SDG 12.3. Consequently, the Group has instructed our subsidiaries both in Thailand and overseas to share a mutual goal in reducing food waste from operations to zero by 2030. A system to monitor performance and report data on food waste in accordance with the global standard has also been established.

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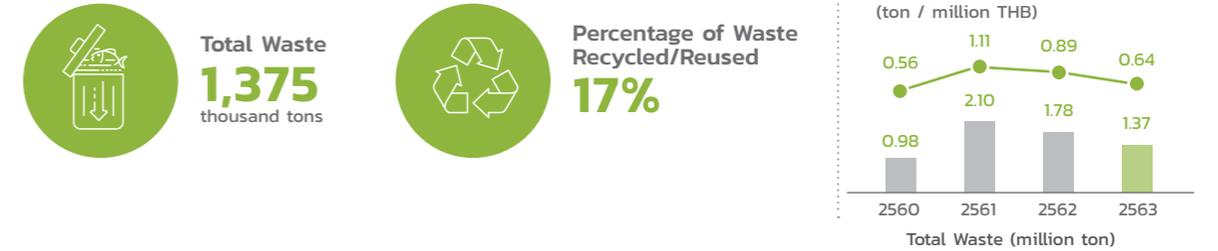
## “Zero Food Waste Program” : Food Waste Management by MAKRO



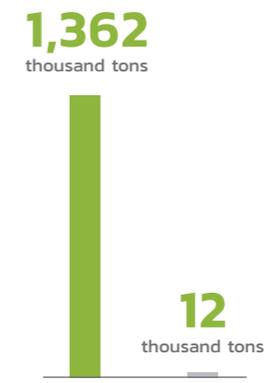
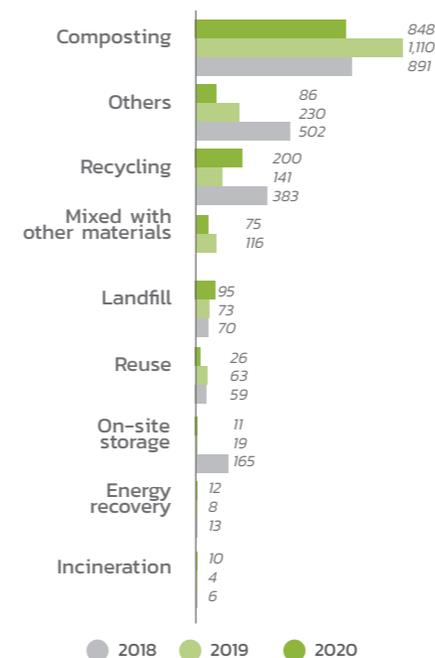
Makro Group has established the Makro HoReCa Academy, the “partner in food business”, in collaboration with the Thailand Chefs Association to create know-how for our suppliers in the restaurant business. The academy brings together specialists who are ready to share knowledge on food business management, ingredient selection, and cooking for entrepreneurs to apply in the further development of their own business. The academy has launched the “Zero Food Waste Program” to train entrepreneurs, free of charge, on the topics of food waste reduction to help reduce cost, and waste management to help set up an appropriate waste reduction plan.



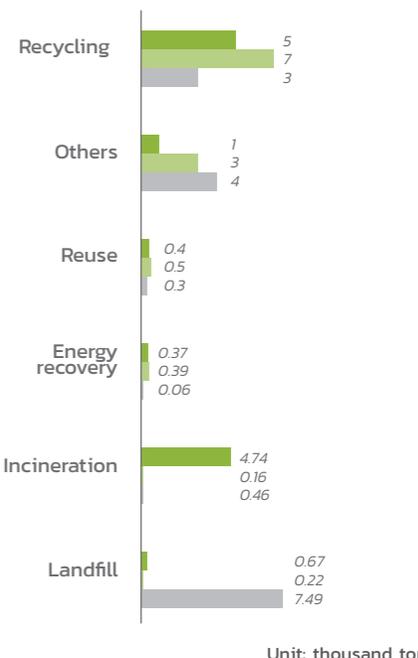
## 2020 Performance



### Non-hazardous Waste



### Hazardous Waste



## Food Waste in 2020



- Vegetables and fruits 44%
- Meat 4%
- Seafood 5%
- Bakery 2%
- Frozen foods and dairy products 1%
- Ready meals 41%
- Dried foods and rice 0.01%
- Drinks 0%
- Condiments 2%
- Mixed food waste 0.09%

# Reducing the Use of Plastic Packaging

## Management Approach

Charoen Pokphand Group recognizes the importance and necessity to address the global concern of plastic waste. This also aligns with the Group’s sustainable business operation principles. The Group is committed to preserve and enhance the quality of the environment, provide knowledge, and build engagement in shifting consumer behaviors towards sustainable development under the “5Rs” strategy. The Group has adhered to and put in place a common operational approach across the board to meet corporate missions and environmental sustainability policy as well as participate in addressing the plastic waste problem, maintaining the environment, and creating a sustainable society.



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## Sustainable Packaging : “Reducing, Avoiding, and Eliminating Plastic”

### CPF Replaces Plastic with PLA Trays

Charoen Pokphand Food Public Company Limited has opted for green and environmentally-friendly packaging by substituting transparent PET trays with PLA (Polylactic acid) trays. The PLA trays are made from a renewable resource and is 100% compostable. This effort has contributed to 60% plastic reduction, equivalent to more than 8,000 tons of plastic, or 17,000 tCO<sub>2</sub>e of greenhouse gas emissions.



### True Coffee Switches to Bioplastic Cups

True Coffee has reduced the use of plastic for all menus, switching to the use of bio-plastic packaging (PLA) instead. The coffee chain also highlights proper waste separation and has replaced plastic beverage bottles with 330-ml. True Coffee cartons, which will initially be introduced to customers in 15 branches of True Coffee outlets.

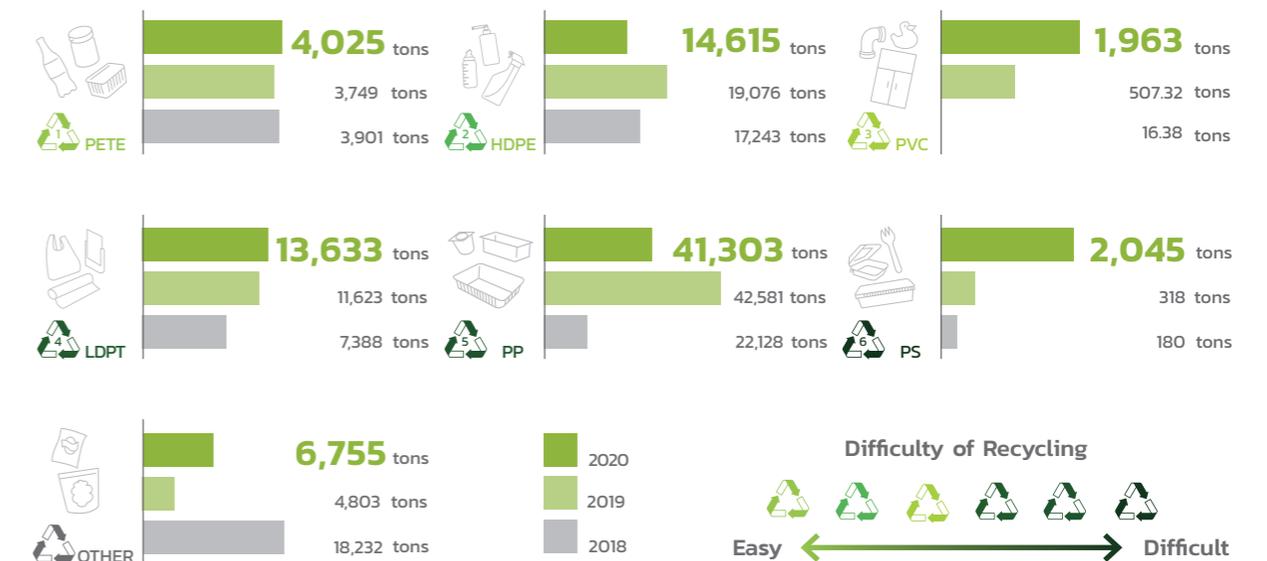


# Sustainability Plastic Packaging Dashboard

## 2020 Performance



## C.P. Group Plastic Packaging Volume



# WATER STEWARDSHIP

## Supporting the SDGs



### SDG 6 Clean Water and Sanitation

- 6.1 Clean and affordable drinking water for all
- 6.3 Improved water quality through safe treatment and recycling
- 6.4 Substantially increase water-use efficiency and ensure sustainable supply of freshwater
- 6.5 Implement integrated water resources management
- 6.B Support the participation of local community in improving water and sanitation management

### SDG 12 Responsible Consumption and Production

- 12.2 Achieve the sustainable management and efficient use of natural resources

### SDG 14 Life Below Water

- 14.1 Reduced marine pollution

## Our Perspective

Climate change manifests itself in myriad ways; one impact on the environment is felt in the water cycle, affecting droughts, floods, and the quality of water for consumption. These pose challenges to the businesses of both Charoen Pokphand Group and our suppliers as well as the daily lives of the community and society. For this reason, the Group has established a sustainable water management strategy to increase efficiency in corporate water use. In addition, the Group supports water management throughout the supply chain in order to enhance the operational stability of the Group and our suppliers in an integrated manner. Besides water management within the organization and across the supply chain, the Group also conducts water resources development projects to build stakeholder confidence in sufficient water supply for consumption.

## Performance (Thailand) in Comparison with 2020 Goal



**125**  
cubic meters/million THB

Reduction of water withdrawal per unit of revenue by 52% from the goal of 10% compared to base year 2015

## Key Plans in 2021

 Development water management for suppliers

 Apply innovation and technology to reduce water consumption in the production process

 Assess water risks according to the management framework

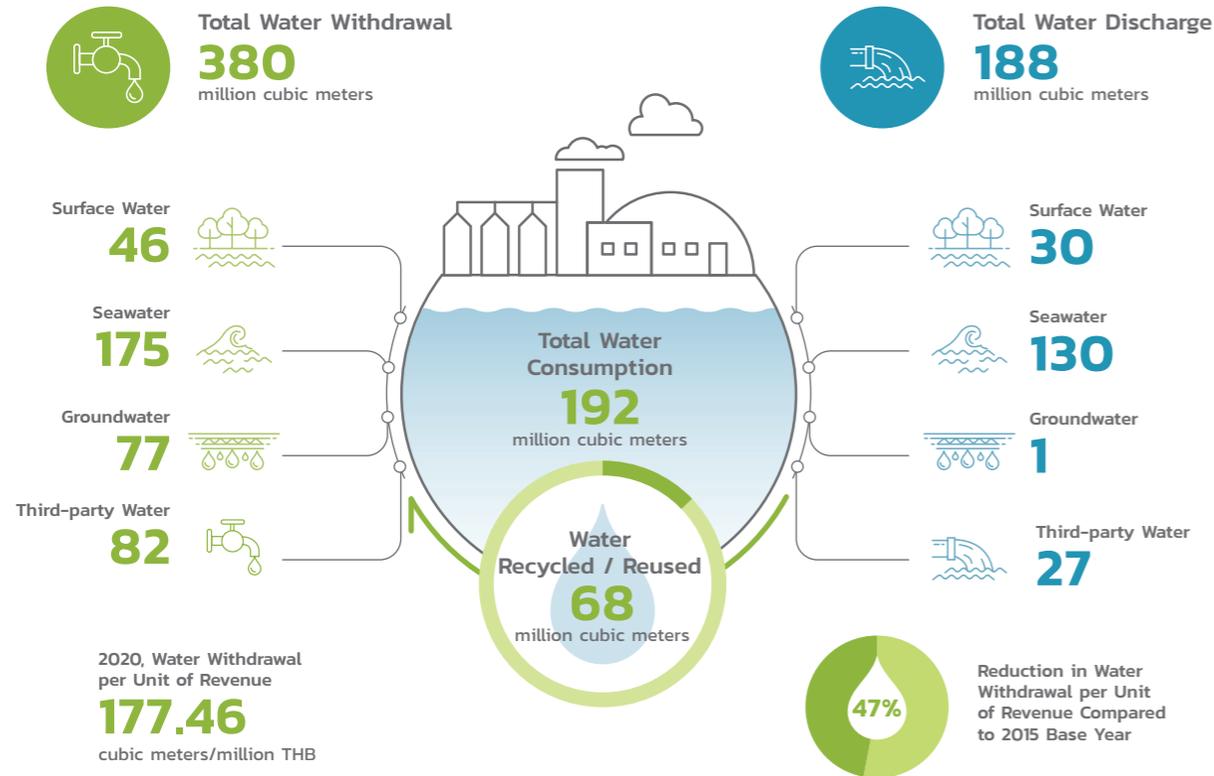
 Enhance community access to water resources

*“CPF realizes the significance of water as it is the most important production factor of the agricultural and industrial sectors. CPF adopts thorough water management throughout the production chain for maximum benefits, as guided by the eco-efficiency concept, to balance business growth and ecosystem conservation. The goal is to reduce environmental impacts and concurrently reduce demand for raw water.”*

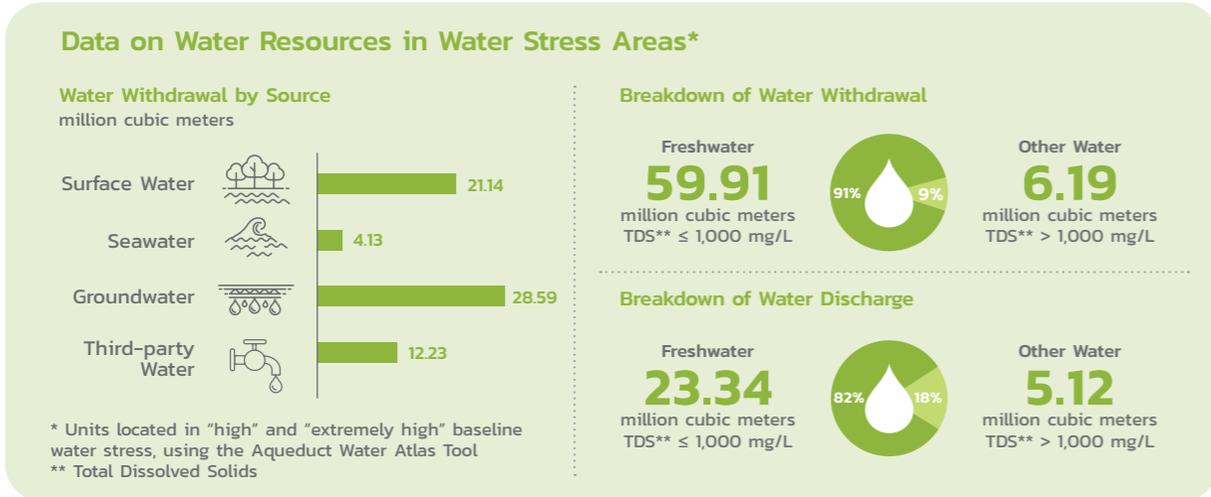
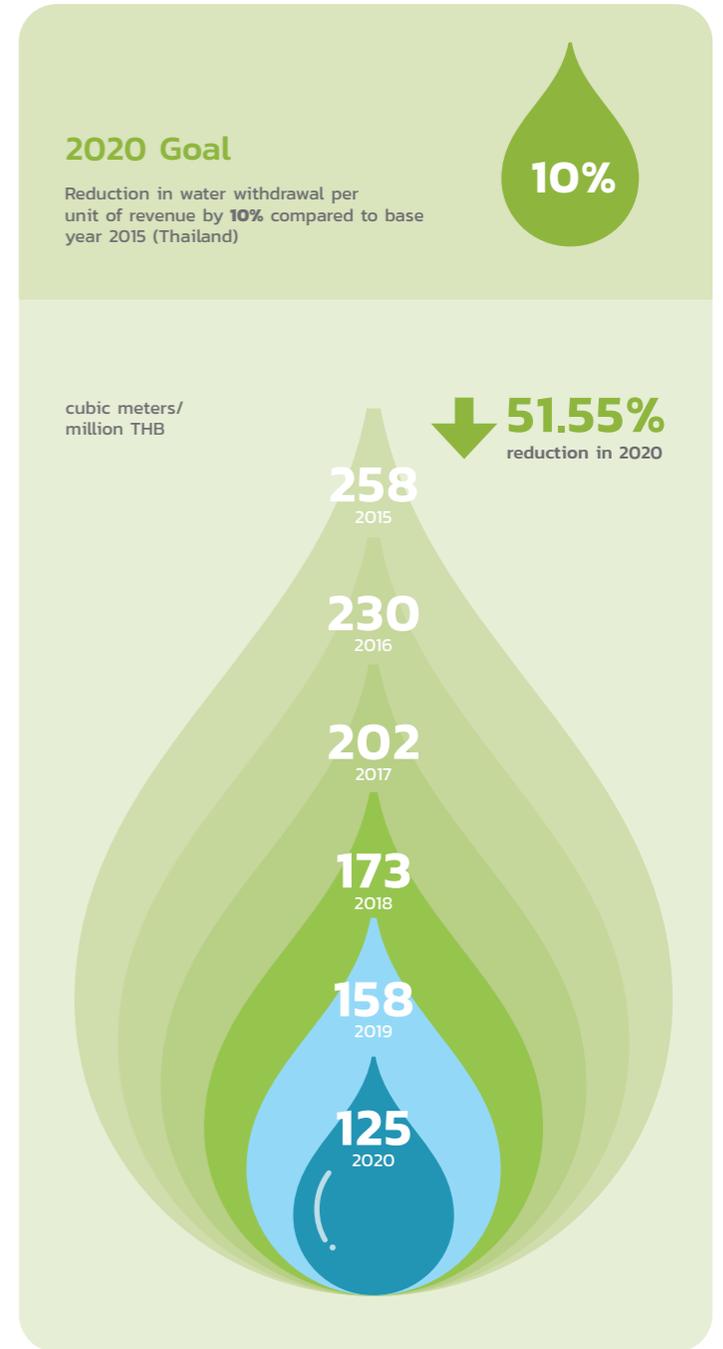
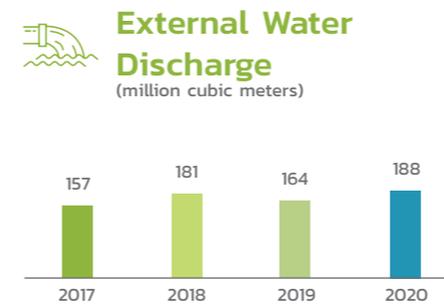
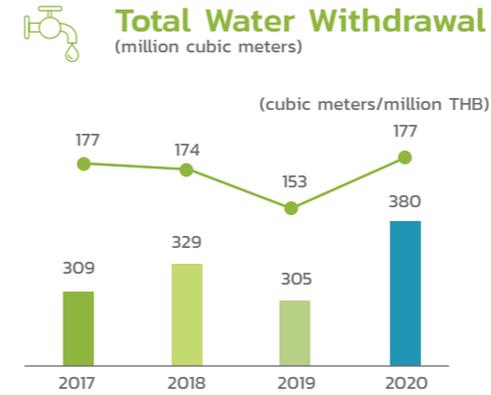
**Prasit Boondoungprasert**  
Chief Executive Officer  
Charoen Pokphand Foods  
Public Company Limited



# Key Performances 2020



# Water Resource Management Data



# Integrated Water Risk Assessment

Enabling water management planning throughout the supply chain

Charoen Pokphand Group has conducted water risk assessment for all of production areas according to a framework that takes into account the water withdrawal volume and the baseline water stress

level in each area, using the internationally-recognized Aqueduct Water Risk Atlas tool from the World Resources Institute (WRI). The risk assessment results, and relevant water management plans are as follows:

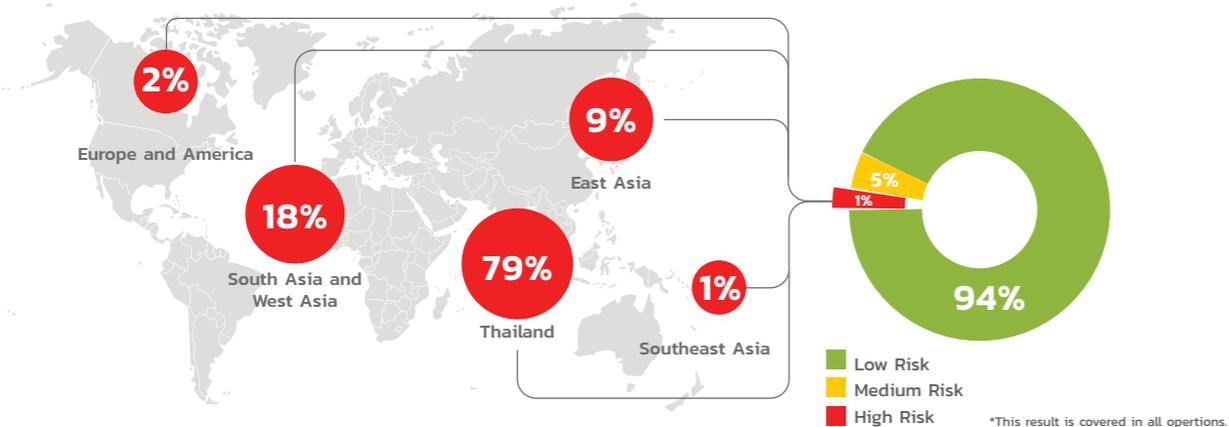
## Water Risk Assessment Framework

Baseline Water Stress	Water Withdrawal	Water Risk	Water Management Plan
 Low - Medium	+ Low - Medium Volume High Volume	Low Risk Medium Risk	<b>Low Risk</b> - Regularly monitor water withdrawals through reporting systems
 High - Extremely High	+ Low Volume Medium Volume High Volume	Low Risk Medium Risk High Risk	<b>Medium Risk</b> - Improve water use efficiency using the "5Rs" principle - Regularly monitor water withdrawals through reporting systems  <b>High Risk</b> - Improve water use efficiency using the "5Rs" principle - Regularly monitor water withdrawals through reporting systems - Assess local-level risks using the "Local Water Tool" - Assess water risks for key suppliers

Water risk assessment conducted in 2020 showed only 1% of the Group's production areas with high level of water risks, 79% of which is located in Thailand.

Accordingly, Charoen Pokphand Group focuses on encouraging our Thailand-based business groups to develop intensive water-related measures and monitor water use reduction on a regular basis.

## C.P. Production Units with High Water Risk Level (By Region)



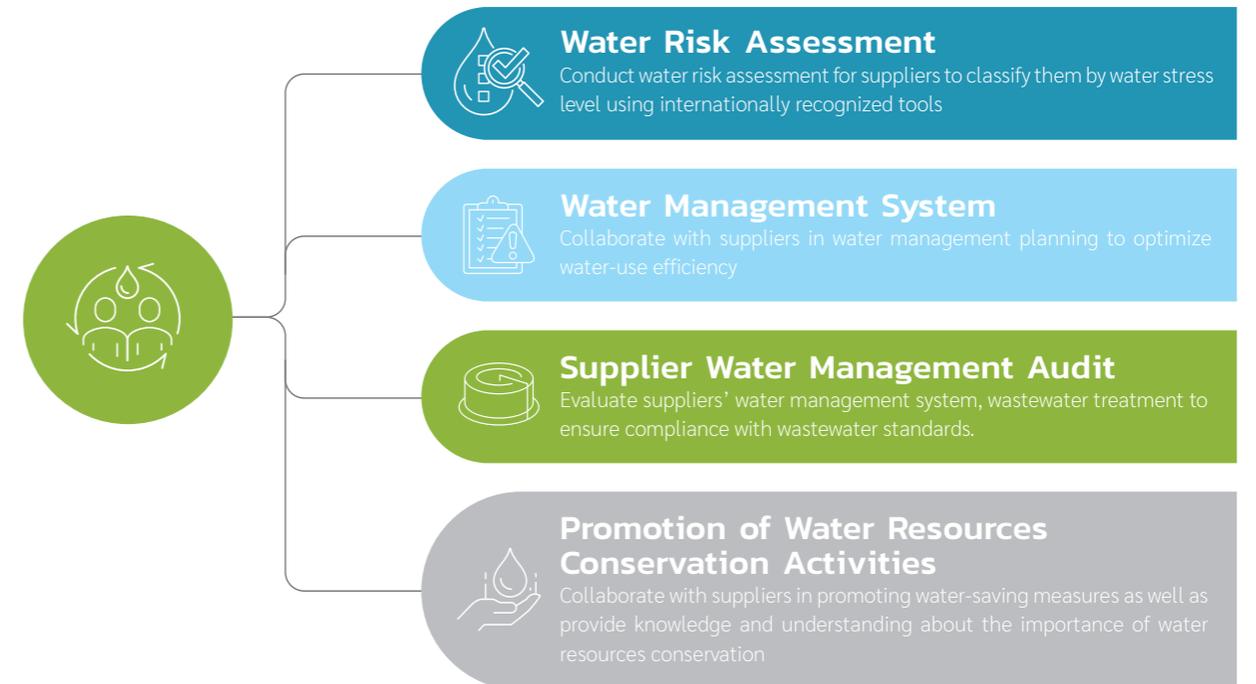
# Water Management for Suppliers

Enabling water management planning throughout the supply chain

## Management Approach

Charoen Pokphand Group is committed to using water resources sustainably and implementing effective water management throughout the entire supply chain. In view of this, the Group has developed a water management approach for our suppliers who are the key

stakeholders to our business with the aim to promote water-use efficiency, reduce water shortage risks, and jointly campaign for the conservation of water resources.



# Circular Water Management

## Maximizing water-use efficiency

Charoen Pokphand Group’s water stewardship is based on the principles of the CEO Water Mandate, the UN Global Compact initiative. The Group has adopted the Circular Water Management approach, in accordance with the “5Rs” principle (Reduce, Reuse, Recycle, Restore, and Recover), established by the World Business Council for Sustainable Development (WBCSD), for water management

within the organization. This is aimed at improving water-use efficiency through various measures and enabling water reuse or recycling. We also highlight on the effective wastewater treatment process to ensure that the quality of treated water meets, or is above, the required standard of each country prior to discharging into natural water resources.



## Improving Drinking Water Supply System for Pigs

### Xiangyang Chia Tai Agro-Industry & Food Co., Ltd.



#### Project Background:

Based on an environmental survey of the swine farming operations, a significant source of water loss has been identified in the drinking water supply process. Originally, the pig farm employed a passive drinking water distribution system using duckbill drinking devices, which caused a large amount of water leakage from the trough as the pigs drank. As a result, an average of 18.58 liters of water per pig per day was needed. Therefore, the company wished to enhance water-use efficiency for pigs’ consumption while ensuring that the pigs have sufficient drinking water to meet their needs.

#### Approach

The company has developed a new drinking water distribution system by switching to

drinking bowls and installing meters and pipes to regulate water level in the bowls. When pigs drink from the bowls, the system will transport water through the pipes and automatically refills the bowls. Consequently, the average drinking water requirement was reduced to 9.76 liters per pig per day, lowering water use for pigs’ consumption by 8.82 liters per pig per day, or 47.5%. Furthermore, the system provides pigs with clean drinking water, reduces humidity in the pig pen, eases pigs’ stress when changing groups, and reduces the amount of disinfectant used in drinking water.

In 2020, a total of 168,000 pigs were raised on the farm. As a result of the drinking water supply system improvement, overall consumption of water by the farm

was reduced by up to 109,200 cubic meters per year.



**109,200**  
cubic meters/year

Reduction of water used for pigs’ drinking supply per year

**47.5%**

Reduction of water used for pigs’ drinking supply per pig per day



# Collaborating with Partners to Promote Access to Water for Communities

## Providing access to clean, safe and hygienic water for all

Charoen Pokphand Group is moving towards our 100<sup>th</sup> year of business operations. We are well aware of the problem of continuous water resource depletion and recognize that water is a key element in everyone's livelihood, both for consumption and occupational

activities. Therefore, the Group has collaborated with partners from various sectors to provide access to clean, safe and hygienic water sources and ensure adequate water supply through projects to promote access to water in countries where we operate.



**Groundwater Well Construction Projects**  
2014 - present



**Water Sources for Sustainable Agriculture Projects Bago and Naypyitaw**  
2018 - present



**Clean Drinking Water in Schools Aung Za Bu**  
2020 - present



**Restoration of Clear Water to Ban Samong Community, Prachinburi Province**  
2016 - present



**Water for Life Project**  
2019 - present



**Collaboration Project in Mueang Chang Subdistrict, Nan Province**  
2015 - present



**"Nam Phang" Model Mae Charim District, Nan Province**  
2018 - present



**Safe Nature Project Mae Chaem District, Chiang Mai Province**  
2012 - present



**Swine Manure Liquid Fertilizer for Ban Huay Nam Dib Community, Chiang Mai Province**  
2019 - present



**Water Resources for Agricultural Development Projects Ban Mae Wak Community, Chiang Mai Province**  
2016 - present



**Living Weir Projects in 17 Northern Provinces**  
2017 - present



**Well and Pumping Station Construction Project Bai Dian Village, Xiangzhou District**  
2014 - present



**Ka Nau Village Water Pipeline Installation Project, Binh Dinh Province**  
2018 - present



**Natural Drinking Water Project Ban Thammachat Lang, Trad Province**  
2019 - present



**Sharing Water Resources with Barangay Gugo Community Project**  
2018 - present

# ECOSYSTEM AND BIODIVERSITY PROTECTION

## Supporting the SDGs



### SDG 6 Clean Water and Sanitation

6.6 Protect and restore water-related ecosystems

### SDG 14 Life Below Water

- 14.2 Sustainably manage and protect marine and coastal ecosystems
- 14.4 Sustainable fishing
- 14.5 Conserve coastal and marine areas
- 14.B Provide access for small-scale artisanal fishers to marine resources and markets

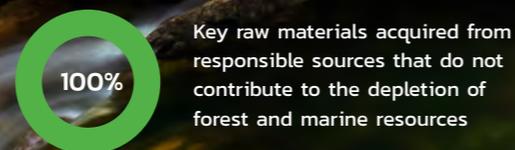
### SDG 15 Life on Land

- 15.1 Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services
- 15.2 Halt deforestation, restore degraded forests
- 15.4 Ensure the conservation of mountain ecosystems
- 15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity

## Our Perspective

Biodiversity is intrinsic to the survival of humans and other living creatures. It creates balance in the ecosystem, promotes the way of life, and decelerates climate change as a result of greenhouse gas retention and absorption. However, more and more factors are generating negative impacts on and deteriorating the ecosystem and biodiversity. This has raised concerns among the global community. Consequently, the United Nations has established the Sustainable Development Goals (SDGs), which embraces biodiversity and ecosystem as Goal 15, to enable organizations worldwide to join forces in slowing down and putting an end to this great loss. As a partner of the United Nations Global Compact, Charoen Pokphand Group has continuously worked to promote and protect the ecosystem and biodiversity.

## Performance (Thailand) in Comparison with 2020 Goal



## Key Plans in 2021



Develop sustainable fisheries in partnership with coastal communities and relevant sectors



Increase efforts on forest resources conservation and restoration in Thailand and overseas



Expand raw material source assessment to sources that do not deplete forest and marine resources

*"We have adopted the understand, reach-out and develop approach of the Royal Initiative to cultivate understanding and cooperation. Meanwhile, a sustainable solution to forest encroachment is to provide jobs to locals. Farmers must have a career with sufficient and stable income to sustain their living in order to live in harmony with the forest."*

**Sumeth Pinyosnit**

Chief Executive Officer  
Charoen Pokphand Produce Co., Ltd.



# Key Performances 2020



**14,563**  
**rais**  
Forest areas conserved and Restored

**49,808**  
**rais**  
Agricultural areas with water resources development

**17**  
**provinces**  
Receiving marine resources restoration

**18,009**  
**persons**  
Benefiting from projects

- Marine and Coastal Ecosystem Protection Projects
- Inland Freshwater and Forest Ecosystem Protection Projects



Modern Agriculture Learning Center  
C.P. Seeds

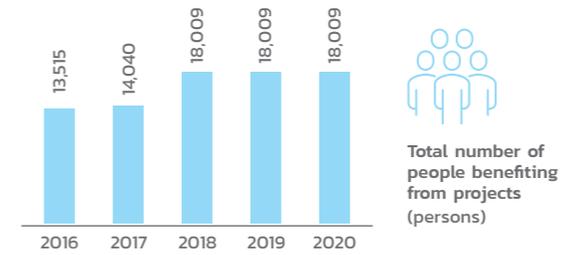
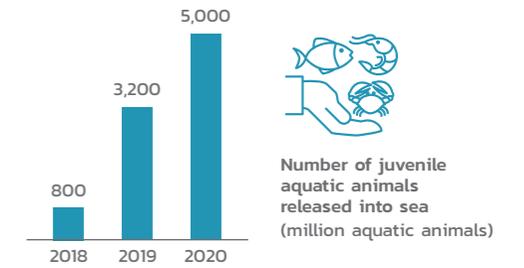


CPF Grow-Share-Protect Mangrove Reforestation Project  
Charoen Pokphand Foods Public Co., Ltd.



Artificial Reef Project  
Charoen Pokphand Group

## Performances 2016-2020



Plant Forests to Create Incomes  
Charoen Pokphand Group



Safe Nature Project  
Charoen Pokphand Produce Co., Ltd.



WE GROW...Growing for Sustainability  
Charoen Pokphand Group



Sustainable Blue Crab for Thai Seas Project  
C.P. Ram Co., Ltd.



Aquatic Animal Bank Projects  
Charoen Pokphand Group



SEACOSYSTEM...For Sustainable Thai Seas  
Charoen Pokphand Group

# Raw Material Sourcing and Traceability

## Building confidence for consumers

Charoen Pokphand Group has always committed to responsible and sustainable material sourcing and traceability. The Group sources agricultural raw materials from farmlands with proper legal title deeds and 100% traceability back to their plot. Additionally, the source of raw materials from marine resources must be identifiable and in order to prevent impacts on ecosystems and biodiversity, the raw material must not come from endangered species. The Group also aims to promote supplier engagement and encourage a cooperation network with our partners from all sectors, including the government, the private sector, communities, and non-governmental organizations, in order to achieve continuity. Accordingly, the Group has set the target to source raw materials for the production of 5 kinds of animal feeds, namely maize, soybean meal, palm oil, cassava, and fishmeal.



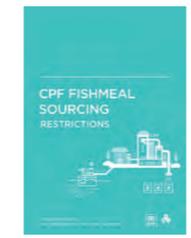
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Charoen Pokphand Foods Public Company Limited (CPF) has published the CPF Fishmeal Restrictions to set a common standard for marine raw material sourcing in Thailand and overseas. Under these restrictions, the company shall acquire fishmeal that are by-products of processing plants that are certified by MarinTrust, a standard in consistent with the Code of Conduct for Responsible Fisheries of the Food and Agriculture Organization. In Thailand, in particular, fishmeal as by-products shall be acquired from sustainably managed sources. As a major

global shrimp producer, CPF has collaborated with national and international organizations, such as Seafood Task Force and Seafood Business for Ocean Stewardship (SeaBOS) to solve the problems of illegal fisheries and protect the rights of fishers in order to prevent them from becoming victims of human trafficking, slavery, and forced labour.

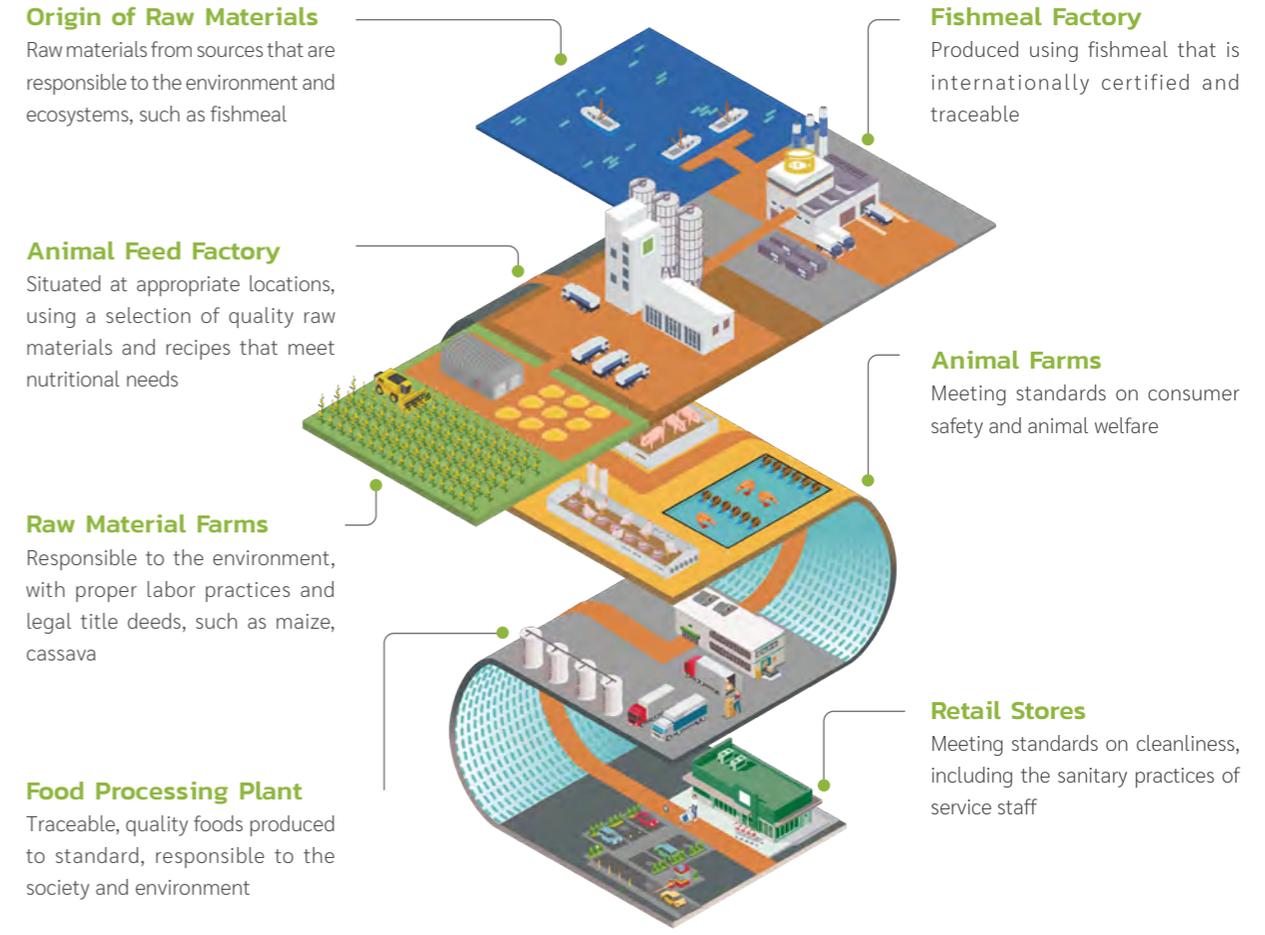


[https://www.cpfworldwide.com/en/sustainability/policy/fishmealsourcing\\_restriction.pdf](https://www.cpfworldwide.com/en/sustainability/policy/fishmealsourcing_restriction.pdf)



CPF Fishmeal Sourcing Restrictions are available via QR Code

# Charoen Pokphand Group Integrated Traceability System



Charoen Pokphand Group gives top priority to the traceability of a product. The Group has developed the Integrated Product Traceability System that can trace a product from raw material source that does not involve forest encroachment to area of cultivation and animal farm that meet the safety standards for consumers, focus on animal welfare, and produce no adverse environmental impacts, warehouse, and all the way through to distribution and sales channels to deliver products to consumers. Consumers can rest assured that all products manufactured by C.P. Group are of high quality and comply with stringent standards. Our products are also made through socially responsible process, with measures to prevent potential impacts on ecosystems and biodiversity.



# Conserving and Restoring Forest Resources

Promoting ecosystem and biodiversity protection



Charoen Pokphand Group has implemented the Developing Forests for Sustainable Livelihood Project by maintaining the balance of the ecosystem through the concept of Social Enterprise, which promotes reforestation for livelihood development and raises awareness toward the protection and promotion of sustainability in local systems among the community.



## "We Grow...Growing for Sustainability"

Charoen Pokphand Group recognizes our duty to contribute towards a more sustainable environment and mitigation of impacts from global climate change. Therefore, the Group has promoted perennial planting in Thailand and other countries where we have made investments. We also encourage our partners and community networks to plant for sustainability, setting the goal to become a zero carbon emission organization by 2030.



Furthermore, Charoen Pokphand Foods Public Company Limited has also signed a Memorandum of Cooperation on "Climate Change Prevention through Forest Rehabilitation" with the Royal Forest Department, the Department of National Park, Wildlife and Plant Conservation, and the Thailand Greenhouse Gas Management Organization (Public Organization) under the Ministry of Natural Resources and Environment to jointly engage in the second phase of the Preserve, Rehabilitate, and Regrow Project, covering 26,000 rais of terrestrial and mangrove forests.

### Tree Planting and Conservation Projects by C.P. Business Groups



CP CROP Plant Trees for Home-grown Forests Crop Integration Business Group, Loei Province



Green Home CPP Crop Integration Business Group, Saraburi, Lop Buri, Sukhothai, Suphan Buri



Plant Forests, Create Futures C.P.CAMBODIA CO., LTD.



CPF Rak Ni-Ves Project at Pasak Watershed, Khao Phraya Doen Tong Agro-Industrial and Food Group, Lopburi Province



CPRAM Forest Best for Life Group Marketing and Distribution Chonburi Province



Philippines Aqua Business Perennial Project CPF Philippines



Green Buffer for Better Trade Group, Ayutthaya Province

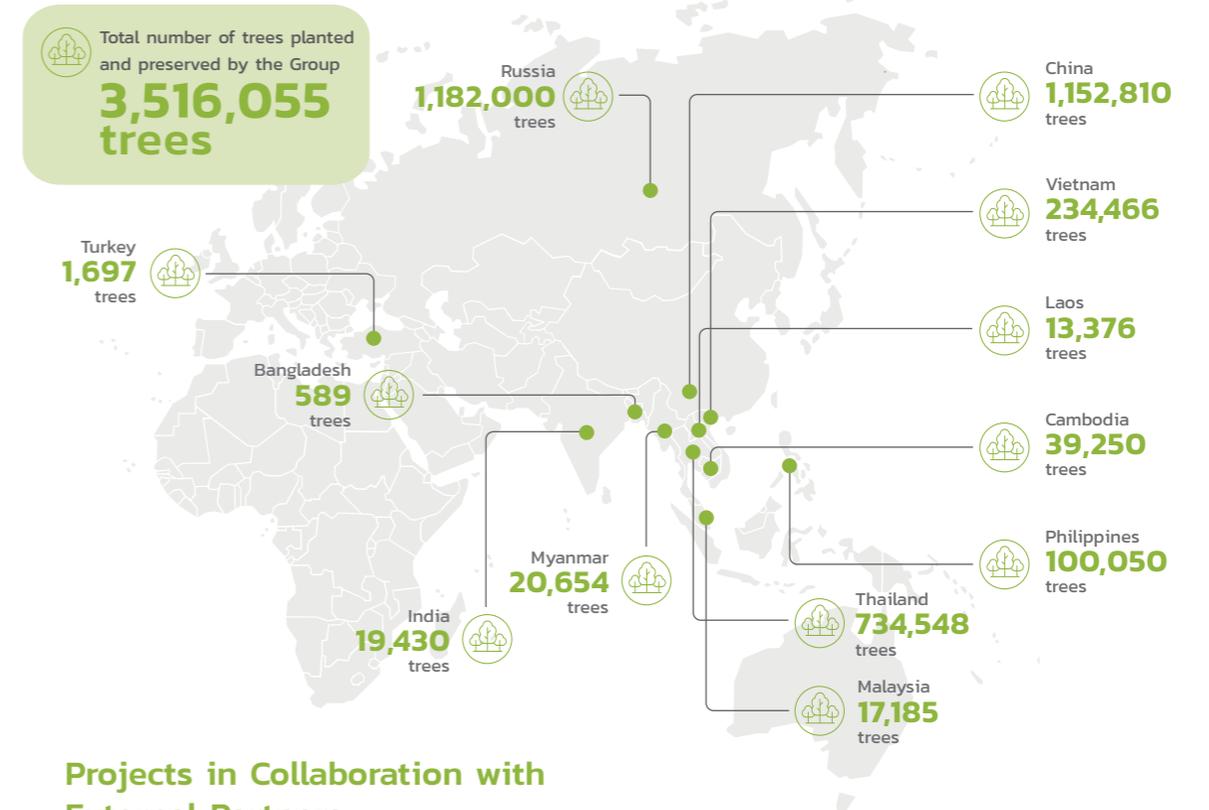


WE GROW...Growing for Sustainability in Ping, Wang, Yom, Nan Watershed Areas C.P. Group, Nan, Lampang, Chiang Mai, Phayao



WE GROW Project CPF (INDIA) Pvt. Ltd.

## Number of Trees Planted and Preserved by the Group



### Projects in Collaboration with External Partners

- CPF Grow-Share-Protect Mangrove Forestation Project
- CPF Rak Ni-Ves Project at Pasak Watershed, Khao Phraya Doen Tong
- Terrestrial Ecosystem Protection and Restoration Project
- Collaboration Project in Mueang Chang Subdistrict
- Public-Private Collaboration Project for Development and Restoration for Nan Watershed Forests
- Collaboration Project for Learning Community Centers Foundation (Pong Kham Temple)
- Project to Promote Engagement on Upstream Forest Management in Degraded Steep Forest Areas, Ban Tung Mai
- Sob Khun Model
- Kla Saen Dee Project
- Nam Phang Model
- Yom River Basin Expansion Project
- Water Resources for Agricultural Development Project
- Ban Kong Kai Multipurpose Forest Management Project (under the guidance of His Majesty's Development Philosophy)

Total area **15,640** rais

## The Sob Khun Model



**"If we love coffee, coffee will love us."**

**Yard Thamlangka**  
Ban Sob Khun farmer



Now in its fifth year, the Sob Khun Model has restored 1,998 rais of forests, transforming 48% of the former barren mountain tops into now abundant green forests. Charoen Pokphand Group has partnered with Sob Khun Village Social Enterprise to establish a local coffee brand by setting up a coffee processing plant to increase value for coffee throughout the supply chain as well as to raise the quality of life, create economic growth at the community level, and supply coffee beans to True Coffee. The project has already started to generate collective income for the members for the first year.



Sob Khun Model Video

Results and Benefits

Farmers benefiting from the project



Coffee cherries production



Income generation for communities



Results and Benefits

Farmers benefiting from the project



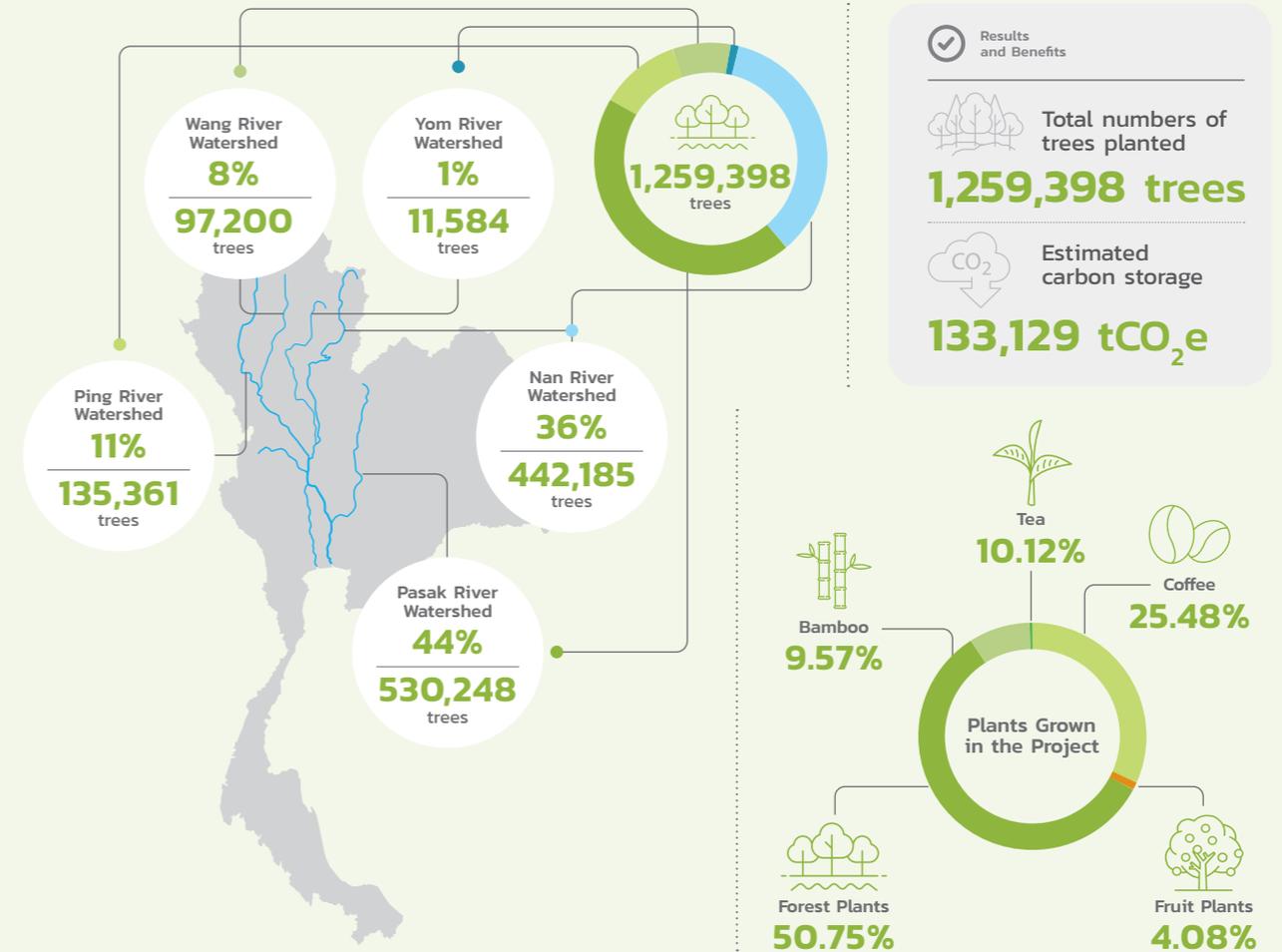
Coffee cherries production



Income generation for communities



## 5 River Basin Development Project to "Revive Chao Phraya River"



The 5 River Basin Development Project to "Revive Chao Phraya River" has been created to develop watershed forest areas of Ping, Wang, Yom, Nan, and Pa Sak rivers. The project aims to create sustainable income and career for famers and locals in the vicinity of the project implementation areas. It also helps to reduce smoke dust from burning, conserve plant and animal species in nature, and absorb greenhouse gas emissions.



The Sob Khun Model Stores Up To **5,059 tCO<sub>2</sub>e**



# Conserving and Restoring Marine Resources

For the abundance, resilience, balance, and sustainability of Thai seas



Charoen Pokphand Group collaborated with the Fishery Department to restore sustainable abundance of marine resources to Thailand's seas. We have been continuously placing artificial reefs in suitable waters off the coast of Thailand. In the second phase, artificial reef placement covered 2,250 m<sup>2</sup> in the coastal areas of Ranot District, Songkhla Province, and Mueang District, Narathiwat Province. As a result, local fishing communities were able to catch 12% more aquatic animals on average. Such endeavour is aimed at restoring Thailand's southern seas to their abundance while raising income and improving livelihoods for local communities.

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## Working with Local Communities to Conserve and Restore Marine Resources



As a private company and a part of the agro-industry and food supply chain involved with Thailand's seas, Charoen Pokphand Group places emphasis on joining the effort in conserving and restoring marine resources and supporting sustainable coastal fisheries through the "SEACOSYSTEM for sustainable Thai Seas" concept, which integrates the aspects of socio-economy and the environment.

In the past, aquatic breeding was carried out through hatching innovations and joint research with the community. Consequently, more than 5,000 million juveniles were released into the sea. In addition, income generation

has been promoted through upgrading fishery products to the Modern Trade market and processing products to create value for income generation the communities, achieving an economic value of over 125 million THB. The Group is mindful that in order to sustainably restore resources, we must work together to encourage the communities to take care of their local resources. For the communities to take care of the environment, they must have awareness as well as a good quality of life, both of which must go hand in hand. Currently, C.P. Group has been working with 111 communities in 21 provinces, covering more than 5,550 households. We

target to work in every province adjacent the Gulf of Thailand and the Andaman coasts.

 Results and Benefits  
**Juvenile aquatic animals released into nature**  
 **>5,000 million**



## SEACOSYSTEM For Sustainable Thai Seas



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### Results and Benefits

Areas for cultivating and protecting aquatic animals  
**28,345,420 sq.m.**

Income creation for local fishing communities  
**125,847,649 THB**

Increase in aquatic animal catchment  
**155%**

Fishers benefiting from the project  
**5,550 households**

### Integrated Marine Ecosystem Restoration consists of 5 key areas

Sustainable Business Development throughout Supply Chain



Marine Habitats Management



Marine Resources Research and Development



Stock Enhancement



Community Development

The concept of SEACOSYSTEM for sustainable Thailand seas focuses on the restoration of the marine ecosystem and economy, highlighting on plastic waste as a key issue. Charoen Pokphand Group has worked in 22 local fishing communities, leading environmental projects, promoting research and development, and applying technology to help fishers manage marine environment to conserve marine resources in a sustainable manner.



# RESPONSIBLE SUPPLY CHAIN MANAGEMENT

## Key Plans in 2021



Enhance and expand traceability system for raw materials with high sustainability risks to targeted countries



Increase the capacity of sustainability assessors in order to enhance suppliers' capabilities throughout the supply chain

## Our Perspective

Due to the diversity of our business, Charoen Pokphand Group has an extensive number of suppliers and business partners scattered across all regions of Thailand and around the globe. These suppliers and business partners represent the Group as producers, suppliers, service providers, and distributors. Therefore, every action taken by them that does not comply with requirements, rules and regulations may generate negative impacts on the Group's reputation and further result in business disruption. In view of this, C.P. Group has developed a supply chain management system, starting from the selection process through to registration, risk assessment, operation control, and economic, social, and environmental risk assessment. This supplier management system, which is implemented across the entire supply chain, does not only reduce potential risks, but also creates opportunities for sustainable business operations

## Performance (Thailand) in Comparison with 2020 Goal



100% Of critical suppliers assessed on sustainability



*"Striving to strengthen our entire supply chain, C.P. Group has joined forces with suppliers and farmers to carry out responsible and environmentally-friendly raw material sourcing with 100% traceability while reducing the problem of forest encroachment supported by legal principles. This endeavour will contribute to promoting business stability and sustainability for all parties."*

**Somchai Kungsamutr**  
President & CEO  
Feed Ingredients Trading Business Group  
Charoen Pokphand Group



## Supporting the SDGs



### SDG 4 Quality Education

4.4 Increase the number of youths and adults who have relevant skills, and promote entrepreneurship

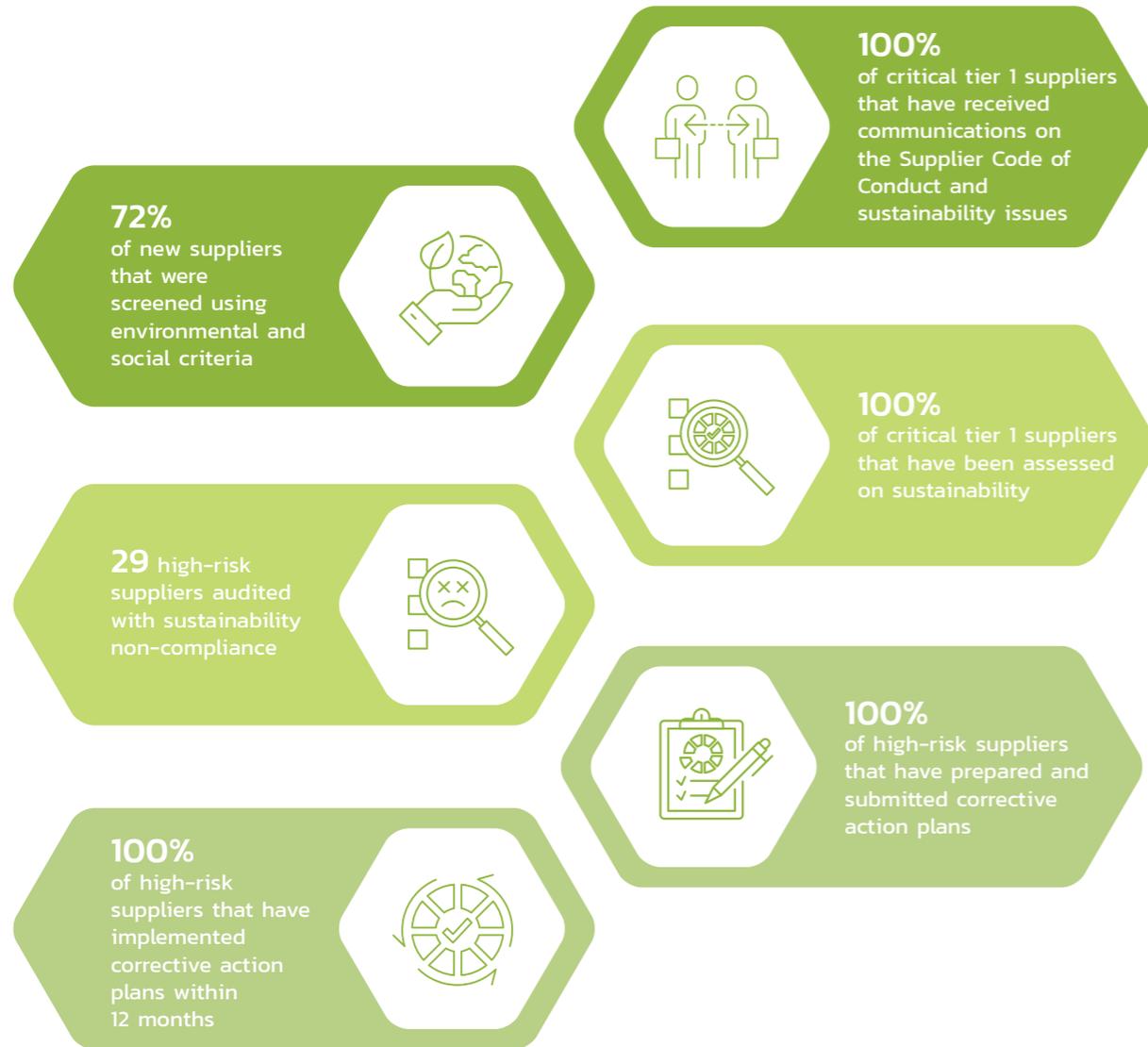
### SDG 8 Decent Work and Economic Growth

8.3 Promote development-oriented policies that support decent job creation, and entrepreneurship

### SDG 9 Industry, Innovation, and Infrastructure

9.4 Upgrade infrastructure to make them sustainable, with increased resource-use efficiency and greater adoption of technologies

# Responsible Supply Chain Dashboard 2020



## Supplier Code of Conduct

Charoen Pokphand Group has announced the implementation of the Supplier Code of Conduct as well as provided training on and shared this set of rules and relevant videos with our suppliers to enable their acknowledgement and strict compliance. The primary target audience in communicating our Supplier Code of Conduct are currently our critical tier-1 suppliers. We will further expand the scope to cover all types of suppliers within 2021.

Critical tier-1 suppliers who have signed acknowledgement of the Supplier Code of Conduct



Critical tier-1 suppliers who have been educated on the Supplier Code of Conduct



### Example of issues covered in the Supplier Code of Conduct

- Environmental Management
- Child Labor
- Human Rights
- Working Conditions
- Remuneration
- Business Ethics
- Occupational Health and Safety
- Encouraging Suppliers to Adopt Sustainable Procurement Policies



Scan here to access the contents of the Supplier Code of Conduct



## ESG Integration in Supply Chain Management Strategy

**Strengthening Partners**  
Expanding sustainability operations to suppliers in order to scale up positive changes



**Collaboration for Sustainable Growth**  
Joining forces with suppliers on product and services development to enhance quality and competitiveness



**Integrated Supply Chain Risk Management**  
Establishing a continuous assessment system to evaluate risks throughout the supply chain



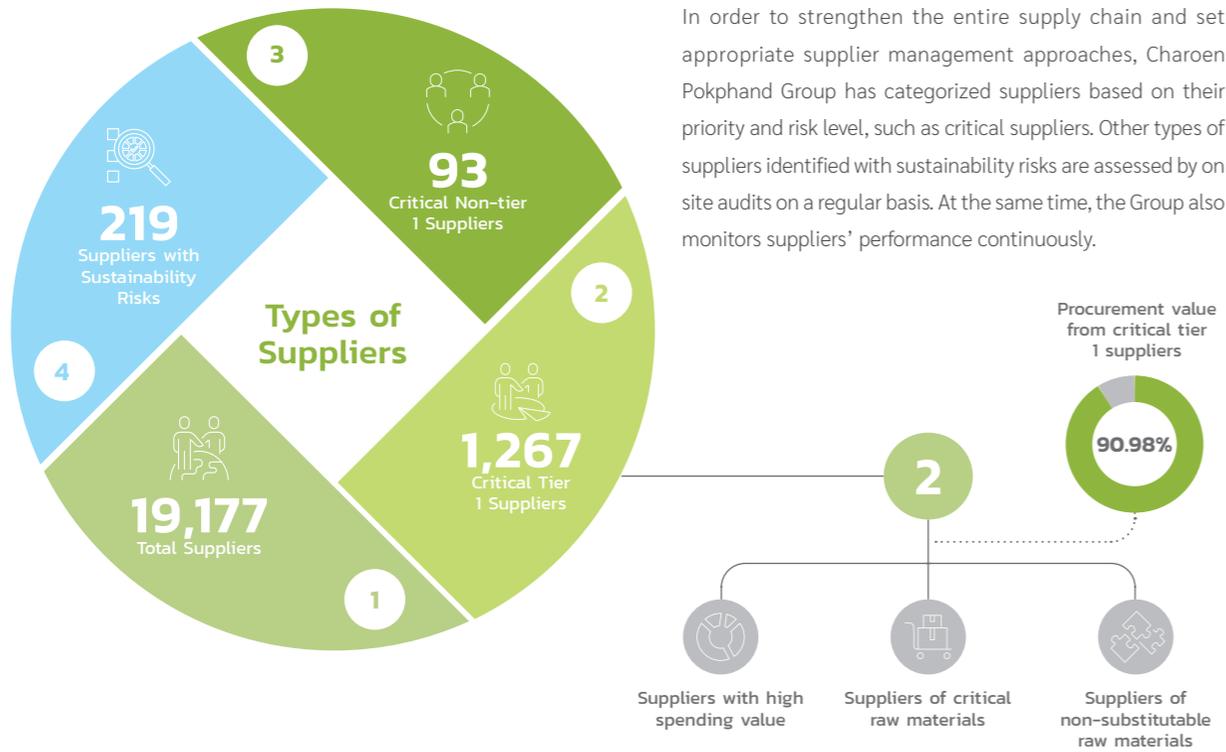
**Internal Process Improvement**  
Streamlining internal management system to meet international standards and become a role model for other organizations



**Creating Sustainable value for consumers/customers**  
Formulating policies and committing to sourcing of quality raw materials that meet standards from a traceable source



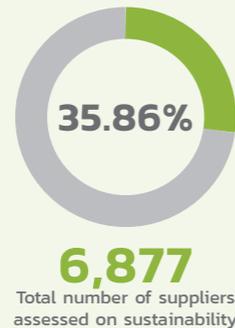
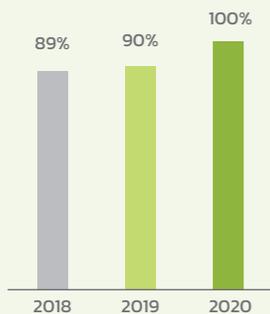
# Awareness and Risk Exposure



In order to strengthen the entire supply chain and set appropriate supplier management approaches, Charoen Pokphand Group has categorized suppliers based on their priority and risk level, such as critical suppliers. Other types of suppliers identified with sustainability risks are assessed by on site audits on a regular basis. At the same time, the Group also monitors suppliers' performance continuously.

## Supplier Sustainability Assessment

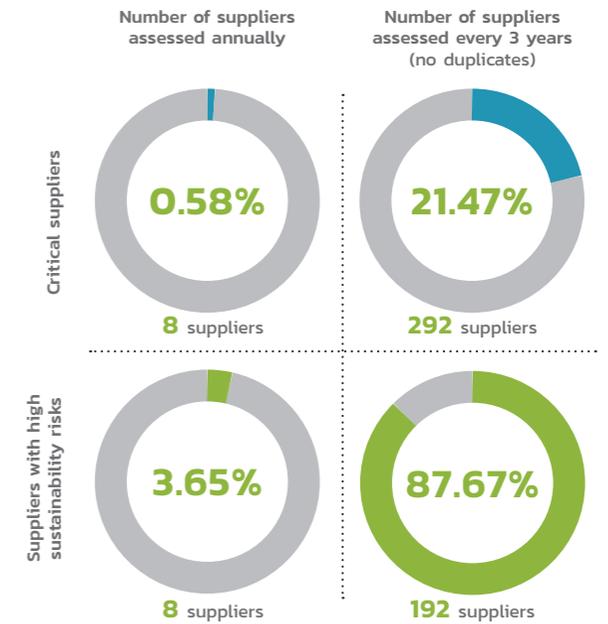
Number of critical tier 1 suppliers who completed the Sustainability Self-Assessment during the past 3 years



Charoen Pokphand Group has incorporated social and environmental issues into the Supplier Selection Process, requiring suppliers to conduct Supplier Self-Assessments and undergo assessments by companies within the Group or by reputable third-party agencies. Meanwhile, social and environmental requirements have been included into contracts. Additionally, the Group has instructed all suppliers to complete a sustainability assessment at least once every 3 years. We target to reach up to 50% of the total suppliers, including critical non-tier 1 suppliers, by 2022.

# Risk Management Measures

Charoen Pokphand Group manages supplier risks across the entire supply chain in order to identify suppliers with high sustainability risks, covering suppliers of raw materials, packaging, and services. Supplier risk management is not only limited to tier 1 suppliers with direct purchasing relationships with the Group, but also includes non-tier 1 suppliers. The assessment is conducted from the process of planning through to follow-ups on corrective actions and performance reviews. This is to ensure that suppliers have continuous and effective sustainability risk management.



# Enhancing Suppliers' Capabilities

For almost a century, Charoen Pokphand Group has joined forces with all sectors, including the government and private sectors, to uplift the quality of life of farmers through all forms of support in order to overcome the obstacles of each locality. For example, providing sources of funding, supporting production inputs, formulating joint cultivation plans through a strong team of experts, and applying technology to reduce costs and increase efficiency. Our commitment has been translated into continuous and pragmatic actions, resulting in a myriad of evident and tangible outcomes for farmers in the supply chain as well as a wide range of stakeholders.



## Developing Partners towards Sustainability

### Promoting modern agriculture

#### Project Background:

For almost a century, Chia Tai Co., Ltd. has been the major force in sustainably raising the quality of life of farmers through the delivery of agricultural innovations, quality products and services. This has contributed to improving the life and well-being of Thai farmers, helping them to pay off debts and creating happiness through sustainable agriculture. With its commitment transformed into pragmatic actions, the company has received the “Best Practice Award” in agricultural promotion from the For Thai Social Foundation.

#### Approach

Chia Tai Co., Ltd. places emphasis on enhancing the capacity of its “Seed Production Technicians” with knowledge, expertise and problem-solving skills, enabling them to share knowledge, experiences and best practices to seed producing farmers. The company anticipates that farmers will apply these cultivation knowledge and techniques to produce high quality seeds, create expertise in nurturing mother plants, and improve knowledge and capabilities in cultivation, helping them to hold a stable “career” that generates consistent income

throughout the year. Furthermore, Chia Tai Co., Ltd. has promoted farming careers to the new generation, focusing on descendants of the current generation of farmers as well as children of the locals in the community, by providing trainings to educate and build pride in farming. The company also encourages local employment in order to raise the quality of life for farmers and allow them to make a living in their home community.

Representative of seed producing farmers who has “worked with Chia Tai for more than 5 years and achieved higher income to support my children through graduation”



#### Results and Benefits

**3,300 farmers**  
Participating in the project

**52,000 hours**  
Educational trainings

## Developing the Capabilities of Fruit and Vegetable Producers in China

### Raising the quality of life for farmer partners

#### Project Background:

Oversupply of agricultural products and chemical residues are constant problems found in the agricultural product sector. This is partly due to the lack of information on the real demands of the consumer market combined with the overuse of chemicals and chemical fertilizers. As a result, agricultural product prices drop while cultivation costs continue to rise. Determined to reduce the impacts of such problems, C.P. Lotus has, therefore, initiated a project to develop the capabilities of vegetable and fruit producers with the objective of upgrading the quality of agricultural products, increasing income for farmers, and creating economic growth on a wider scale.



#### Approach

C.P. Lotus develops the capabilities of farmers through various forms of support, such as joint cultivation planning, educating farmers on cultivation methods, proper application of fertilizers, packaging and delivery standards, and encouraging the networking of farmers to facilitate exchange of knowledge on cultivation. Owing to these efforts, the company has acquired agricultural product safety certifications from the Chinese Government and agricultural institutes. In addition, C.P. Lotus makes

direct product purchases from farmers in order to skip the process of trading through middlemen, resulting in the procurement of fresh and new products at fair prices. In the near future, the company will partner with the Chinese government to create an online trading platform to increase sales channels and generate consistent income for farmers.

#### Results and Benefits

**2,280 farmers**  
Participating in the project

**69.6 million RMB**  
Income generated for participating farmers

# APPENDIX

# REPORTING BOUNDARY

## CHAROEN POKPHAND GROUP 2020

BUSINESS GROUP/COMPANY NAME	COUNTRY / ECONOMY	ECONOMIC	ENVIRONMENTAL				SOCIAL	
			ENERGY	EMISSIONS	WATER	WASTE	HEALTH & SAFETY	HUMAN RESOURCES
1 CHAROEN POKPHAND GROUP CO., LTD	THAILAND	●	○	○	○	○	○	○
2 THANA TELECOM CO, LTD	THAILAND	●	●	●	●	●	●	●
3 LEADERSHIP DEVELOPMENT CHAROEN POKPHAND GROUP CO.,LTD.	THAILAND	●	●	●	●	●	●	●
4 K.S.P. EQUIPMENT CO., LTD.	THAILAND	●	●	●	●	●	●	○
5 KASETPHAND INDUSTRY CO., LTD.	THAILAND	●	●	●	●	●	●	○
6 ADVANCE PHARMA CO., LTD.	THAILAND	●	●	●	●	●	●	○
<b>AGRO-INDUSTRY AND FOOD BUSINESS GROUP</b>								
1 CHAROEN POKPHAND FOODS PUBLIC COMPANY LIMITED	THAILAND	●	●	●	●	●	●	●
C.P. POKPHAND CO., LTD.	CHINA	●	●	●	●	●	●	●
C.P. AQUACULTURE (BEIHAI) CO., LTD.	CHINA	●	○	○	○	○	○	●
C.P. AQUACULTURE (DONGFANG) CO., LTD.	CHINA	●	○	○	○	○	○	●
C.P. VIETNAM CORPORATION	VIETNAM	●	●	●	●	●	●	●
CHAROEN POKPHAND ENTERPRISES (TAIWAN) CO., LTD.	TAIWAN	●	●	●	●	●	●	●
C.P. CAMBODIA CO., LTD.	CAMBODIA	●	●	●	●	●	●	●
CPF (INDIA) PRIVATE LTD.	INDIA	●	●	●	●	●	●	●
C.P. LAOS CO., LTD.	LAOS	●	●	●	●	●	●	●
CHAROEN POKPHAND FOODS (MALAYSIA) SDN. BHD.	MALAYSIA	●	●	●	●	●	●	●
CHAROEN POKPHAND FOODS PHILIPPINES CORP.	THE PHILIPPINES	●	●	●	●	●	●	●
SUPERDROB ZAKLADY DROBIARSKO-MIESNE S.A.	POLAND	●	●	●	●	●	●	●
CHAROEN POKPHAND FOODS (OVERSEAS) LL	RUSSIA	●	●	●	●	●	●	●
TOPS FOODS NV	BELGIUM	●	●	●	●	●	●	●
NORFOLK FOODS (PRIVATE) LIMITED.	SRI LANKA	●	○	○	○	○	○	●
C.P. STANDART GIDA SANAYI VE TICARET A.S.	TURKEY	●	●	●	●	●	●	●
CP FOODS (UK) LTD.	UNITED KINGDOM	●	○	○	○	○	○	○
BELLISIO INVESTMENT LLC	UNITED STATES OF AMERICA	●	●	●	●	●	●	●
CP-MEJI CO., LTD.	THAILAND	●	○	○	○	○	○	○
2. AGRO-INDUSTRY AND FOOD BUSINESS GROUP.	CHINA	●	●	●	●	●	●	●
3. CHIA TAI ENTERPRISES INTERNATIONAL LIMITED.	CHINA	●	●	●	●	●	●	●
4. MYANMAR C.P. LIVESTOCK CO., LTD.	MYANMAR	●	●	●	●	●	●	○
5. C.P. BANGLADESH CO., LTD.	BANGLADESH	●	●	●	●	●	●	●
6. CHAROEN POKPHAND PAKISTAN (PVT.) LTD.	PAKISTAN	●	○	○	○	○	○	○
7. CHIA TAI FEEDMILL PTE. LTD.	SINGAPORE	●	○	○	○	○	○	○
8. CHINA ANIMAL HUSBANDRY BUSINESS	CHINA	●	●	●	●	●	●	●
9. CHIA TAI CO., LTD.	THAILAND	●	●	●	●	●	●	●
10. C.P. INTERTRADE CO., LTD	THAILAND	●	●	●	●	●	●	●
11. KHAO C.P. CO., LTD.	THAILAND	●	●	●	●	●	●	●
12. DYNAMICS TRANSPORT CO., LTD.	THAILAND	●	●	●	○	○	○	●
13. DYNAMIC INTER-TRANSPORT CO., LTD.	THAILAND	●	○	○	○	○	○	●
14. AYUTTHAYA PORT AND ICD CO., LTD.	THAILAND	●	●	●	●	●	●	●
15. APSARA RICE (CAMBODIA) CO., LTD	CAMBODIA	●	●	●	●	●	●	●
16. CHAROEN POKPHAND PRODUCE CO., LTD.	THAILAND	●	●	●	●	●	●	●
	INDIA	●	○	○	○	○	○	●
	MYANMAR	●	●	●	●	●	●	●
	VIETNAM	●	●	●	●	●	●	●
17. CHAROEN POKPHAND AGRICULTURE CO., LTD.	THAILAND	●	●	●	●	●	●	●
18. C.P. STARLANES CO., LTD.	THAILAND	●	●	●	●	●	●	●
19. CHAROEN POKPHAND ENGINEERING CO., LTD.	THAILAND	●	○	○	○	○	○	●
20.PERFECT COMPANION GROUP CO., LTD.	THAILAND	●	●	●	●	●	●	●
	CHINA	●	●	●	●	●	●	○

### APPENDIX

BUSINESS GROUP/COMPANY NAME	COUNTRY / ECONOMY	ECONOMIC	ENVIRONMENTAL				SOCIAL	
			ENERGY	EMISSIONS	WATER	WASTE	HEALTH & SAFETY	HUMAN RESOURCES
<b>RETAIL AND DISTRIBUTION BUSINESS GROUP</b>								
1. CP ALL PUBLIC COMPANY LIMITED	THAILAND	●	●	●	●	●	●	●
2. SIAM MAKRO PUBLIC COMPANY LIMITED	THAILAND	●	●	●	●	●	●	●
3. C.P. LOTUS CORPORATION	CHINA	●	●	●	●	●	●	●
4. C.P. RETAIL DEVELOPMENT CO.,LTD	THAILAND	○	○	○	○	○	○	○
<b>TELECOMMUNICATIONS BUSINESS GROUP</b>								
1. TRUE CORPORATION PLC	THAILAND	●	●	●	●	●	●	●
<b>E-COMMERCE AND DIGITAL BUSINESS GROUP</b>								
1. ASCEND GROUP CO., LTD.	THAILAND	●	●	●	●	●	●	●
2. TRUE MONEY (CAMBODIA) LIMITED	CAMBODIA	●	●	●	●	●	●	○
3. PT WITAMI TUNAI MANDIRI (TMN INDONESIA)	INDONESIA	●	●	●	●	●	●	○
4. TRUE MONEY MYANMAR COMPANY LIMITED	MYANMAR	●	●	●	●	●	●	○
5. TRUE MONEY PHILIPPINES INC.	THE PHILIPPINES	●	●	●	●	●	●	○
6. TRUE MONEY VIETNAM JOINT STOCK COMPANY	VIETNAM	●	●	●	●	●	●	○
7. FREEWILL SOLUTIONS CO., LTD.	THAILAND	●	●	●	●	●	●	●
<b>PROPERTY DEVELOPMENT BUSINESS GROUP</b>								
1. C.P. LAND PUBLIC COMPANY LIMITED	THAILAND	●	●	●	●	●	●	●
2. C.P. PROPERTY HOLDING CO., LTD.	THAILAND	●	●	●	●	●	●	●
3. SHANGHAI KINGHILL LIMITED	CHINA	●	●	●	●	●	●	●
4. CHIA TAI LAND CO., LTD.	CHINA	○	●	●	●	○	○	●
5. CHIA TAI DI JING (SHANGHAI) INVESTMENT MANAGEMENT LTD.	CHINA	○	●	●	●	○	○	●
<b>AUTOMOTIVE AND INDUSTRIAL PRODUCTS BUSINESS GROUP</b>								
1. C.P. MOTOR HOLDING CO., LTD.	THAILAND	●	●	●	●	●	●	○
2. C.P. MOTOR MYANMAR CO., LTD.	MYANMAR	●	●	●	●	●	●	○
3. CPPC PUBLIC COMPANY LIMITED	THAILAND	●	●	●	●	●	●	●
	CHINA	○	○	○	○	○	○	○
	VIETNAM	○	○	○	○	○	○	○
<b>PHARMACEUTICALS BUSINESS GROUP</b>								
1. SINO BIOPHARMACEUTICAL LIMITED	CHINA	●	●	●	●	●	●	●
<b>FINANCE AND INVESTMENT BUSINESS GROUP</b>								
1. ZHENGXIN BANK COMPANY LIMITED.	CHINA	○	●	●	●	●	●	●
2. PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.	CHINA							
3. ITOCHU CORPORATION	JAPAN							
4. CITIC GROUP CORPORATION LTD.	CHINA							

● Company performances that are covered in this 2020 Sustainability Report.

○ Company performances that are not covered in this 2020 Sustainability Report.

\*The Finance and Investment Business Group is not currently under the management of Charoen Pokphand Group.

# SUSTAINABILITY PERFORMANCE DATA 2020

## HEART

GRI STANDARD	KEY PERFORMANCE INDICATORS	UNIT	2017	2018	2019	2020
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### 1. CORPORATE GOVERNANCE

#### DEPARTMENT THAT ARE WITHIN THE SCOPE OF THIS SUSTAINABILITY REPORT

• Production Plants	Plants	259	259	278	278
• Animal and Crop Cultivation Farms	Farms	940	951	951	951
• 7 Eleven Stores	Stores	10,268	10,988	11,712	12,432
• Hypermarkets/Superstores	Stores	195	204	216	219

### 2. HUMAN RIGHTS & LABOR PRACTICES

#### HUMAN RESOURCE DATA

#### 102-8 EMPLOYMENT

		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
• Total Workforce	Persons	306,695		314,337		375,891		463,307	
		159,364	147,331	159,763	154,574	191,223	184,668	222,042	241,265
BY CONTRACT TYPE		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
• Employees	Persons	212,230		304,205		339,431		361,570	
		111,354	100,876	153,436	150,769	169,633	169,798	182,734	178,836
• Workers/Contractors	Persons	94,465		10,132		36,460		101,737	
		48,010	46,455	6,327	3,805	21,590	14,870	39,308	62,429

#### 405-1 EMPLOYEE DIVERSITY

		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
BY LEVEL		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
• Top Management	Persons	1,499	400	774	178	768	200	936	264
• Middle Management	Persons	5,298	2,733	2,555	1,237	2,620	1,397	3,057	1,427
• Management	Persons	11,319	7,135	13,914	7,202	28,923	14,357	18,295	11,344
• Officers	Persons	135,634	135,827	131,413	137,849	137,737	153,844	160,446	165,801
BY AGE		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
• Under 30 years old	Persons	65,304	63,576	61,417	64,636	72,482	75,968	73,201	77,757
• 30-50 years old	Persons	79,839	76,314	77,862	75,586	85,386	85,828	95,833	91,961
• Over 50 years old	Persons	9,032	6,000	9,327	6,244	11,765	8,002	13,700	9,118

#### LABOR PRACTICES

#### 401-1 NEW EMPLOYEE HIRES

		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
• Number of new employee hires	Persons	101,919		105,644		125,134		91,014	
		51,016	50,903	50,533	55,111	59,674	65,460	45,100	45,914
BY AGE		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
• Under 30 years old	Persons	34,406	33,115	35,091	40,150	40,336	46,054	28,563	29,529
• 30-50 years old	Persons	12,738	12,937	12,401	13,705	17,979	18,373	15,257	15,547
• Over 50 years old	Persons	780	537	3,041	1,256	1,359	1,033	1,280	838

GRI STANDARD	KEY PERFORMANCE INDICATORS	UNIT	2017	2018	2019	2020
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#### LABOR PRACTICES

#### 401-1 TURNOVER

TOTAL EMPLOYEE TURNOVER		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
• Total Employee Turnover	Persons	78,837		86,387		109,172		110,394	
		40,174	38,663	42,959	43,428	54,977	54,195	52,110	58,284
BY AGE		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
• Under 30 years old	Persons	26,103	25,881	27,268	28,668	35,410	34,943	29,944	35,866
• 30-50 years old	Persons	12,174	10,854	14,193	13,418	17,861	17,695	20,438	20,686
• Over 50 years old	Persons	1,110	977	1,498	1,342	1,706	1,557	1,728	1,732

#### 401-3 PARENTAL LEAVE

PARENTAL LEAVE (EMPLOYEES)		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
• Number of employees taking parental leave	Persons	-	-	507	1,017	1,828	73,397	432	4,829
• Number of employees that returned to work after parental leave ended	Persons	-	-	494	852	1,531	5,881	429	4,342

#### Health & Safety

#### 403-9 (A) WORK RELATED INJURIES (EMPLOYEES)

EMPLOYEES		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
• Fatalities as a Result of Work-related Injury	Cases	7		7		5		14	
		6	1	7	0	4	1	14	0
	Cases / 1,000,000 Hours worked	0.013		0.012		0.008		0.018	
		0.02	0.004	0.025	0	0.013	0.003	0.028	0
• High-consequence work-related injury : (excluding Fatalities)	Cases	-		-		-		32	
		-	-	-	-	-	-	25	7
	Cases / 1,000,000 Hours worked	-		-		-		0.04	
		-	-	-	-	-	-	0.05	0.02
• Recordable Work-related Injury /Injury Rate	Cases	7,957		5,598		5,655		2,532	
		3,697	4,260	2,804	2,795	2,671	2,984	1,649	883
	Cases / 1,000,000 Hours worked	15.17		9.73		8.83		3.26	
		14.05	16.30	10.20	9.30	8.50	9.15	3.38	3.13
		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
• Lost-time Injury Frequency Rate (LTIFR)	Cases / 1,000,000 Hours worked	1.36		2.03		1.44		2.19	
		1.84	0.88	2.45	1.65	1.80	1.10	2.12	2.31
• Lost Day Rate (LDR)	Lost Days / 1,000,000 Hours Worked	14.10		30.25		90.35		28.65	
		18.75	9.50	37.65	23.50	61.45	118.05	31.70	23.40

\* High-consequence work-related injury: work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months

## SUSTAINABILITY PERFORMANCE DATA 2020

### HEART

GRI STANDARD	KEY PERFORMANCE INDICATORS	UNIT	2017		2018		2019		2020	
<b>403-10 (A)</b>	<b>WORK RELATED ILL HEALTH (EMPLOYEES)</b>									
	<b>EMPLOYEES</b>		<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>
	• Fatalities as a Result of Work-related Ill Health	Cases	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0
	• Recordable Work-related Ill Health	Cases	105	14	0	19	66	39	14	0
			66	39	14	0	0	0	13	6
	• Occupational Illness Frequency Rate (OIFR)	Lost Days / 1,000,000 Hours Worked	0.20	0.02	0	0.02	0.25	0.15	0.05	0
			0.25	0.15	0.05	0	0	0	0.03	0.02
<b>403-9 (B)</b>	<b>WORK RELATED INJURIES (CONTRACTORS)</b>									
	<b>CONTRACTORS</b>		<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>
	• Fatalities as a Result of Work-related Injury	Cases	1	2	3	7	1	0	2	0
			1	0	2	0	3	0	6	1
		Case / 1,000,000 Hours Worked	0.009	0.011	0.032	0.022	0.013	0	0.015	0
			0.013	0	0.015	0	0.043	0	0.04	0.01
	• High-consequence work-related injury : (excluding Fatalities)	Cases	-	-	-	5	-	-	3.00	2.00
			-	-	-	-	-	-	3.00	2.00
		Case / 1,000,000 Hours Worked	-	-	-	0.01	-	-	0.02	0.01
			-	-	-	-	-	-	0.02	0.01
	• Recordable Work-related Injury /Injury Rate	Cases	161	174	160	469	122	39	108	66
			122	39	108	66	123	37	360	109
		Case / 1,000,000 Hours Worked	1.48	1.00	1.71	1.30	1.60	1.20	0.80	1.70
			1.60	1.20	0.80	1.70	1.75	1.60	2.04	0.59
	<b>CONTRACTORS</b>		<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>
	• Lost-time Injury Frequency Rate (LTIFR)	Cases / 1,000,000 Hours worked	0.41	0.57	0.64	0.51	0.47	0.27	0.45	1.00
			0.47	0.27	0.45	1.00	0.60	0.75	0.59	0.42
	• Lost Day Rate (LDR)	Lost Days / 1,000,000 Hours Worked	-	-	2.82	6.18	-	-	2.90	2.55
			-	-	2.90	2.55	6.27	6.10	6.27	6.10
<b>403-10 (B)</b>	<b>WORK RELATED ILL HEALTH (CONTRACTORS)</b>									
	<b>CONTRACTORS</b>		<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>
	• Fatalities as a Result of Work-related Ill Health	Cases	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0
	• Recordable Work-related Ill Health	Cases	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0

\* High-consequence work-related injury: work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months

GRI STANDARD	KEY PERFORMANCE INDICATORS	UNIT	2017		2018		2019		2020	
<b>3. LEADERSHIP &amp; HUMAN CAPITAL DEVELOPMENT</b>	<b>404-1 TRAINING AND DEVELOPMENT</b>									
			<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>
	• Average Number of Training Hours for all Employees	Hours / FTE / Year	16.18	13.30	13.49	20.01	16.39	15.97	12.69	14.81
			16.39	15.97	12.69	14.81	12.06	14.91	18.05	22.01
	<b>BY LEVEL</b>		<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>	<b>MALE</b>	<b>FEMALE</b>
	• Top Management	Hours / FTE / Year	13.34	25.55	32.45	19.21	13.60	12.40	26.55	21.23
			13.60	12.40	26.55	21.23	33.30	29.16	19.53	18.07
	• Middle Management	Hours / FTE / Year	20.47	24.33	22.04	21.06	21.55	18.39	22.55	28.00
			21.55	18.39	22.55	28.00	21.78	22.52	21.11	20.97
	• Management	Hours / FTE / Year	18.35	20.19	16.02	26.88	19.38	16.71	18.44	23.58
			19.38	16.71	18.44	23.58	14.66	18.73	25.45	29.18
	• Officers	Hours / FTE / Year	12.12	13.51	12.93	19.63	12.24	12.00	12.27	14.89
			12.24	12.00	12.27	14.89	11.22	14.47	16.74	21.97
<b>4. EDUCATION</b>										
	• Number of Children, Youth, and Adults with Access to Education	Persons	2,568,762	3,411,278	4,608,990	6,320,000				
	• Number of Scholarship Provided	Scholarships	22,109	32,734	28,135	53,640				

## SUSTAINABILITY PERFORMANCE DATA 2020

### HEALTH

GRI STANDARD	KEY PERFORMANCE INDICATORS	UNIT	2017	2018	2019	2020
<b>5. SOCIAL IMPACT</b>						
	• Farmers receiving support	Persons	92,378	113,067	129,829	533,943
	• SMEs receiving support	Persons	57,646	543,572	706,100	768,108
	• Individuals from vulnerable groups receiving support	Persons	15,245	12,287	22,389	73,726
<b>6. HEALTH &amp; WELL-BEING</b>						
	• Number of available products that aim to promote better health and well-being	Products	168	283	525	791
	• Number of children receiving support and increased opportunities for food access	Persons	32,650	243,280	525,195	632,147
<b>7. STAKEHOLDER ENGAGEMENT</b>						
	• Number Business Group Compiling to Expectation of Stakeholders	Business Group	13	13	13	13
<b>8. INNOVATION</b>						
	• Research and Development (R&D) spending	Million THB	12,223	17,533	7,077	20,640
	• Number of R&D positions	Persons	5,388	5,950	5,402	5,615
	• Number of patents and petty patents	Patents (Petty)	866	1,296	729	2,798

## SUSTAINABILITY PERFORMANCE DATA 2020

### HOME

GRI STANDARD	KEY PERFORMANCE INDICATORS	UNIT	2017	2018	2019	2020
<b>9. CLIMATE CHANGE MANAGEMENT</b>						
ENERGY CONSUMPTION						
<b>302-1 (E)</b>	<b>TOTAL ENERGY CONSUMPTION</b>	<b>MILLION GJ</b>	<b>44.31</b>	<b>47.83</b>	<b>46.10</b>	<b>48.45</b>
<b>302-1 (A)</b>	• Non-renewable energy consumption	Million GJ	18.05	18.89	14.89	14.82
<b>302-1 (B)</b>	• Renewable energy consumption	Million GJ	4.03	4.73	5.27	5.29
<b>302-1 (C)</b>	• Electricity purchased	Million GJ	22.22	24.20	25.93	28.34
<b>302-1 (D)</b>	• Electricity sold	Million kWh	5.01	39.67	28.68	25.55
<b>302-3</b>	• Energy intensity	GJ/Million THB of revenue	25.38	25.26	23.09	22.59
GREENHOUSE GAS EMISSIONS						
	<b>GHG EMISSIONS (SCOPES 1 + 2)</b>	<b>MILLION TCO<sub>2</sub>E</b>	<b>5.03</b>	<b>5.44</b>	<b>5.39</b>	<b>5.68</b>
<b>305-1</b>	Direct GHG Emissions (Scope 1)	Million tCO <sub>2</sub> e	1.26	1.22	0.91	0.97
<b>305-2</b>	Indirect GHG Emissions (Scope 2)	Million tCO <sub>2</sub> e	3.77	4.23	4.49	4.71
<b>305-3</b>	Other Indirect GHG Emission (Scope 3)	Million tCO <sub>2</sub> e	-	-	6.90	12.52
<b>305-4</b>	GHG Emissions Intensity	Million tCO <sub>2</sub> e/Million THB of revenue	2.88	2.88	2.70	2.65
<b>305-1 (C)</b>	Biogenic CO <sub>2</sub> emissions	Million tCO <sub>2</sub> e	0.38	0.45	0.50	0.35
WASTE PRODUCED						
	<b>TOTAL WEIGHTS OF WASTE</b>	<b>TON</b>	<b>982,827</b>	<b>2,104,595</b>	<b>1,776,387</b>	<b>1,374,777.95</b>
<b>306-2 (A)</b>	Hazardous Waste	Ton	11,999	15,146	11,384	12,106
	• Reused/Recycled	Percentage (%)	13.25	21.79	65.64	42.29
<b>306-2 (B)</b>	Non-Hazardous Waste	Ton	970,872	2,089,449	1,765,003	1,362,671
	• Reused/Recycled	Percentage (%)	11.10	21.16	11.58	16.57
	• Composting	Percentage (%)	45.31	42.67	62.90	62.24
	Waste intensity	Tons/Million THB of revenue	0.56	1.11	0.89	0.64
<b>FOOD LOSS FOOD WASTE</b>						
	Food Loss	Ton	-	-	-	24,194
	Food Waste	Ton	-	-	42,059	46,179

## SUSTAINABILITY PERFORMANCE DATA 2020

### HOME

GRI STANDARD	KEY PERFORMANCE INDICATORS	UNIT	2017	2018	2019	2020
<b>10. WATER STEWARDSHIP</b>						
<b>WATER AND EFFLUENTS</b>						
	Total Water Withdrawal from all Areas	Million M <sup>3</sup>	309.08	329.47	305.05	380.51
	Breakdown of Total Water Withdrawal from all Areas					
<b>303-3</b>	• Freshwater	Million M <sup>3</sup>	246.09	240.84	220.68	187.47
	• Other Water	Million M <sup>3</sup>	62.99	88.63	84.37	193.04
	Total Water Withdrawal from Areas with Water Stress	Million M <sup>3</sup>	-	-	-	66.10
	Total Water Discharge to all Areas	Million M <sup>3</sup>	157.28	181.33	164.00	188.08
	Breakdown of Total Water Discharge to all Areas					
<b>303-4</b>	• Freshwater	Million M <sup>3</sup>	121.40	123.10	147.40	50.84
	• Other Water	Million M <sup>3</sup>	35.88	58.23	16.60	137.24
	Total Water Discharge to all Areas with Water Stress	Million M <sup>3</sup>	-	-	-	28.46
<b>303-5</b>	Total Water Consumption from all Areas	Million M <sup>3</sup>	151.79	148.14	141.02	192.41
	Total Water Consumption from all Area with Water Stress	Million M <sup>3</sup>	-	-	-	37.64
<b>11. ECOSYSTEM &amp; BIODIVERSITY PROTECTION</b>						
	Mangrove and Watershed Forest Areas Protected and Conserved	Trees	638,487	876,460	1,012,355	1,259,398
	Agricultural Areas Developed for Water and Plant Sources	Rais	-	11,268	11,268	49,808
<b>12. RESPONSIBLE SUPPLY CHAIN MANAGEMENT</b>						
	Number of Supplier Receiving Communications on the Supplier Code of Conduct Handbook	Persons	11,377	13,510	20,544	19,177
	Farmers Receiving Capacity-building Trainings	Persons	18,362	16,168	23,369	38,802

# GRI CONTENT INDEX GRI102-55

## GENERAL STANDARD DISCLOSURES

GENERAL STANDARD DISCLOSURE		PAGE/WEBSITE	EXTERNAL ASSURANCE
<b>Organizational Profile</b>			
102-1	Name of the organization	<ul style="list-style-type: none"> <li>Our Business</li> <li>About this Report</li> </ul>	-
102-2	Activities, brands, products, and services	<ul style="list-style-type: none"> <li>Our Business</li> </ul>	-
102-3	Location of headquarters	<ul style="list-style-type: none"> <li>Our Portfolio</li> </ul>	-
102-4	Location of operations	<ul style="list-style-type: none"> <li>Our Portfolio</li> <li>Our Business</li> </ul>	-
102-5	Ownership and legal form	<ul style="list-style-type: none"> <li>Our Business</li> </ul>	-
102-6	Markets served	<ul style="list-style-type: none"> <li>Our Portfolio</li> <li>Our Business</li> </ul>	-
102-7	Scale of the organization	<ul style="list-style-type: none"> <li>2020 Performance Highlights</li> <li>Our Portfolio</li> </ul>	-
102-8	Information on employees and other workers	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-
102-9	Supply chain	<ul style="list-style-type: none"> <li>Responsible Supply Chain Management</li> <li>About this Report</li> </ul>	-
102-10	Significant changes to the organization and its supply chain	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	-
102-11	Precautionary Principle or approach	<ul style="list-style-type: none"> <li>Climate Change Management</li> <li>Water Stewardship</li> <li>Supporting UN SDGs</li> </ul>	-
102-12	External initiatives	<ul style="list-style-type: none"> <li>Stakeholder Engagement</li> </ul>	-
102-13	Membership of associations	<ul style="list-style-type: none"> <li>Stakeholder Engagement</li> </ul>	-
<b>Strategy</b>			
102-14	Statement from senior decision-maker	<ul style="list-style-type: none"> <li>Message from the Senior Chairman</li> <li>Message from the Chairman</li> <li>Message from the CEO</li> </ul>	-
102-15	Key impacts, risk and opportunities	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	-
<b>Ethics and Integrity</b>			
102-16	Values, principles, standards, and norms of behavior	<ul style="list-style-type: none"> <li>C.P. Excellence</li> </ul>	-
102-17	Mechanisms for advice and concerns about ethics	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	✓
<b>Governance</b>			
102-18	Governance structure	<ul style="list-style-type: none"> <li>Sustainability Governance</li> </ul>	-
102-19	Delegating Authority	<ul style="list-style-type: none"> <li>Sustainability Governance</li> </ul>	-
102-20	Executive-level responsibility for economic, environmental, and social topics	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>About this Report</li> </ul>	-
102-25	Conflicts of interest	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	-
102-26	Role of highest governance body in setting purpose, values, and strategy	<ul style="list-style-type: none"> <li>Sustainability Governance</li> </ul>	-
102-30	Effectiveness of risk management processes	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	-
102-31	Review of economic, environmental, and social topics	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>About this Report</li> </ul>	-
102-32	Highest governance body's role in sustainability reporting	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>About this Report</li> </ul>	-
102-33	Communicating critical concerns	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	-

## APPENDIX

GENERAL STANDARD DISCLOSURE		PAGE/WEBSITE	EXTERNAL ASSURANCE
<b>Stakeholder Engagement</b>			
102-40	List of stakeholder group	<ul style="list-style-type: none"> <li>Stakeholder Engagement</li> </ul>	-
102-41	Collective bargaining agreements	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-
102-42	Identifying and selecting stakeholders	<ul style="list-style-type: none"> <li>Stakeholder Engagement</li> </ul>	-
102-43	Approach to stakeholder engagement	<ul style="list-style-type: none"> <li>Stakeholder Engagement</li> </ul>	-
102-44	Key topics and concerns raised	<ul style="list-style-type: none"> <li>Stakeholder Engagement</li> </ul>	-
<b>Reporting Practice</b>			
102-45	Entities included in the consolidated financial statements	<ul style="list-style-type: none"> <li>Our Business</li> <li>Reporting Boundary</li> </ul>	-
102-46	Defining report content and topic Boundaries	<ul style="list-style-type: none"> <li>Materiality Assessment</li> </ul>	-
102-47	List of material topics	<ul style="list-style-type: none"> <li>Materiality Assessments</li> </ul>	-
102-48	Restatements of information	<ul style="list-style-type: none"> <li>Sustainability Performance Data 2020</li> </ul>	-
102-49	Changes in reporting	<ul style="list-style-type: none"> <li>About this Report</li> </ul>	-
102-50	Reporting period	<ul style="list-style-type: none"> <li>About this Report</li> </ul>	-
102-51	Date of most recent report	<ul style="list-style-type: none"> <li>About this Report</li> </ul>	-
102-52	Reporting cycle	<ul style="list-style-type: none"> <li>About this Report</li> </ul>	-
102-53	Contact point for questions regarding the report	<ul style="list-style-type: none"> <li>Communication Channels</li> </ul>	-
102-54	Claims of reporting in accordance with the GRI Standards	<ul style="list-style-type: none"> <li>About this Report</li> </ul>	-
102-55	GRI content index	<ul style="list-style-type: none"> <li>GRI Content Index</li> </ul>	-
102-56	External assurance	<ul style="list-style-type: none"> <li>About this Report</li> <li>LRQA Independent Assurance Statement</li> </ul>	-

## SPECIFIC STANDARD DISCLOSURES

SPECIFIC STANDARD DISCLOSURES		PAGE/WEBSITE	OMISSION/NOTE	EXTERNAL ASSURANCE
<b>Economic Performance</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Sustainability Management</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Sustainability Management</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Sustainability Management</li> </ul>	-	-
201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> <li>2020 Highlights</li> </ul>	-	-
201-2	Financial implications and other risks and opportunities due to climate change	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
<b>Market Presence</b>				
202-2	Proportion of senior management hired from the local community	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-

SPECIFIC STANDARD DISCLOSURES		PAGE/WEBSITE	OMISSION/NOTE	EXTERNAL ASSURANCE
<b>Indirect Economic Impacts</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Social Impact</li> <li>Education</li> <li>Innovation</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Social Impact</li> <li>Education</li> <li>Innovation</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Social Impact</li> <li>Education</li> <li>Innovation</li> </ul>	-	-
203-1	Infrastructure investments and services supported	<ul style="list-style-type: none"> <li>Social Impact</li> <li>Education</li> <li>Innovation</li> </ul>	-	-
203-2	Significant indirect economic impacts	<ul style="list-style-type: none"> <li>Social Impact</li> <li>Education</li> <li>Innovation</li> </ul>	-	-
<b>Anti-corruption</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	-	-
205-2	Communication and training about anti-corruption policies and procedures	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	-	-
205-3	Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	-	-
<b>Anti-competitive Behavior</b>				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<ul style="list-style-type: none"> <li>Corporate Governance</li> </ul>	-	-
<b>Materials</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
301-1	Materials used by weight or volume	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
301-2	Recycled input materials used	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
301-3	Reclaimed products and their packaging materials	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
<b>Energy</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
302-1	Energy consumption within the organization	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	✓
302-2	Energy consumption outside the organization	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
302-3	Energy intensity	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
302-4	Reduction of energy consumption	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
302-5	Reduction in energy requirements of products and services	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-

SPECIFIC STANDARD DISCLOSURES		PAGE/WEBSITE	OMISSION/NOTE	EXTERNAL ASSURANCE
<b>Water</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Water Stewardship</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Water Stewardship</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Water Stewardship</li> </ul>	-	-
303-1	Water withdrawal by source	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
303-2	Management of water discharge-related impacts	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
303-3	Water withdrawal	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	✓
303-4	Water discharge	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
303-5	Water consumption	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
<b>Biodiversity</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Ecosystem &amp; Biodiversity Protection</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Ecosystem &amp; Biodiversity Protection</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Ecosystem &amp; Biodiversity Protection</li> </ul>	-	-
304-3	Habitats protected or restored	<ul style="list-style-type: none"> <li>Ecosystem &amp; Biodiversity Protection</li> </ul>	-	-
<b>Emissions</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
305-1	Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	✓
305-2	Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	✓
305-3	Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
305-4	GHG emissions intensity	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
305-5	Reduction of GHG emissions	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
<b>WASTES</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Climate Change Management</li> </ul>	-	-
306-2	Waste by Type and Disposal Method	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	✓

SPECIFIC STANDARD DISCLOSURES		PAGE/WEBSITE	OMISSION/NOTE	EXTERNAL ASSURANCE
<b>Environmental Compliance</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Corporate Governance</li> <li>Climate Change Management</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Corporate Governance</li> <li>Climate Change Management</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Corporate Governance</li> <li>Climate Change Management</li> </ul>	-	-
307-1	Non-compliance with environmental laws and regulations	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
<b>Supplier Environmental Assessment</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Responsible Supply Chain Management</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Responsible Supply Chain Management</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Responsible Supply Chain Management</li> </ul>	-	-
308-1	New suppliers that were screened using environmental criteria	<ul style="list-style-type: none"> <li>Responsible Supply Chain Management</li> </ul>	-	-
308-2	Negative environmental impacts in the supply chain and actions taken	<ul style="list-style-type: none"> <li>Responsible Supply Chain Management</li> </ul>	-	-
<b>Employment</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
401-1	New employee hires and employee turnover	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
401-3	Parental leave	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
<b>Occupational Health and Safety</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
403-1	Occupational health and safety management system	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
403-2	Hazard identification, risk assessment, and incident investigation	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
403-4	Worker participation, consultation, and communication on occupational health and safety	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
403-5	Worker training on occupational health and safety	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
403-6	Promotion of Worker health	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
403-9	Work-related injuries	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	✓
403-10	Work-related ill health	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-

SPECIFIC STANDARD DISCLOSURES		PAGE/WEBSITE	OMISSION/NOTE	EXTERNAL ASSURANCE
<b>Training and Education</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Leadership and Human Capital Development</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Leadership and Human Capital Development</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Leadership and Human Capital Development</li> </ul>	-	-
404-1	Average hours of training per year per employee	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
404-2	Programs for upgrading employee skills and transition assistance programs	<ul style="list-style-type: none"> <li>Leadership and Human Capital Development</li> </ul>	-	-
404-3	Percentage of employees receiving regular performance and career development reviews	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
<b>Diversity and Equal Opportunity</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Corporate Governance</li> <li>Human Rights and Labor Practices</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Corporate Governance</li> <li>Human Rights and Labor Practices</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Corporate Governance</li> <li>Human Rights and Labor Practices</li> </ul>	-	-
405-1	Diversity of governance bodies and employees	<ul style="list-style-type: none"> <li>Appendix</li> </ul>	-	-
<b>Non-discrimination</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> </ul>	-	-
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> <li>Appendix</li> </ul>	-	-

SPECIFIC STANDARD DISCLOSURES		PAGE/WEBSITE	OMISSION/NOTE	EXTERNAL ASSURANCE
<b>Child Labor</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> </ul>	-	-
408-1	Operations and suppliers at significant risk for incident of child labor	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> </ul>	-	-
<b>Forced or Compulsory Labor</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> </ul>	-	-
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> <li>Responsible Supply Chain management</li> </ul>	-	-
<b>Rights of Indigenous Peoples</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
411-1	Incident of violations involving rights of indigenous peoples	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
<b>Human Rights Assessment</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-
412-1	Operations that have been subject to human rights reviews or impact assessments	<ul style="list-style-type: none"> <li>Human Rights and Labor Practices</li> </ul>	-	-

SPECIFIC STANDARD DISCLOSURES		PAGE/WEBSITE	OMISSION/NOTE	EXTERNAL ASSURANCE
<b>Local Communities</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Social Impact</li> <li>Health and Well-being</li> <li>Education</li> <li>Water Stewardship</li> <li>Ecosystem &amp; Biodiversity Protection</li> <li>Responsible Supply</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Social Impact</li> <li>Health and Well-being</li> <li>Education</li> <li>Water Stewardship</li> <li>Ecosystem &amp; Biodiversity Protection</li> <li>Responsible Supply</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Social Impact</li> <li>Health and Well-being</li> <li>Education</li> <li>Water Stewardship</li> <li>Ecosystem &amp; Biodiversity Protection</li> <li>Responsible Supply</li> </ul>	-	-
413-1	Operations with local community engagement, impact assessments, and development programs	<ul style="list-style-type: none"> <li>Social Impact</li> <li>Health and Well-being</li> <li>Education</li> <li>Water Stewardship</li> <li>Ecosystem &amp; Biodiversity Protection</li> <li>Responsible Supply</li> </ul>	-	-
<b>Supplier Social Assessment</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Responsible Supply Chain management</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Responsible Supply Chain management</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Responsible Supply Chain management</li> </ul>	-	-
414-1	New suppliers that were screened using social criteria	<ul style="list-style-type: none"> <li>Responsible Supply Chain management</li> </ul>	-	-
414-2	Negative social impacts in the supply chain and actions taken	<ul style="list-style-type: none"> <li>Responsible Supply Chain management</li> </ul>	-	-
<b>Product and Service Labelling</b>				
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>Health and Well-being</li> </ul>	-	-
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>Health and Well-being</li> </ul>	-	-
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Health and Well-being</li> </ul>	-	-
417-1	Requirements for product and service information and labelling	<ul style="list-style-type: none"> <li>Health and Well-being</li> </ul>	-	-

## UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS – ADVANCED LEVEL

CRITERION	DESCRIPTION	PAGE
1	The COP describes mainstreaming into corporate functions and business units	6-11, 14-17, 52-55, 63-64, 74-75, 88-89, 98-99, 114-115, 130-131, 146-147, 160-161, 174-175, 196-197, 206-207, 224-225
2	The COP describes value chain implementation	34-35, 77-87, 121-127, 224-233
3	The COP describes robust commitments, strategies or policies in the area of human rights	44-45, 50-53, 76
4	The COP describes effective management systems to integrate the human rights principles	76-79, 81, 227
5	The COP describes effective monitoring and evaluation mechanisms of human rights integration	44-45, 50-53, 74-76
6	The COP describes robust commitments, strategies or policies in the area of labor	9, 23, 67, 74, 81, 91
7	The COP describes effective management systems to integrate the labor principles	81-86, 91-92, 94, 106
8	The COP describes effective monitoring and evaluation mechanisms of labor principles integration	81-86, 227, 238-240
9	The COP describes robust commitments, strategies or policies in the area of environmental stewardship	2, 11, 44-45, 46-53, 157, 176, 177-183, 196, 199, 206
10	The COP describes effective management systems to integrate the environmental principles	177, 178-181, 187, 192, 194, 200-202, 210-211
11	The COP describes effective monitoring and evaluation mechanisms for environmental stewardship	13, 28-29, 30-31, 36, 44-45, 52-53, 174, 176, 178-179, 181-184, 186-187, 193, 195, 198-200, 209, 243-244
12	The COP describes robust commitments, strategies or policies in the area of anti-corruption	62, 64, 67
13	The COP describes effective management systems to integrate the anti-corruption principle	67
14	The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption	67, 157
15	The COP describes core business contributions to UN goals and issues	11, 30-31, 52, 56, 62, 74, 78-79, 88, 98, 114, 130, 146, 154, 158-159, 160, 174, 196, 206, 224, 254
16	The COP describes strategic social investments and philanthropy	12-13, 22-27, 102, 108-109, 116-129, 133, 222, 232-233, 243
17	The COP describes advocacy and public policy engagement	100-105, 143-144, 152-159, 169-170
18	The COP describes partnerships and collective action	24-27, 30-31, 76-77, 100-105, 139-140, 152-159, 169-170, 216-217, 220-223
19	The COP describes CEO commitment and leadership	6-11
20	The COP describes Board adoption and oversight	46-49, 54-56, 63-67
21	The COP describes stakeholder engagement	46-47, 50-51, 146-159

## UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

GOAL	DESCRIPTION	CHAPTER
1	End poverty in all its forms everywhere	• Social Impact
2	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	• Health & Well-being
3	Ensure healthy lives and promote well-being for all at all ages	• Human Rights & Labor Practices • Health & Well-being
4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	• Leadership & Human Capital Development • Education • Social Impact • Responsible Supply Chain Management
5	Achieve gender equality and empower all women and girls	• Human Rights & Labor Practices • Leadership and Human Capital Development
6	Ensure availability and sustainable management of water and sanitation for all	• Water Stewardship • Ecosystem & Biodiversity Protection
7	Ensure access to affordable, reliable, sustainable and modern energy for all	• Climate Change Management
8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	• Human Rights & Labor Practices • Education • Social Impact • Innovation • Responsible Supply Chain Management
9	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	• Education • Innovation • Responsible Supply Chain Management
10	Reduce inequality within and among countries	• Human Rights & Labor Practices • Social Impact
11	Make cities and human settlements inclusive, safe, resilient and sustainable	• Climate Change Management
12	Ensure sustainable consumption and production patterns	• Corporate Governance • Climate Change Management • Water Stewardship
13	Take urgent action to combat climate change and its impacts	• Climate Change Management
14	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	• Water Stewardship • Ecosystem & Biodiversity Protection
15	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	• Ecosystem & Biodiversity Protection
16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	• Corporate Governance • Stakeholder Engagement
17	Strengthen the means of implementation and revitalize the global partnership for sustainable development	• Leadership and Human Capital Development • Stakeholder Engagement • Innovation

# LR Independent Assurance Statement

## Relating to Charoen Pokphand Group Company Limited's Sustainability Report for the calendar year 2020

This Assurance Statement has been prepared for Charoen Pokphand Co, Ltd in accordance with our contract but is intended for the readers of this Report.

### Terms of engagement

Lloyd's Register Quality Assurance Limited (LR) was commissioned by Charoen Pokphand Co, Ltd (CPG) to provide independent assurance on its Sustainability Report for the calendar year 2020 ("the report") against the assurance criteria below to a limited level of assurance and at the materiality of the professional judgement of the verifier using LR's verification procedure. LR's verification procedure is based on current best practice, is in accordance with ISAE 3000 and ISAE 3410 and uses the following principles of - inclusivity, materiality, responsiveness and reliability of performance data.

Our assurance engagement covered only CPG's global operations and specifically the following requirements:

- Confirming that the report is in accordance with:
  - GRI's Standard and core option
- Reviewing the integrity of CPG's Mechanisms for advice and concerns about ethics (GRI 102-17)
- Evaluating the reliability of data and information for only the selected indicators listed below:
  - GRI 302-1 Energy consumption within the organization: 2016, GRI 303-3 Total water withdrawal by source: 2018, GRI 305-1 Direct (Scope 1) GHG emissions: 2016 <sup>(1)</sup> - combustion only, GRI 305-2 Energy indirect (Scope 2) GHG emissions: 2016, GRI 306-2 Waste by type and disposal method: 2016, GRI 403-9 and 10 Work related injury and ill health:2018

Notes: (1) Reporting scope of Direct GHG emission includes emission from sources of fuel combustion only but exclude direct GHG emission from flaring of biogas and other sources of direct GHG emission

The information for these selected indicators is available at <https://www.cpgroupglobal.com/portals/0/pdf/CPG-SR2020-ENG.pdf>

LR's responsibility is only to CPG. LR 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.

### LR's Opinion

Based on LR'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 limited level of assurance and at the materiality of the professional judgement of the verifier.

**Note:** The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### LR's approach

LR'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.

<sup>1</sup> GHG quantification is subject to inherent uncertainty.

- Reviewing CPG's process for identifying and determining material issues to confirm that the right issues were included in their Report and updated overtime. We did this by benchmarking reports written by CPG and its peers to ensure that sector specific issues were included for comparability.
- 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 (Thailand and Vietnam), CPAIL, CPI, CPP and True Corp.
- Sampling evidence presented - remote verification to CPG's subsidiaries in India, People's Republic of China, Russia, Thailand, Turkey, USA sites 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.

Note: LR 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 stakeholder engagement process.
- Materiality: We are not aware of any material aspects concerning CPG's sustainability performance that have been excluded from the Report. CPG has processes for identifying and determining their material aspects. The evaluation process considers factors such as global warming, water stress management, COVID-19 pandemic.
- Responsiveness: CPG has processes for responding to various stakeholder groups. We believe that future reports should further explain the actions being taken by CPG to manage its Carbon emissions for all geographic areas as well as to govern forward M&A.
- Reliability: CPG uses spreadsheets and manual systems to collect and calculate the data and information associated with the selected indicators listed above. CPG should encourage those subsidiary companies to periodically review their own data and information.

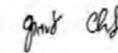
### LR's standards, competence and independence

LR 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 work undertaken by LR for CPG and as such does not compromise our independence or impartiality.

Signed

Dated: 1 September 2021



Opart Charuratana  
LR Lead Verifier

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ซีพี...เพื่อความยั่งยืน



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