



**CP ALL**  
SUSTAINABILITY REPORT  
**2017**  
CP ALL PUBLIC COMPANY LIMITED

MEMBER OF  
**Dow Jones**  
**Sustainability Indices**  
In Collaboration with RobecoSAM 



# ALL OF HAPPINESS

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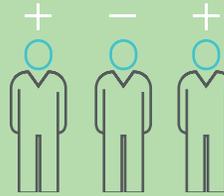
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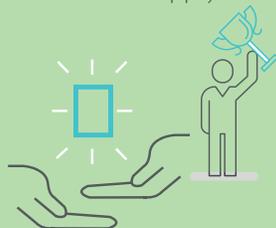
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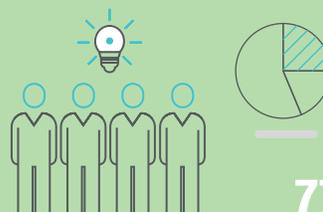
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“Outcomes of our time and efforts shall benefit to majority of the community including customer, employee and company that we’re a part of.”

## MESSAGE FROM THE CHAIRMAN

Dear all stakeholders,

For over 30 years that the Company has conducted its business alongside the Thai people, the corporate philosophy “3-Benefit Principle, to nation, to people, to organization” is a commitment that has guided us in forwarding happiness to the communities and societies around Thailand where we operate. Inspired by the notion that we are part of society, this corporate philosophy and concept are disseminated throughout the Company and driven towards sustainable operations and sharing benefits to all sectors involved.

The corporate philosophy and concept are reflected in our corporate strategy, which strives to create impressive experiences and smiles through products and services that our customers receive across all channels. This is to prepare for Thailand’s entrance into a digital society, and meet the expectations and demands of changing social milieus both at the national and international levels. In achieving the Company’s continuous and stable growth, alongside that of broader society, and in meeting customer expectations from all fronts, our corporate strategy is also infused with a sustainable development credo. The 2020 Sustainability Targets are aligned with 15 key elements on the Company’s sustainable development and that of its Stakeholders. These targets have been translated to short-, medium-, and long-term action plans. The Company greatly hopes to be involved in pushing forward the realization of the United Nations’ Sustainable Development Goals (SDGs), and has reported its sustainability progress under the UN Global Compact (UNGC) framework. The Company is conscious of the importance of responding to a myriad of these challenges, such as good corporate governance and transparency, human rights due diligence, and innovation management. In order to manage these challenges and propel a broader impact, the cooperation of the management team and employees at all levels, as well as the involvement of stakeholders throughout the value is required. I believe that our Company’s success over the past 30 years is borne out of a genuine determination and the involvement of all stakeholders. I would like to thank everyone for being part of our success.



Mr. Dhanin Chearavanont  
Chairman

CP ALL (Public Company Limited)

“We have plans to communicate expectations and promote sustainable operations to our business partners throughout the value chain, who are important stakeholders in conducting business in the retail industry.”

## MESSAGE FROM THE CHAIRMAN OF EXECUTIVE COMMITTEE

Dear all stakeholders,

The Sustainable Business Award 2017, given based the organization’s sustainability, and the selection into the Dow Jones Sustainability Indices (DJSI) in the Emerging Markets category of the Food & Staples Retailing industry group marked an important first step on sustainability on the global stage. The award compares worldwide leading businesses based on corporate performance indices through a sustainability lens. It enabled to review issues on which we performed well and those that need improvements. This achievement is part of a journey in corporate sustainability, paving the way towards the Company’s success in business, the environment, and society.

This year, the Company designed a new corporate strategy which will cover 2018 to 2022. The strategy integrates international sustainability approaches into business practices. In spearheading a sustainable business, as per this strategy, we are working with organizations that have sustainability committees as part of our core operations and that of our subsidiaries. An example of this cooperation includes initiating a Human Rights Due Diligence following the Guiding Principles on Implementing the UN Protect, Respect, Remedy Framework for Business and Human Rights. Notwithstanding this, we are working to expand our sustainability scope by communicating expectations to and promoting actions related thereto with our business partners throughout our value chain, who are important stakeholders in conducting business in the retailing industry.

We greatly hope that our determination on the sustainability front will light up smiles and give happiness among our employees, business partners, the government, broader society, and our stakeholders. The Company wishes to be part of the driving force behind the sustainability wave in business, society, and the environment because this is our responsibility...as a member of society.



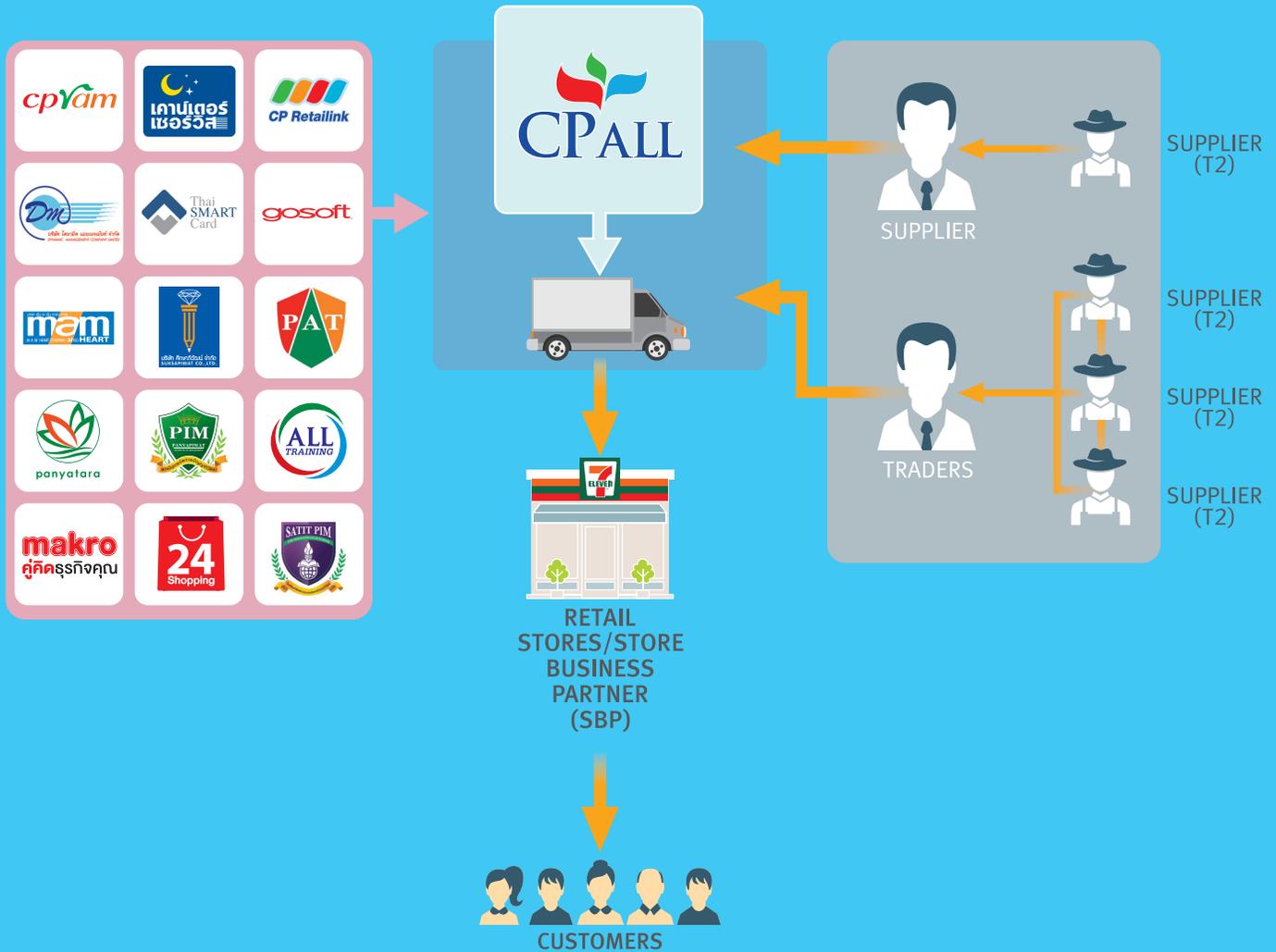
A handwritten signature in black ink, appearing to be 'Korsak Chairasmisak'. The signature is stylized and written in a cursive-like font.

Mr. Korsak Chairasmisak  
Chairman of Executive Committee  
CP ALL (Public Company Limited)



# The core of our journey

CP ALL (Public Company Limited) and its Subsidiaries, and is unique in being part of the distribution channels for products and services to consumers, as well as being a bridge connecting the upstream, midstream, and downstream supply chains. Stepping into the 30th year of building our foundation and conducting business, our core business includes retail and wholesale, in addition to 8 other business categories.



## 1. Convenient Store Service



### 7-Eleven

is a one-stop convenient store that offers fresh and a wide variety of products, ready-to-eat meals, and beverages. The Company has 10,268 branches of the 7-Eleven franchise, broken down into 4,556 franchises in the Bangkok Metropolitan Region (44%) and 5,712 franchises in provincial areas of Thailand (56%). Stores are clustered into 3 types: Company Stores (44%), Store Business Partner (49%), and Sub-Area License Stores (7%). There is currently an average of 11.8 million customers entering 7-Eleven stores daily. **For more information:** [www.7eleven.co.th](http://www.7eleven.co.th)

Under the convenient store service business, there is a wide variety of related products and services, such as:



### Bellinee's Bake&Brew

offers freshly baked bakery and premium brewed coffee

**For more information:** [www.bellinee.co.th](http://www.bellinee.co.th)  
และ [www.facebook.com/bellinee](https://www.facebook.com/bellinee)



### All café

offers beverages and fresh brewed coffee

**For more information:** [www.7eleven.co.th](http://www.7eleven.co.th)



### eXta Plus Pharmacy

is a health-centered pharmacy, providing convenience for the community, pharmaceutical products, nutritional supplements, cosmeceutical products, and health products, with professional pharmacists offering customers consultation and recommendations.

**For more information:** [www.exta.co.th](http://www.exta.co.th) and [www.facebook.com/extahealthbeauty](https://www.facebook.com/extahealthbeauty)



### CP Retailink Co., Ltd.

is a dealership offering products and equipment through retailing, as well as maintenance and repair services.

**For more information:** [www.cpretailink.co.th](http://www.cpretailink.co.th)



### 24 Shopping Co., Ltd.

is online store, creating a wide array of sales channels, meeting the demands of modern consumers anywhere and anytime.  
For more information: [www.24shopping.co.th](http://www.24shopping.co.th)



Magazine 24 Catalog



[www.24Catalog.com](http://www.24Catalog.com)



[www.ShopAt24.com](http://www.ShopAt24.com)



[www.Amulet24.com](http://www.Amulet24.com)



Call Center 02-780-7666



### Caffe' Muan Chon

is operated by CP Retailink Co., Ltd. under Job Creation Concept for society.

## 2. Wholesale services



### Siam Makro Plc.

sells products following a membership system through cash-based, self-service model in Thailand. Since free trade agreements were finalized through the ASEAN Economic Community (AEC), Makro's effective wholesale management system served as the foundation to expand the wholesale and retail business outside of Thailand, which presented an opportunity to bring to ASEAN market products from SMEs, Thai agricultural products, as well as frozen and fresh foods such as meat, among others. The sale of these products in ASEAN brings back foreign currencies into Thailand, and helps local small and medium enterprises, as well as Thai farmers bring their products to international markets. Currently, Makro has 123 franchises in Thailand and 1 branch in Cambodia.

For more information:  
[www.siammakro.co.th](http://www.siammakro.co.th)

### 3. Food, bakery, and ready-to-eat meals services



#### CPRAM Co., Ltd.

manufactures and sells over 840 SKUs of food, bakeries, and “Ready-to Eat” menu items through 7-Eleven stores, supermarkets, restaurants, and stores across many locations. CPRAM also exports ready-made meals, e.g. Jade Dragon, Le Pan, DeliThai, Delicasia, CPRAM Catering, and Foodie:D to 18 countries globally.

For more information: [www.cpram.co.th](http://www.cpram.co.th)



#### CP Food Lab Co., Ltd.

is a Research and Development Company that conducts food-related analysis and tests. Set up under the Food Innopolis Project, the Science Park of Thailand is an information center, formed on the knowledge based derived from R&D and testing facilities in order to research and develop products for business clusters both within and without the country.

### 4. Financial Services



#### Counter Service Co., Ltd.

is a 24/7 payment service provider for products, services, and is a life and accident insurance broker, offered through 7-Eleven stores.

For more information:

[www.counterservice.co.th](http://www.counterservice.co.th)



#### Thai Smart Card Co., Ltd.

provides digital cash cards and smart chips technologies to be used as a modern payment method.

For more information:

[www.thaismartcard.co.th](http://www.thaismartcard.co.th)



## 5. Education Services



### Suksapiwat Co., Ltd.

is a company that makes investments in education, which consists of 3 educational institutes as follows.



### Panyapiwat Technological College

is a vocational to mold professionals with retail experience, providing an avenue for real practicum.

**For more information:**  
[www.panyapiwat.ac.th](http://www.panyapiwat.ac.th)



### The Panyapiwat Institute of Management

is higher education institution that focuses on the retail business study and research in order to kindle graduates that are not only academically capable, but who are also able to succeed in practice. Every student will be prepared for work in tandem with their studies.

**For more information:**  
[www.pim.ac.th](http://www.pim.ac.th)



### The Panyapiwat Institute of Management Demonstration School (Satit PIM)

is a private secondary school, under the supervision of the Faculty of Education at the Panyapiwat Institute of Management, with the aim of creating a learning and school management process in order to be a national model secondary school.

**For more information:**  
[www.satit.pim.ac.th](http://www.satit.pim.ac.th)



**panyatara**



### Panyatara Co., Ltd. and All Training Co., Ltd.

provide educational services, trainings, human resources development, and a complete range of seminars, leveraging an expertise in the retail business. They aim to provide services that build human resource capacity through the design and development of curricula that meet customer demands, teaching personnel with real-life experience both in theory and practice in the retail business.

**For more information:** [www.panyatara.co.th](http://www.panyatara.co.th)

## 6. Information Services



### Gosoft (Thailand) Co., Ltd.

provides consultation, offers effective software development services, and manages information technology systems of the company and external entities.

For more information: [www.gosoft.co.th](http://www.gosoft.co.th)

## 7. Marketing Media Services



### MAM Heart Co., Ltd.

is responsible in providing advertisement and sales promotional design services, creating a good corporate image, and assumes its main function as a center for professional communication services in the One Stop Service model. In addition, its scope also covers events management and that of marketing activities in order to help its customers achieve their business goals.

For more information: [www.7eleven.co.th/corp/about\\_business\\_structure\\_mam\\_heart.php](http://www.7eleven.co.th/corp/about_business_structure_mam_heart.php)

## 8. Logistics Management Services



Dynamic Management Co., Ltd. is an Integrated Third Party Logistics Provider (3PL) in Thailand that focuses on high-quality logistics management services, assuming the role of a long-term business partner to customers in order to jointly develop and build their capacity in supply chain and global logistics management. Currently, the company offer 3 kinds of logistics services:

- **Product Shipment Management**

Covers all dried and frozen

products delivered through a point-to-point as well as a multipoint model.

- **Warehouse Management Services**

Offers comprehensive warehouse management services through a team with high levels of experience and expertise.

- **Logistics Solutions Management Services**

Complete solutions related to the design and planning of supply chain systems or logistics process for customers, specifically in setting up a world-class Warehouse Management System (WMS)

For more information:

[www.dynamic.grouphailand.com](http://www.dynamic.grouphailand.com)

## Contact Information

Should you have any queries or wish to request for any further information related to this report, please contact:

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# Building on Ideology, Strategy for Sustainability

Based on work experience that has formed and been distilled over the years, in combination with global case studies, CP ALL Plc. and its Subsidiaries (“the Company”) is cognizant of the importance in managing corporate sustainability issue and those of broader society. It is undeniable that global organizations that have successfully grown and been widely accepted are companies with strong sustainability management. It is also evident that these companies’ efficiency grows in tandem with the resilience and strong cooperation with their stakeholders in supporting their business operations.

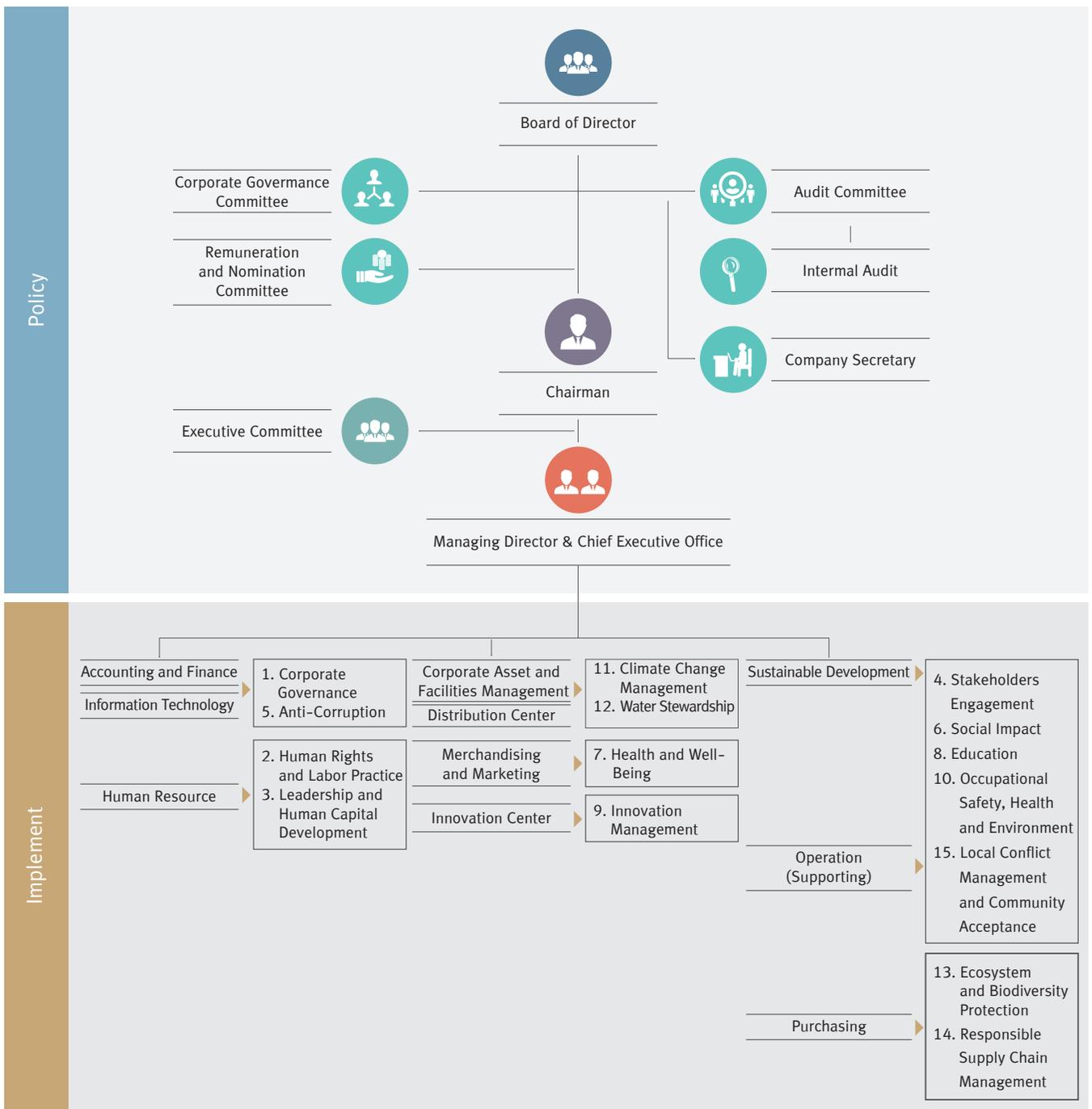
Cognizant of its long-term business operations, the Company has fused a corporate sustainability approach as part of its 2018-2022 corporate strategy, to be driven by the Corporate Sustainability Development Committee tasked with ensuring that sustainability issues are reflected in the Company’s regular business operations and can be effectively implemented. The approach, following the business’ corporate strategy and sustainability framework, can be summarized as follows:

- Assessment and evaluation of the Company’s effectiveness as regards sustainability, in order to identify improvement approaches on its business operations to integrate international sustainability practice in the organization and its supply chain.
- Foster ideas, knowledge, understanding, and raise awareness on conducting sustainable business operations with employees and executive management at all levels, in order to create organization-wide involvement

In order to ensure effective and tangible results in driving corporate sustainability in 2017, the Company, through the efforts of the Corporate Sustainability Development Committee and the Sustainability Development function of the Strategic Sustainability Development Committee, has set sustainable development targets for CP ALL Plc. and its Subsidiaries. These 15 targets were set to be driven by the organization and realized by 2020, encompassing economic, social, and environmental aspects.

CP ALL Plc. Corporate Sustainability Committee was founded on November 16th, 2015, with Mr. Tanin Buramanit as the Committee’s president. Representatives from all key functions are also part of the Committee. The Committee is responsible in corporate governance, setting and reviewing policy, indicators, as well as driving forth sustainability performance.

## CP ALL's Sustainability development structures





## CP ALL's Sustainability Development Goals 2020

1

### Corporate Governance:

Creation of assurances in operations concerning stakeholders by reporting the Company's governance-related activities, with the aim of transparency, fair business competition, ethical business practices, and pursuing sustainability efforts through reporting which has passed independent verification following international standards.

2

### Human Rights and Labor Practice:

Human Rights Due Diligence (HRDD) has been conducted according to the United Nation Guiding Principles on Business and Human Rights (UNGPHR), fully respecting and upholding human rights. Communication channels for human rights-related grievance have been established, along with diversity and inclusion management.

3

### Leadership and Human Capital Development:

Develop employees to be equipped with the necessary knowledge and skills to facilitate sustainable business operations. Develop the Company's leaders to possess visions in business sustainability's change management. Develop suppliers and business partners to have the necessary knowledge and skills to support sustainable business operations.

4

### Stakeholders Engagement:

Develop a relationship-building process with stakeholders, by identifying the stakeholder groups, gain understanding in each group's needs and expectations. This will enable effective response to stakeholders, as well as creating internal corporate awareness towards stakeholders. There is a process to review every grievances submitted from the stakeholders.

5

### Anti-Corruption:

Create awareness to employees and critical suppliers regarding the importance of, and the commitment to, anti-corruption. This was achieved in compliance with 'Anti-Corruption Practice.' It serves as an operational guideline, maintaining alignment to the Anti-Corruption Policy, utilized in prevention, identification, and responses of the Company's anti-corruption efforts. This encompasses corruption cases in the Company. The arrangement enables the company to remain true to its established commitment.

6

### Social Impact:

Creating social values by promoting jobs and enhance income for farmers, SMEs, and Suppliers; creating professional opportunity, while ameliorate quality of life for vulnerable groups (a particular social group that requires support)

7

### Health and Well-Being:

Development of new products and services, most of which are focused on health, nutrition, and good well-being. Promote nutrition labeling for food products, as well as developing service, projects, or activities which consistently foster good health and well-being.

8

### Education:

Support children, youths, and adults in accessibility to education, and development of necessary skills, including technical and employment-related skills; in having good occupation, and working as an entrepreneur.

9

### Innovation Management:

Generate values from innovation, both from new products, and those resulted from cost-saving, as arise from product or process innovation. Enhance the Corporate of Innovation culture, and foster joint-creation of innovation with external stakeholders.

10

### Occupational Safety, Health and Environment:

Emphasize on safety, industrial hygiene, and work environment of employees, as well as contractors. These components are considered crucial for all operations.

11

#### Climate Change Management:

Reduce greenhouse gas emission, via declined energy consumption per production unit, and an increased proportion of renewable energy usage. Efforts include lower amount of waste to landfill and reduced usage of plastics and papers. Farmers, business partners, and suppliers are encouraged to mitigate their impacts, and enhance change, climate resilience. Climate change impacts assessment throughout a given product or service life cycle is also embolden, in addition to backing for projects on climate change-induced disaster response, jointly implemented with the Company's stakeholders.

12

#### Water Stewardship:

Reduce water usage per production unit. There is the efforts to manage water scarcity risk, by increasing the rate of water recycling, and substantiating community's access to water source, in an appropriate manner.

13

#### Ecosystem and Biodiversity Protection:

Raw material sourcing assessment to ensure that the source does not pertain deforestation or damages of marine resources. Provide support to projects on protection and restoration of natural habitat accordingly (such as upstream forests, the ocean, and the beaches) appropriately.

14

#### Responsible Supply Chain Management:

Conduct sustainability assessment for all critical business partners to procure primary raw material and products from responsible and traceable sources. This includes the efforts to develop mutual sustainable growth with business partners.

15

#### Local Conflict Management and Community Acceptance:

Discuss and kindle relationships to ascertain understanding, which will help ease conflicts between the Company and society. Social impact assessment will be conducted, with preparation respectively arranged according to the risk identified. Emphasis is given to community investment. There is a management mechanisms to address grievances on social impacts, coupled with a guidance on mitigation.

To ensure that the Company is able to achieve 15 Sustainable Development Goals, the Company has adopted and applied imperative principles to serve as a business operational guidance, such as Sufficiency Economy, Total Quality Management (TQM), 10 principles of The United Nation Global Compact (UNGC), The United Nation Sustainable Development Goals (SDGs), and UN Guiding Principles on Business and Human Rights (UNGPR), to name a few. This includes respecting and following the Company's regulation and rules, encompassing both national and internationally in a strict manner. They serve as an operational guideline.

Following the initiative in sustainability performance, the Company was invited to participate in 2017 Corporate Sustainability Assessment (CSA). The Company accepted the invitation and participated in the assessment for the first time. Consequentially, the Company was assessed to be a member of Dow Jones Sustainability Indices (DJSI) in the category of Emerging Markets, in the sector of Food & Staples Retailing. The Company is the only Thai company, also the only Southeast Asian company that was listed in the mentioned sector. This may be considered the Company's very first step of success towards world-class sustainability performance.



# Emphasis on All Material Issues for Sustainability in All Dimensions

## About This Report

In alignment with the Policy and Sustainable Development Performance, CP ALL Plc. and subsidiaries (“the Company”) has published its Sustainability Report, for its second consecutive year, to disclose its approach, and economic, social, and environmental performances in 2017 (covers performance from 1 January 2017 to 31 December 2017). 2017 Sustainability

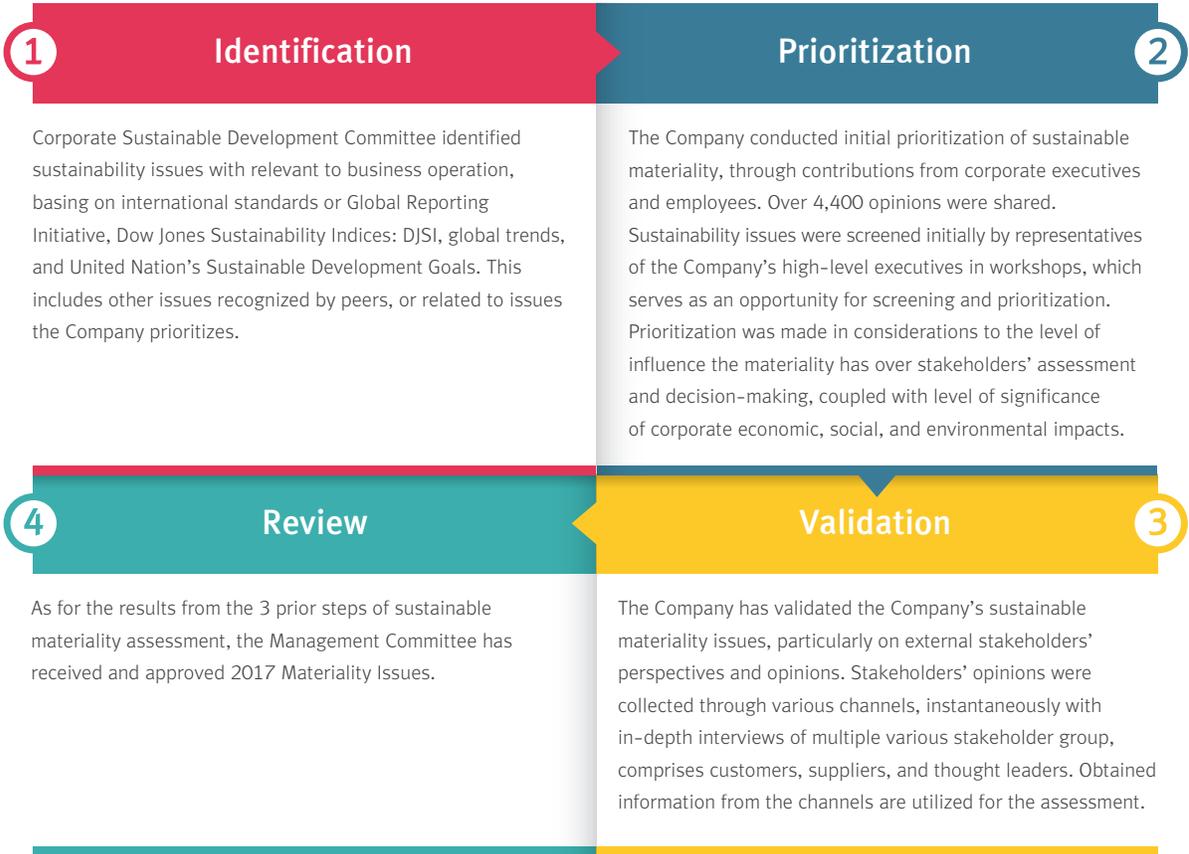
Report was developed in accordance with the Global Reporting Initiative Standards (Core option). Reporting scope was expanded from 7-Eleven convenient stores, and sub-business and minor business units, to report the overall performance of CP ALL Plc. and subsidiaries (“the Company”), covering all 8 services

Convenient store service	Wholesale service	Food, Bakery, and ready-to-eat meals Service	Financial service	Education service	Information and technology service	Market communication service	Logistic management service

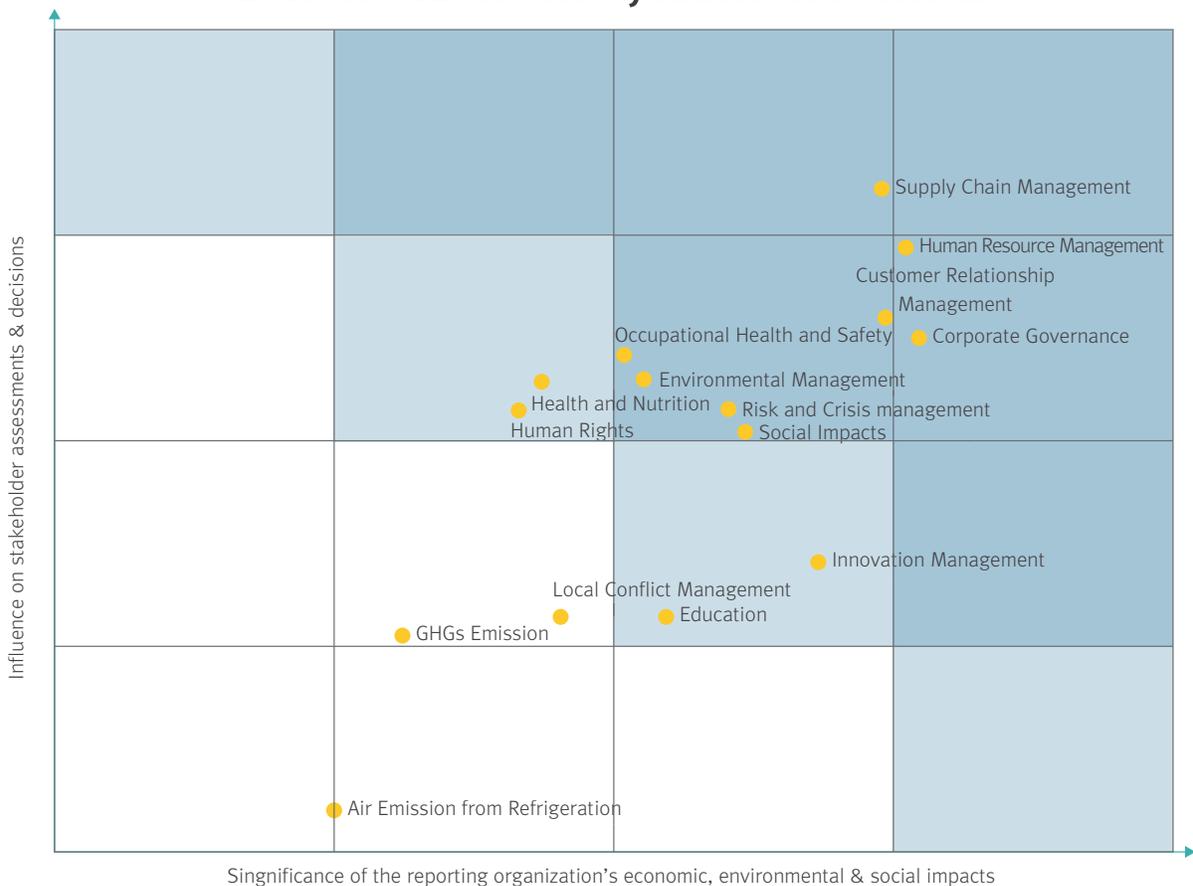
## Corporate Materiality Assessment

The Company conducted sustainable materiality assessment according to Global Reporting Initiative (GRI). Considerations were given to materiality’s level of influence over stakeholders’ assessment and decision-making, coupled with corporate economic, social, and environmental impacts’ level of significance. Results of

materiality assessment serves as a response approach, which is commensurate to both internal and external stakeholders of the Company. This was achieved through public disclosure in Sustainability Report, with the assessment process as follows.



### 2017 CP ALL Materiality Assessment Results



# Creating happiness through stakeholder engagement



To manage complicated challenges, to prepare for changes in modern business context, and to satisfy expectations of all stakeholders, stakeholder engagement is vital in facilitating comprehension of external context, in fostering cooperation, driving business toward sustainability.

## Management Approach

CP ALL Plc. and its Subsidiaries (“the Company”) have analyzed and categorized all relevant stakeholders to better identification of boundaries, and addressing stakeholders’ expectation. The Company has changed categorization of stakeholders, from previously 8 groups to 10 groups. Understanding the need or expectation

of each stakeholder group is crucial in effectively satisfying stakeholders. Instantaneously, the Company also benefited from awareness promotion among its employees, specifically on the importance of good relationship with stakeholders. The Company has processes to monitor any grievances arise. This buttresses the Company in moves for boundary expansion, aiming to eventually engage with all stakeholder groups.

The Company has promoted multi-channel stakeholder engagement for collection of feedback, recommendations, permitting acknowledgement and comprehension of all involved stakeholders. This aids the Company in future formulation of the best responses to topics of concern, and make progress with them, in alignment to continual development and improvement. On this note, opinions of all stakeholder groups have been analyzed, and considered a key agenda in Sustainability Report 2017.

## Stakeholder Engagement

Stakeholder	Engagement Channel	Examples of Agenda and Expectation	Examples of the Company's Response
Employees	<ul style="list-style-type: none"> <li>• Satisfaction and commitment yearly survey</li> <li>• Feedback and complaint channel               <ul style="list-style-type: none"> <li>- Bell ringing (Koh-Rakang) channel 229 times</li> <li>- Visiting branches, office, and distribution center 12 times</li> </ul> </li> <li>• Intranet, internal gazettes, and daily digital feed</li> <li>• Performance showcase, meeting/innovation/risk identification, and assessment competition</li> </ul>	<ul style="list-style-type: none"> <li>• Long-term compensation and benefits</li> <li>• Skill development and professional advancement</li> <li>• Health promotion and work-related stress management</li> <li>• Good working environment</li> </ul>	<ul style="list-style-type: none"> <li>• Employee Joint Investment Program: EJIP Phase 3 (2017-2022)</li> <li>• Analysis of skill development plan</li> <li>• Leadership readiness preparation and development</li> <li>• Provide skill and knowledge trainings suiting each employee's interests</li> <li>• Capacity development for all employees and retain the right employees</li> <li>• Consultation service and health promotion program, meditation program</li> <li>• Application of human rights principle in employee's treatment</li> <li>• Promoting business operators to adhere to labour standard and good labour practice</li> </ul>
Store Partners	<ul style="list-style-type: none"> <li>• Commitment yearly survey</li> <li>• Feedback and complaint channels               <ul style="list-style-type: none"> <li>- Communications via Call Center</li> <li>- Website feedback and complaint channel (quarterly)</li> </ul> </li> <li>• Gazette and publication</li> <li>• Conventions, seminars, and activities</li> <li>• Policy and business direction announcement event</li> </ul>	<ul style="list-style-type: none"> <li>• Treatments in accordance to principle of good governance and business ethics</li> <li>• Promoting competitiveness capacity, and business management</li> <li>• Business stability, business expansion and continue cooperation</li> </ul>	<ul style="list-style-type: none"> <li>• Communicating about good governance and business ethic</li> <li>• Promoting, facilitating, and training business operators to improve their management competency</li> <li>• Sharing market information</li> <li>• Develop a variety of products in response to the market's demand</li> <li>• Cost and operational management</li> </ul>



Stakeholder	Engagement Channel	Examples of Agenda and Expectation	Examples of the Company's Response
Customer	<ul style="list-style-type: none"> <li>• Feedback and complaint channel               <ul style="list-style-type: none"> <li>- Call centre for feedback and complaint 32,709 times</li> <li>- Website and social media channel 5,178 times</li> </ul> </li> <li>• Customer's opinion survey</li> </ul>	<ul style="list-style-type: none"> <li>• Detailed and accurate promotional campaigns</li> <li>• Quality and safety</li> <li>• Informative and accurate product label</li> <li>• Service time</li> </ul>	<ul style="list-style-type: none"> <li>• Communicate with customers and consumers to ascertain their grasp of the Company's promotional campaigns</li> <li>• Increase channels broadcasting sale promotion</li> <li>• Develop and improve products, for their quality, safety and nutrition</li> <li>• Clearly communicate nutritional facts, recommended product usage and services via the products' label</li> <li>• Improve purchase and production channel</li> <li>• Create a pleasing and enjoyable shop atmosphere</li> </ul>
Supplier	<ul style="list-style-type: none"> <li>• Supplier meeting and interviews : expectations on sustainability operation expectations</li> <li>• Supplier satisfaction survey every 2 years</li> <li>• Supplier relation call center: 0-2711-7771</li> <li>• Visiting partners, gather suggestions and information on grievances</li> <li>• Co-creating innovation projects</li> <li>• Inspection, consultation, and capacity enhancement</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable agenda in supply chain, such as human rights</li> <li>• Deliverability</li> <li>• Collective bargaining and fair contract</li> <li>• Promote opportunities for small-scale suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Established procurement policy for supplier sustainability and good practice. Founded a product selection committee.</li> <li>• Adhere to principle of equality and fairness, applicable to all suppliers</li> <li>• Compliance with business agreements and business ethics</li> <li>• Communicate the importance of sustainability, include it as a criterion in supplier selection process and performance evaluation</li> <li>• Develop supplier inspection regulations in accordance with procurement policy for sustainability and good practice for supplier</li> <li>• Promote suppliers' awareness in social responsibility awareness</li> </ul>

Stakeholder	Engagement Channel	Examples of Agenda and Expectation	Examples of the Company's Response
<b>Shareholder and Investor</b>	<ul style="list-style-type: none"> <li>• Trimester meeting</li> <li>• Shareholder general assembly</li> <li>• Financial statement</li> <li>• Annual Registration Statement (Form 56-1)</li> <li>• Annual Report</li> <li>• Sustainability Report</li> <li>• Invitation letters, documents,informative media</li> <li>• Communicate through other channels, i.e. website under the 'investor relation' section</li> <li>• Roadshow both locally and internationally</li> <li>• Company visit (store, factory, and distribution center)</li> </ul>	<ul style="list-style-type: none"> <li>• Overall operations and growth</li> <li>• Reasonable investment yield</li> <li>• Good governance</li> <li>• Operational transparency and information disclosure</li> <li>• Reputation and public acceptance</li> </ul>	<ul style="list-style-type: none"> <li>• Elevate the compliance efficacy to good governance principle</li> <li>• Ensure shareholder equality, protecting shareholder and investor interests</li> <li>• Aim for business growth, risk reduction, transparent operations</li> <li>• Listen to feedback from shareholder and investor to consider and set strategy for the Company's operation</li> </ul>
<b>Community, Society, and Environment</b>	<ul style="list-style-type: none"> <li>• Yearly community relation activity in the factory proximity</li> <li>• Regular area visits</li> <li>• Education and relation-strengthening activities</li> <li>• Complaint channels</li> <li>• Billboards, public relation media</li> </ul>	<ul style="list-style-type: none"> <li>• Community development, creating common value between community and business, society participation</li> <li>• Education opportunity for sustainable skill development</li> <li>• Good environment management</li> <li>• Product quality improvement, market accessibility, community sale channel</li> <li>• Promotion and preservation of local culture</li> </ul>	<ul style="list-style-type: none"> <li>• Professional and living quality improvement program, through distribution channel</li> <li>• Energy and waste management program Increasing numbers of energy-saving and innovative convenience store</li> <li>• Planning and improving environment management system</li> <li>• Landscape improvement and adjustment around the program to fitthe local culture and context</li> </ul>
<b>Government</b>	<ul style="list-style-type: none"> <li>• Support and cooperation in government projects 49 times (with Department of Internal Trade, Thai Food and Drug Administration, Department of Health; Department of Environment, 50 District of Bangkok Metropolitan Administration)</li> <li>• Participation in feedback process, openly foster good relationship with government sector 18 times</li> <li>• Mutual support from government sector, with governmental inspection and visits conducted</li> </ul>	<ul style="list-style-type: none"> <li>• Strict compliance to relevant laws and regulations</li> <li>• Setting example for private sector concerning social and environmental responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Study and ensure comprehension of new laws and regulations, which are applicable and area specific, in order to apply them to related business context</li> <li>• Express criticism and feedback through unions and trade association</li> <li>• Compliance to relevant law and regulations</li> <li>• Support government's primary inspection related to sustainable development</li> </ul>



Stakeholder	Engagement Channel	Examples of Agenda and Expectation	Examples of the Company's Response
<b>Non-Governmental Organization and Opinions leaders</b>	<ul style="list-style-type: none"> <li>• Listen to feedback and exchange vision through various platforms, collaborative efforts, and other applicable engagement</li> </ul>	<ul style="list-style-type: none"> <li>• Human rights in supply chain, labour rights</li> <li>• Support of vulnerable group</li> <li>• Environmental deterioration</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding expectation, discuss and exchange operational expertise, in order to integrate them as part of sustainable operation</li> <li>• Public disclosure of annual performance through various media channels</li> <li>• Consider participation in sustainability-oriented projects, promoting sustainability application throughout the supply chain, and among small operators</li> </ul>
<b>Media</b>	<ul style="list-style-type: none"> <li>• Small Media Supporting Program, such as Thailand Best Blog Awards by CP ALL, The best digital news of the year, and Thailand's goodness award in media Supporting moral and ethics</li> <li>• Promote and actively participate in media activities i.e. CSR activities</li> <li>• Giving interviews and information to media</li> <li>• “Co-Project with Media” campaign i.e. in collaboration with medias to support communities and society during disaster period, charity activities, and religion related training</li> </ul>	<ul style="list-style-type: none"> <li>• Disclosed information in an accurate, precise, and timely manner</li> <li>• Promote and maximize social media usage, specifically on the aspect of creativity</li> <li>• Education promotion through media</li> <li>• Progress on creating shared value projects</li> </ul>	<ul style="list-style-type: none"> <li>• Project with news reporter and content creator both new and conventional media</li> <li>• Promote critical and creative media usage</li> <li>• Disclosing information accurately and timely</li> </ul>
<b>Creditors</b>	<ul style="list-style-type: none"> <li>• Annual meeting and discussion</li> <li>• Publication and informative media letter</li> </ul>	<ul style="list-style-type: none"> <li>• Strict compliance to existing contract and applicable conditions</li> <li>• Pay creditor on schedule</li> <li>• Report financial statement that is transparent, correct, and accountable</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct risk management, maintain good financial condition, cash rate, loan and interest amount</li> <li>• Disclosure of overall operation through annual report</li> <li>• Provide budget and performance audit</li> </ul>

# Commitment to Ethics and Corporate Governance



CP ALL Plc.  
and its Subsidiaries  
("Company") are committed in operating  
our business in a manner that will resonate  
sustainability. This shall be achieved through  
implementation of a management system,  
which uphold good governance principles rooted in  
ethics, equality, traceability, accountability,  
and responsibility to all stakeholders. The Company  
complies to relevant laws and regulatory requirements,  
while simultaneously conforming our practices  
with international standards. This is in accordance  
to our goal to create values to society,  
to address and mitigate environmental  
impacts, as well as adapting  
to changing contexts.



The Company’s corporate governance policy and code of conduct encompass 5 key areas: shareholders’ rights, equal treatment of shareholders, stakeholders’ role, information disclosure and transparency, and committee responsibilities. The Company has reviewed and revised our policy and guidelines to be in line with current situations, in addition to compliance to applicable laws and international standards. This was accomplished via implementation of Corporate Governance Code (CG Code), issued by the Securities and Exchange Commission (SEC), in the Company’s business contexts.

The Company has created a Business Ethics Handbook and Code of Conduct. The documents are to be used as guidelines for the Board, management team, and Company employees. They support them in maintaining an ethical performance in their roles. The guidelines adheres to laws, transparency, to the Company’s commitment to fairness and ethics, customer-centric approach, social responsibility, political neutrality, equal treatment of all stakeholders; this is in addition to non-involvement in human right violations, anti-corruption, non-acceptance of compensation beyond common practice, anti-bribery, no conflicts of interests, and preclusion of activities involving Intellectual Property (IP) violations.

**2020 Goal**  
Disclosure of CP ALL Plc. and its Subsidiaries’ (“the Company”) good governance performance.

### Corporate Governance Approach

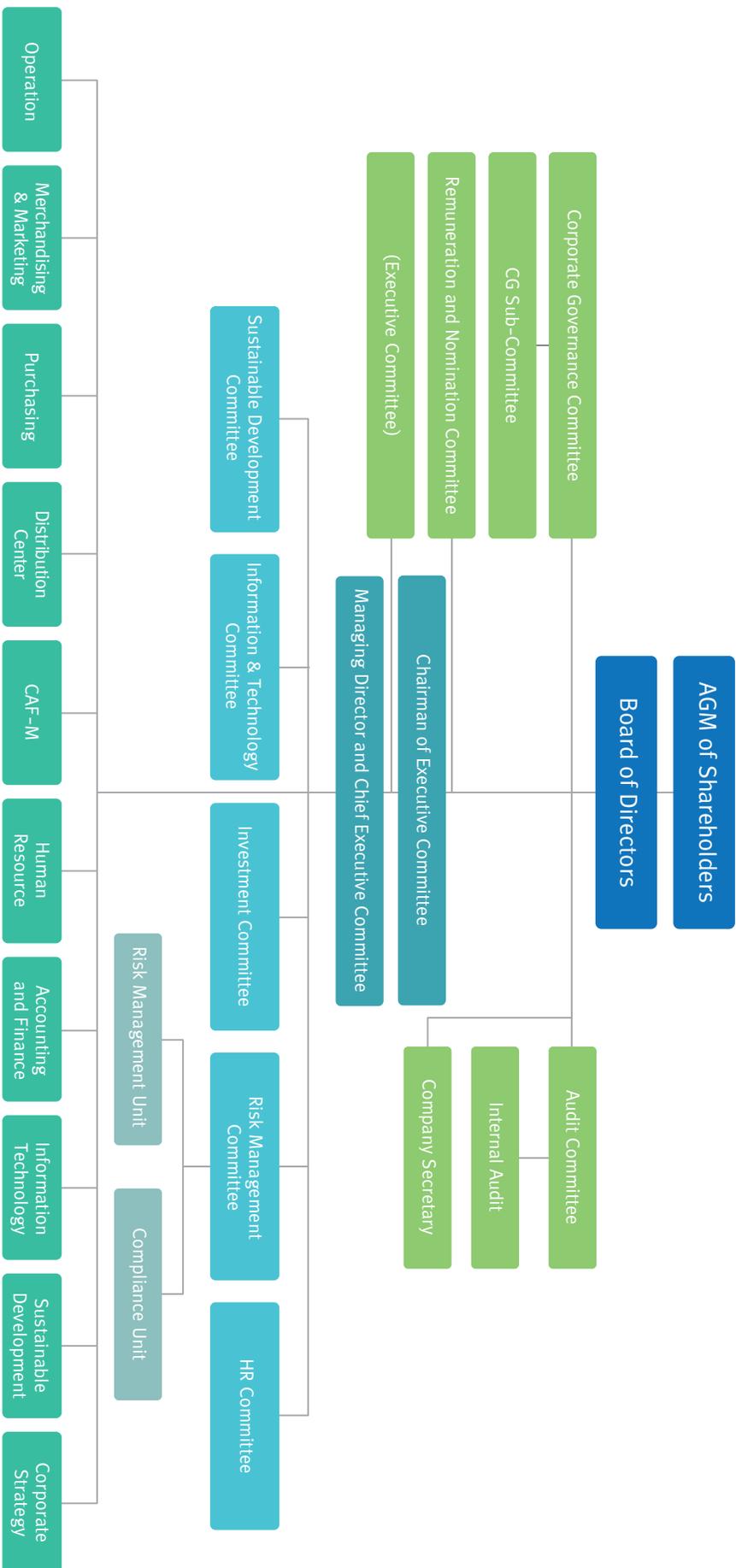
The Company’s Board plays an important role in driving the organization, entrusted with the responsibility to ensure our corporate governance approach facilitates the Company towards the objectives and the goals of creating the highest value. Good corporate governance is built on the foundation of social and environmental responsibility, equal treatments to stakeholders—guided by the Corporate Governance

and Anti-Corruption Policies. The Company’s corporate governance approach, de facto, complies with relevant legal requirements, corporate goals and regulations, the Board’s charters, guidelines, and resolutions, as well as Shareholders’ resolutions.

The Company’s Board has setup 3 committees. All of which are independently carrying out their duties in accordance with the charter, and are directly responsible to the Company Board. These committees include:

- 1. Audit Committee.** In addition to financial auditing, the Committee also verifies the Company’s compliance to policies, rules and regulations, legal requirements, and requirements of regulatory authorities. Additionally, the Committee also assesses and ensures that there is a robust internal control and risk management process. Consultation with independent, third-party financial auditors have also been conducted to surface insights and recommendations on the Company’s financial statements and internal controls. Findings and recommendations, both from the Committee and external auditors, are reported to the Company Board every quarter. The Company has implemented these recommendations, and will be reporting intervention results in the following Board meeting.
- 2. Corporate Governance Committee.** The committee is responsible for drafting the corporate governance policy, anti-corruption policy, relevant code of conduct, business ethics code, and good work practice. The aforementioned policies and codes of conduct are regularly revised annually, in order to ensure relevance with international standard, governmental and relevant organization’s regulations. The committee also actively produce recommendations, submitted as reports, to the board of director. The said submission will address their relevant areas, comprises: corporate governance, anti-corruption policy, and relevant code of conduct twice a year. Furthermore, the Committee monitors the compliance of the board, the directors, and employees.

## Corporate Governance Structure





This monitoring would be in consideration to corporate governance policy, anti-corruption policy, and relevant code of conduct, while simultaneously audits and evaluates for policy compliance of the board and management. Recommendations would then be made in light of policy compliance.

- 3. Remuneration and Nomination Committee.** The committee is responsible for establishing the criteria and compensation form for the board and executive, which will subsequently be presented to the board of directors. The board of director holds the authority to approve the compensation for the executive, while resolution from a shareholders' meeting hold the authority to approve the board's compensation. This committee also appraises the executive's compensation to commensurate their performance. This is in addition to establishing criteria and hiring processes, in order to ascertain quality positioning of members. The committee selects the suitable individual basing from the aforementioned criteria and process, supplements with the shareholder's nominee. This is in accordance to the Company's regulations. Shareholders' opinions are also noted in the board's meeting prior to further propose to the shareholder's meeting.

### **Codes of Conduct in Corporate Governance**

The Corporate Governance Committee has appointed a Corporate Governance Subcommittee, which comprises of representation from all work sectors, working together to further enhance the directors' corporate governance, and to encourage employees to observe implementation of corporate governance policy, anti-corruption policy, applicable codes of conduct, and business ethics code. All of which can be found in their work manuals. The Committee also appointed experts to provide consultation on the topic of corporate governance, to share insights, recommendations, and to ensure continuous development of corporate governance practice to be on par to universal standard. These practices are such as, corporate governance policy, conflicts of interest policy, data privacy policy, business

ethics, codes of conducts, risk management policy, governance policy for media-based data technology, secure trade through utilization of internal data policy, data disclosure in accordance with Stock Exchange of Thailand and Securities and Exchange Commission. Compliance of these policies is monitored and to report to Corporate Governance Committee.

### **Board of Director and Subcommittee Performance Evaluation**

The Company arranges for performance evaluation of the overall Board of Directors, and individually, in order to assist the Subcommittee in reviewing their past performance, obstacle and challenges of the year prior. This aims to improve all relevant performance, by enabling a clearer assessment of how their scope of duty and responsibilities are fulfilled. Simultaneously, the performance evaluation also offers an opportunity for the Board of Directors and management to improve relations.

In 2017, results from the self-evaluation of Board of Director overall, individually, Audit Committee, Corporate Governance Committee, as well as Compensation and Appointment Committee are all in a good score range; having overall index score of 88, 86, 100, 95, and 93 respectively.

### **Risk Management and Compliance of Law, Regulation, and Enforcement**

The Company sets a specific work sector within the organization structure to address this particular topic, 'the Risk Management unit and Compliance unit'. They work under Risk Management Committee, while they are, themselves, comprised of representatives from all work sectors within the organization to ensure work effectiveness. The unit reports their actions and performance to the Audit Committee, in compliance with the Audit Committee's charter on effective auditing process and risk management process. The management processes are for a multitude of risks, such as strategic risk, operational risk, financial risk, compliance risk, social, environment, and economic risk, tax risk, and risk of corruption.

## Anti-Corruption

After the Company signed as part of Thailand's Private Sector Collective Action Coalition against Corruption ("CAC"), the company drafted an anti-corruption policy, code of conduct against corruption, code of conduct for donation, code of conduct for financial support, code of conduct on giving and receiving gifts. The Company has

established anti-corruption measures, laid down work process, and made implementation accordingly. The Company communicates on all its channel, throughout all organization levels, and to external party, in order to promote implementation of the mentioned policy.

## Continual Development to Elevate Corporate Governance

In 2017, the company communicates with the aim to create awareness on business ethics, anti-corruption policy, and code of conduct, to all levels in the organization, as well as the subsidiaries' employees, for a total of 142,784 individuals. The company also organizes trainings and workshops to strengthen employees' understanding, as many as 3,161 individuals participated. Details are as follows.

Executives		Mid Management		Operator	
Participants (number)	Percentage	Participants (number)	Percentage	Participants (number)	Percentage
664	97	1,048	95	1,449	1

In addition, to ensure that all employees understand and are capable of adhering with the compliance, the Company arranges an examination for those in division (Department) manager level and above. They must pass with 100% score. To ensure the approach is effective in all work sectors, the Company applies various standards to develop Corporate Governance Self-Assessment tool. This assessment will be used from 2017 onward. This tool references international standard of corporate governance, good assessment conducts, and good corporate governance conducts, such as Transparency International, Organization for Economic Co-operation and Development Principles of Corporate Governance, and more. Self-evaluation forms were sent to 100% of divisional managers, company's business units, and subsidiaries. Response rate was at 98%. The overall score from self-evaluation is 97%. Details are illustrated in the table below.

Law and regulations	Recognition of stakeholder importance	Politic non-affiliation	Transparency	Social responsibility	Anti-corruption	Morality and fairness
95%	98%	98%	97%	97%	97%	99%



In addition to anti-corruption measures to reduce corruption risk, the Company also creates measures to help detect and report corruption risks in a timely manner. Communication channels were set and displayed on company's website. These channels connect stakeholders, related parties, executives, and employee, enabling a channel for grievances, report corruption cases, or injustice. The Company prioritizes protection of sources, and have measures to protect the sources against reconciliation and threats thereafter. The Company also establishes measures for damage compensation, if occur, to the source.

### Channels for complaints and auditing process that protect the identity of the source

- E-mail to one of the following
  - Audit Committee: AuditCommittee@cpall.co.th
  - Corporate Governance Committee: CGcommittee@cpall.co.th
  - Board of Directors: BOD@cpall.co.th
- Post service, attention to Audit Office, CP ALL (Public Company Limited), address 119, 16th FL., Sathorn Buidling, Sathorn 5 Alley, Sathorn Tai Road, Thung Maha Mek Sub-district, Sathorn District, Bangkok 10120
- Call Center
  - Tel: 02-071-2770 and 02-826-7744
  - Fax: 02-071-8623
- Website: cpall.co.th, go to Corruption report

### Certified as member of Thailand's Private Sector Collective Action Coalition against Corruption-“CAC”

Thai Institute of Directors (IOD) as secretary of CAC committee has notified the Company that on 18th August 2017 the board of CAC had certified the Company as CAC certified member valid for 3 years from the day of certification.

# Holistic Integrated Management Framework: Readiness in mitigating diverse risk profiles



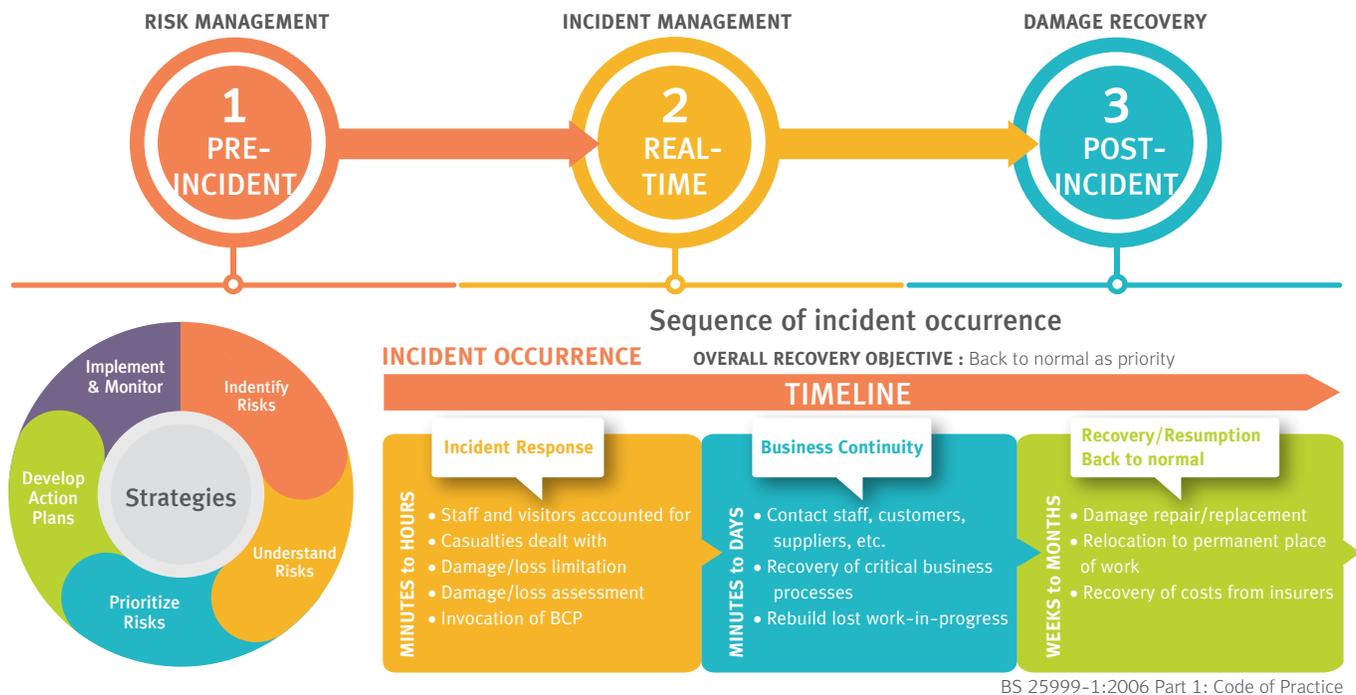
Under the supervision of the Audit Committee, Audit Office, Risk Management Function, and Corporate Governance Function, the scope of risk and crisis management has been expanded. Relevant corporate sustainability issues have been incorporated as additional risk factors, achieved through the participation of both Risk Managers and Risk Champions of all functions.



Risk and crisis management procedures for business continuity and sustainability have been embedded into regular business operations and tailored to suit all internal corporate functions. Our Risk Culture, which adopts a working framework designed for both top-down and bottom-up approaches, encourages engagement at all levels and ensures that risk management plans and measures are practical and effective. The working framework comprises of 3 key steps: Pre-incident risk management, real-time incident management, and post-incident damage recovery, as reflected in the diagram below:

Under this framework, CP ALL Plc. (“the Company”) has taken wide range of actions to increase awareness and sensitization in discovering corporate risks. These include:

- The Black Swan Award is a project that has been in place since 2015. In 2017, the Company organized a competition to discover “Black Swan” risks, under the following six risk issues:
  1. Business Continuity
  2. Work Process
  3. Product and Service
  4. Outsourcing



## Risk and Crisis Management Working Framework for Business Continuity and Sustainability

Risks identified either by function representatives or Risk Champions, and those assessed through other channels, will be reported to the Risk Manager for a joint review of specific plans and measures, and prevention of business disruption. The mitigation and prevention plans will be cascaded to the Risk Committee and Audit Committee for reviewing every quarter and half a year, respectively. Emergency cases can be immediately reported before the regular reporting period.

5. Corporate Sustainability; and
6. Other Activities related to companies in the Group

Participating employees can submit risk issues through multiple channels, including electronic media through QR Codes for convenience and greater participation. In 2017, four submissions were awarded on the following risk issues: capacity to comply with regulations and requirements,

food safety, human rights issues, and safety. The awarding criteria included conceptual approaches in identifying and providing control, preventive, and management measures for “Black Swan” risks, which were used by the management team to supplement their consideration in developing practical preventive measures and effective implementation.

- The “Mai-Na-Loei” Project monitors and reviews both national and international situations reported by the media or experts in order to identify issues relevant to the Company and to Environmental Social Governance criteria (ESG). The output of this project will be used to form case studies that guide the assessment of Corporate Risks and Business Continuity.

Efforts on Risk and Crisis Management for Business Continuity and Sustainability have enabled the Company to identify the following emerging risks and Environmental, Social, and Governance risks:

## 1. Disruptive Digital Technology Risk

• Technology is increasingly playing a bigger role in people’s lives and in business. Competition has intensified and consumer demands are fast changing, especially in the emerging innovation-driven competition and business landscape following the government’s announcement of the Thailand 4.0 strategy. The use of digital technology in transportation services, marketing, and online distribution, in the long-term, poses risks to traditional business models and distribution channel. While this may reduce the competitiveness of 7-Eleven stores, it also presents an opportunity to create new businesses and add value to the business.

### Company Risk Management

The Company has continually reviewed its annual strategy to support business growth and develop a readiness strategy for Digital Transformation. To make it more convenient for customers to access the Company’s products and services, there is a need to increase sales channels beyond the storefront. The

Company has developed systems and processes to manage its Omni-channel strategy to ensure that customers are able to access its products and services anytime and anywhere through a combination of offline and online stores. The Company has also created a new e-commerce sales channel, powered by 24 Shopping Co., Ltd., pursued various digital marketing activities, and promoted sales through the use of a mobile application to increase customer engagement. The “7-Eleven Thailand” Facebook page and LINE account have also been leveraged to communicate news and updates to and receive feedback from customers. In addition, the Company has also improved its payment gateways. Customers can now make payments in 7-Eleven stores using barcodes through Mobile Payment portals of Alipay Wallet and TrueMoney Wallet. Payments through credit cards have also been added to increase convenience and encourage spending among customers with high purchasing volume per bill, as well as Chinese tourists.

The Company has started piloting a delivery service for small-size packages, including products purchased on leading online retailing websites. The service enables customers to retrieve their packages 24/7 at any store location in Thailand, and is operated as “At All” by Dynamic Management Co., Ltd.

## 2. Our Digital Presence Risk

• The World Bank’s Thailand Economic Monitor 2017 reported that Thailand is “reaching the Digital Frontier”. Based on national capacity in different aspects and an assessment across various indicators related to digital economy, Thailand performed considerably well in terms of “affordability”—indicating value in spending for connectivity—usage of mobile services, as well as financial attractiveness for investment. This suggests a growth opportunity of the digital world and its potential socio-economic impact—a change which calls for adequate preparation.

The Company is cognizant of such transformation, and believes that the world’s future connectivity will inevitably connect our real and digital lives. The number of people with digital identities on the internet is increasing in tandem with the changing



social contexts. This causes the Company to consider its digital presence, which includes the searching and sharing of information, expression of opinions, searchability, or even the building and maintenance of on-line relationships globally. If the Company fails to appropriately manage its Digital Presence, it may lose its competitiveness, the opportunity to venture into new businesses, and its value creation to the Company.

### **Company Risk Management**

The Company places importance on corporate governance by creating policies and procedures, a Business Ethics and Code of Conduct manual, an anti-corruption policy and other related guidelines. It also promotes efficient organizational development, rooted in transparency and morality and responsibility towards all stakeholders. In addition, the Company has also tasked the Corporate Communication and Reputation Management office (CCRM) to communicate and monitor news and information on its digital Corporate Image in order to ensure that all parties receive accurate, complete, and timely information.

## **3. AI and Decision Making Risk**

There have been rapid development in Artificial Intelligence and Decision Making technologies recent times. In 2017, Google's Alpha Go defeated a Chinese Go world champion and many other world-renowned players. In the future, should competitors be able to elect an AI on the Corporate Board of Directors to facilitate swift decision making based on available information and historical events, the Company may lose its competitiveness. By the same token, the Company may also leverage the use of AI as opportunity create new businesses and add value to the organization.

### **Company Risk Management**

The Company regularly reviews its corporate strategies and incorporates global trends in technology and innovation, including Disruptive Technology, in the planning of its short- and long-term strategies. In addition, the Company has set up the Science

Technology and Innovation Development Office (STIDO) to forge cooperation between internal and external entities to develop its own technologies, which are aligned with the Company's strategies and support its corporate sustainability.

## **4. Risk from Changing Government Policies and Laws**

Monitoring changes at the local, regional, and international levels is part of a process to scope out important information to assist in the decision making and to forecast potential business impact resulting from new regulations both at the local and international levels. Regulations such as those pertaining to the carbon tax, for instance, contain requirements with particularities that are specific to different localities. If the Company does not monitor, anticipate, and prepare for their potential business impact, they may affect not only its competitiveness, but also the Group's ability to achieve its growth targets as well. In order to ensure regulatory compliance and to manage these risks, the Company has the following measures.

### **Company Risk Management**

The Company's business practices are rooted in transparency, compliance with local and international laws and regulations, and continuously fulfilling the government's policies in its compliance risk management and assessment of their potential business impact. The Company monitors and participates by giving its opinions on the legislation of emerging laws when authorized agencies are open for public hearing on the issues or concerned with the new regulations.

In addition, the Company has appointed a Corporate Governance Subcommittee, a Risk Management Committee, a Compliance Unit Office, and a Sustainable Development Committee to oversee legal compliance and enable the Company to operate with transparency, in accordance with good governance principles with its stakeholders, and ensure that it can adapt to regulatory changes related to its business operations and contain their impact at an acceptable level as per organizational risk management.

# We Desire Smiles from Customers



Our gratitude towards customers in allowing us to present a good variety of quality products and services, as well as our appreciation of our employees who are an important driving force behind the Company's growth, reflects CP ALL Plc. and its Subsidiaries' ("the Company") pride in being a company from the east which harmonizes an international outlook in its business operations. These values are imbued in the corporate philosophy to which the Company has strongly committed, "Through happy employees, we desire to see smiles from customers".



As a company engaged in the retail business which faces increased competition, the Company places high importance on customer relationships and satisfaction. Customer feedback and needs are hence critical insights that help the Company’s determine its sales strategy, selection of quality products and services, and research and development, among others. These inputs all enhance the Company’s competitive capacity, whether it be in customer retention through maintaining their satisfaction of products and services, meeting their demands, and providing greater convenience—contributing to customers’ decision to continue to use our services and recommend them to others by sharing positive experiences. The Company also uses these insights to discover and create new possibilities, and keep track of changes to the market, resulting in the Company’s understanding and ability to create plans to best prepare for changes, including efficiently expanding its customer base.

Following our corporate philosophy, “Through happy employees, we desire to see smile from

customers.”, the Company commits to the Service, Assortment, Value, Environment, Quality and Cleanliness Principle or SAVEQC as operational guidelines for 7-Eleven convenient store, in addition to building on the foundational guidelines of license owners. Nevertheless, the Company has cascaded these operational guidelines to its Subsidiaries which operate business related to 7-Eleven, with adaptations to appropriately meet the nature of these businesses.

Aside from following the SAVEQC principle, the Company also builds relationships with customers by listening to their opinions and making improvement recommendations based on customer expectations and complaints, among others, through suggestions and grievance channels. In addition to the Company’s multi-channel communication, the Company pursued a proactive strategy to gather customer opinions by monitoring and analyzing information obtained through different social media platforms, in order to ensure that the Company is able to efficiently respond to customer demands.



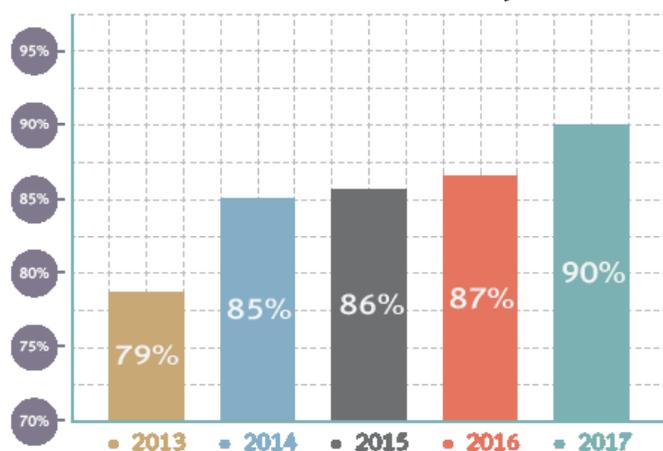
## SAVEQC Operational Framework

### Operation Results

The Company has leveraged customer feedback to support continuous improvements by communicating feedback to the relevant functions for their information and appropriate action weekly, creating motivation and inspiration for change and delivery of a variety of services. This also contributes to higher reported customer satisfaction.

Customer's feedback	Management Approach
Stamps collection is not convenient, and is easily lost.	The Company has launched a new stamp collection channel through the 7-Eleven mobile application, to increase inconvenience and offer an alternative stamp collection method.
Insufficient staff per customer and payment delays during peak hours.	The Company has increased a variety of payment methods to reduce payment time, aligned with changing lifestyles and social contexts in 2017. The Company has enabled customers to make payments through credit cards and TrueMoney Wallet.

### Customer Satisfaction Survey Results



### Product and Service Delivery through Digital Channels

Societal trends are changing; and society is entering a cashless and digital milieu. Leapfrog technologies are affecting lifestyles and shaping expectations of ‘good service’ from providers, whether it be in the form of

convenience, safety, or 24/7 operations. In response, the Company has prepared for this market expansion through digital media, launching a payment service through Counter Service Co., Ltd., covering payments for over 1,000 product and service items, as well as providing product sales and consignment services through online channels, operated by 24 Shopping Co., Ltd.—following the slogan, “Fun shopping, everything, real convenience 24/7”, which have been translated from the Company’s corporate philosophy. Providing the highest customer satisfaction through all channels is the Company’s aspiration. The Company has focused its online channel strategy on 5 key areas: 1) create an application to provide convenience in making product purchase orders, 2) provide payment options products and services, 3) improve communication to be easy to use and meet the needs and behaviors of users, 4) strengthen customer information security by continuously conducting security tests, identify gaps, and make improvements, and 5) engage with customers through electronic media.

### Operation Results

The expansion of sales channels and continuously promotion of good relationships with customers through digital channels led to growth in sales and number of customers for the Company.

	2015	2016	2017
Online sales (% Change)	+17%	+2%	+3%
No. of Customers (% Change)	+34%	+6%	+6%

\*\*Data reported in the table only cover 24 Shopping Co., Ltd.

## Applications and Contact Channels



Information channel to support sales, online sales, location for the nearby 7-Eleven stores; avail of benefits and discounts, and collect M-Stamp.



Stores selling online products, which can be selected, paid, picked up, claimed, and changed 24/7 through 7-Eleven stores.



Information channel to support sales, sales of online products, location search for nearby Makro stores.



Online payment channels for service, including utilities, insurances, travel tickets, and fees, among others.

Customer Relations Contact Number: 0-2711-7744;  
Toll-free hotline for provincial calls: 1800-226-671  
Email: [faq@7-eleven.co.th](mailto:faq@7-eleven.co.th)  
Online social networks: Facebook Twitter and Pantip.com, among others.  
Post: CP ALL Plc., PO. Silom 1033, Bangkok, 10504  
Direct communication through 7-Eleven stores

## Partner Applications



Payment channels for products and service through connecting with 7-Eleven stores

## Gosoft (Thailand) Co., Ltd., a subsidiary of CP ALL Plc.

specializes in providing comprehensive information technology services, ranging from software development, system integration, data center, and contact—all following international standards such as ISO/IEC 20000 and ISO/IEC 27001.

# Adding Product Value, For Consumer's Better Quality of Life

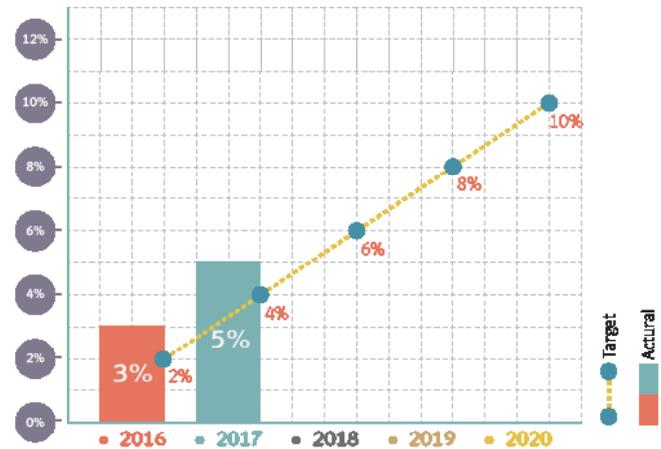


Amidst fast-moving social trends driving consumer demands, placing a premium on health and nutrition, and increasing competition among modern retail businesses, the Company is challenged to offer quality products, poised as the best health option for consumers —in order to achieve the highest customer satisfaction.



CP ALL Plc. and its Subsidiaries (“the Company”) is committed to meeting customer demands, offer quality products, and providing convenience and lighting up smiles. Today’s global “mega trend” which places higher demands for health-related products and services is in line with increasing domestic demands for health products in Thailand. This reflects a shift for this product group, which was considered a niche market but now is becoming a mainstream product category. This presents an opportunity and a challenge for the Company in promoting nutrition in Thailand through the development and delivery of goods that have good nutritional value. This determination has been reflected through our policy to offer products that are packed with good nutritional value, safe for consumption, and traceable. The testing and selection of raw materials will also have to pass through a safety and quality inspection. The production process needs to be efficient, and meet international hygiene standards. These efforts are coupled with communication and operations guided by these responsibilities. It is the Company’s commitment to deliver quality products and support good health for customers across the country.

As a leader in modern retail business, we have strived to work with business partners to drive forward health and nutrition products. This was done through developing product packaging plans, sharing of knowledge, and solicitation of quality suggestions from related agencies. This has yielded a wide variety of health products, such as “7-fresh” ready-to-eat fresh fruits, “Ezy GO” ready-to-eat meals, and our business partners’ ready-to-eat foods (egg products and chicken breast) under the name “CP Balance”. The Company has set a target to increase the proportion of health products and services to 10% of the Company’s total



new products, coupled with other health promotion projects. The Company’s direction to meet the health demands of Thai people is a driving force for the Company to conduct various projects, such as:

Health Alternative Logo. The Company has taken part in the “Development and Promotion of the Use of Easy Nutritional Symbols as Production Selection Information to Reduce Sugar, Sodium, and Fat Consumption” project in order to certify products based on the “better nutritional value” criteria. The Company has developed food products and made recipe improvements in the production process to meet the project’s nutritional criteria. Presently, a wide array of products has been certified, such as 3 menu items in the ready-to-eat rice box product group (rice with shrimp omelet, rice with chilli-friend fish, and rice with pork krapao). In addition, the Company has also communicated to its business partners to consider developing products and submitting them for certification, supporting the sale of certified products. This initiative was able to grow this product group, particularly in the category of health drinks, achieving a 22% growth in 2017.



In addition, the Company has also initiated the Health Fresh Food project to promote consumers' access to healthy food by installing product display shelves dedicated for alternative health menu items. These include fresh salads and products that have received healthy alternative certification, among others. This is complemented by providing health information through QR Code, to ensure that customers

have sufficient important information in making their purchase decisions. In 2017, piloting the Healthy Fresh Food project in 3 locations (Samitivej Hospital branch, Lumpini Park Waterside branch, and Samantha building branch Sukhumvit 33) achieved a 10% growth in sales. The Company has plans to expand its operation scope, both in terms of the number of menu items and the coverage of branch stores.





# Strengthening Capacity, One Organization



Human resource management is one of the key success indicators adopted by leading global organizations. It drives business and society forward, propelling them towards achieving sustainable development goals. It serves as an additional topic to be considered, supplementing fundamental topic, i.e. workforce planning commensurate to business' growth, increasing work capacity to maximize employment value. CP ALL Plc. and its Subsidiaries (“the Company”) have distinctive visions and the courage to take actions. These factors distinguish the Company, enabling concrete success. The Company’s effort to identify management opportunity highlights human resource management. The Company prioritizes employee capacity development, as reflected through outpouring financial investment. All employees are the Company’s pride. The Company have successfully fostered “good, smart people, who are forward-thinking, and collaborative.’ Thus, human resource management opportunity is interconnected to conceptualization of internal engagement, serving as a factor inaugurating the Company as Thailand’s leading retailer.

## Operational Challenges

Social contexts are changing in many forms, through digital media or IT communications. They gradually become part of a daily life. These changes permeate activities and lifestyles across all generations, from product and service purchases to large industrial production processes. These changes affect values, professional attitudes, and demand. Workforce is not implored to be apt with modern working skill. These skill sets determine how well an organization can address imminent changes and challenges. Subsequently, the Company recognizes the importance in instantaneously develop human resource capacity. Employees must have readiness. The Company's approach constitutes collaboration with academic institutions. Such collaboration is often on skill training and professional readiness preparation, designed for university students and any interested individuals.

## Management Approach

The working framework for human resource development can be categorized into 3 main phases: Pre-employment preparation, capacity development and impact measurement, and retention of knowledge and experience.

In the working framework, the Company has the following:

- Promote diversity by announcing a policy on diversity management and acceptance. The policy is related to Human Rights and Labour Practice Policy. It comprises of 5 components, which are 1) readiness for others' differing opinions, 2) promote and stimulate sharing of constructive opinions, 3) enhance working culture to be respectful and harmonious, in regards to diversity, 4) equal treatment throughout the process, both in terms of selection, development opportunity, and professional growth, and 5) rewarding employees' good performance. The policy aims to combine differences, open up the space for differing opinions, solidifying employee satisfaction.
- The Company gives all employee equal access to capacity development, as well as opportunities for professional development. Each of the 3 work units has their respective standard programs, comprises branch store unit, product distribution unit, and office unit. The program's content has

Pre-employment Preparation	Capacity Development and Impact measurement	Retention of Knowledge and Experience
<ul style="list-style-type: none"> <li>• Providing scholarships in programs agreeable to the needs</li> <li>• Develop modern program, with even weight between practical experience and academic understanding</li> <li>• Prepare for professional skills, working culture and society</li> </ul>	<ul style="list-style-type: none"> <li>• CP ALL Our Way: the Company's long term plan towards sustainability in the next 30 years</li> <li>• Respecting diversity, promoting collaborative work through the principle of 'Combining similarities, blending the differences, building integration, as if one orchestra; or Harmony'</li> <li>• Prioritize all positions, give recognition to end-results and success, open for all criticism through various channel</li> <li>• Grant opportunity for professional growth. Provide a showcasing platform.</li> <li>• Assess, provide advices and clear working directions; instantaneously, facilitate skill development</li> <li>• Leadership building programs for all, and new leader development program, such as CP ALL Young Challenger Boot Camp project</li> </ul>	<ul style="list-style-type: none"> <li>• Good welfare, good quality of life</li> <li>• Promote good and smart employees to continue working with the organization</li> <li>• Building a team working atmosphere and cross-function collaboration</li> <li>• Open up opportunities and encourage employees to jointly invest and operate business with the Company</li> </ul>

## Working framework on human resource development



been commensurate to suit all-level individuals, from operational, management, to executives. The aforementioned programs are part of the annual employee development plan. They grant employee knowledge training for their position and level, simultaneously maintain consistency with respective plausible professional path.

## Pilot Project in Driving Human Resource Management

### The 3 Elemental Programs

**Branch Store Program** comprises of the standard program for store employees, the standard program for the store's assistant manager, the standard program for store's manager, the standard program for assistant to district manager, and the standard program for district manager.

**Product Distribution Program** comprises of a fundamental program on stock inventory, a fundamental program on product increase, a knowledge-based program for work lead, a program on coaching technique and trainings during operations, and a standard program for the unit head.

**Office Program** comprises of fundamental program on the organization, a program on communication and facilitation skills, Service Excellence program, a program on concepts for work quality improvement, a program on mindfulness and efficiency increase at work, a fundamental preparation program for work lead, Service Plus program, a program on coaching technique, a program on advising technique, a standard program on modern work lead, a program for mindfulness and value enhancement in work lead, a fundamental preparation program at an executive level, service management program, effective meeting program, effective communication program, modern management program, advanced management program, wisdom exploration I & II program, master of advanced management program, reflective conversation, to coaching program

- The Company has conducted surveys exploring what skills employees are most interested in. Employee assessment's results, conducted by the work lead, is consequentially utilized to facilitate program design and development. It enables training programs to be consistent and appropriate to the profession. The programs are conceptualized with full considerations to the Company's values, and equilibrium needs between both the employees and the Company.

The Company analysed the results, categorizing it according to the employees' age range. This allows identification of a specific issue that interests each age range. The results show that Generation Y employees, the Company's new driving force, are interested in being exposed to various learning opportunities; in addition to regular full-time work. The Company uses the survey results to devise human resource working plan.

### Factors Utilized for the Company's Human Resource Development

- Vision, Mission, and the Organization's goals, Human Resource Management Policy of Charoen Pokphand Group
- Business strategies
- Capacity, skills, and competency set, such as leadership, necessary working skills, and future necessary skills
- Results from satisfaction and engagement surveys of employees and customers
- Results from Competency Gap Assessment, and employee development plan

Furthermore, the Company also promotes development of necessary knowledge and skill for employees nearing retirement. There would be seminars conducted annually. These seminars expound privileges and benefits retirees are entitled to from the public and private sector. There are also activities providing information on financial planning in preparation to retirement, to name a few.

Employees, who has been at the Company for a sufficiently long time, will be entitled to participate in Employee Joint Investment Program: EJIP, including a discount for service fees at 7-Eleven stores. This discount is only applicable for participating employees. Said employees can also pay loans without interests. Presently, employees and employees nearing retirement are actively involved in joint investment program of

7-Eleven store. As many as 1,242 branches have been founded. This arrangement fortifies good engagement between employees and the Company's business. It also aids in employee retention, subsequently their expertise in branch store management and retail business. The program provides an incentive for employees to continue working with the Company.

## Employee Capacity Building Programs

Program	Objectives	Target Groups	Evaluation Approach
Operational innovation (Big fish)	To provide knowledge and understanding in innovation, R&D; to serve as a channel for knowledge and experience exchange, also an innovation showcasing platform for branch store	Officers and Assistant to District Manager	Measures results of project implementation
Academic seminar on production growth (President Award)	To provide knowledge and understanding on innovation, R&D; serving as an exhibition channel for the Company's innovation	All levels of employees	Measures results of project implementation
Sharing knowledge and addressing issues (Ant Mission)	To provide knowledge and understanding of principles, QC Story tool, and QC Tools/Technique; which can be adopted for work application; to serve as a channel for knowledge and experience exchange, allowing improvement	All levels of employees	Measures the results from project implementation
Service Mindset for Leader	To revise the conceptual framework on building the Company's unique service experience; to obtain necessary skills for service work; to be able to coach for excellent service within the branch store	Assistant to the store's manager, the store's manager, or equivalent	Behavioral assessment after the training
Healthy Food Development Trend for Convenient Stores	To provide knowledge and understanding regarding consumer context and trends for elder consumer; to be able to apply the knowledge in health product and food for elderly development. This is in alignment to the business strategy.	Officer- Manager of product development and quality assurance	Assess the level of knowledge and comprehension
Site Selection I, II	To provide knowledge and understanding in each location selection principle; to be able to work according to relevant working standard.	Officers - manager of business development	Measure knowledge, understanding, and assess behavior after training
Action Learning Business Consultant Trainee	To boost analytical and communication skills for operational success and further ideation. This leads to enhanced management permitting innovations. To build self-confidence as a store business partner for management of branch store, corporate store, and joint investment store	Assistant to District's store manager - Field Consultant (FC) to Business Consultant (BC)	Measure skills and behaviors after the training, and assess the results from the project
Food Safety Management Program	To aid comprehension of a convenient restaurant concept; to raise the awareness for hygiene and service; to provide guideline regarding food, and applicable laws. This may comprise laws food safety. Trained participant must be able to direct customers to safe and suitable products	Assistant to store's manager	Assess behaviors after the training



## Initiatives under human resource management

### **Our Way Project: “Guideline for Sustainable Growth in the Next 30 Years”**

The project has been in continuous operation since 2016. It focuses on extirpating generation gaps amongst employees. The project’s aim to enable different generations to work harmoniously in the most effective manner, and jointly-creating great results.

The Company has established a joint committee, comprises of representatives from all employees’ age range. High level executives from each work unit also actively take part. The Committee communicates and drives forward this key message to all employees. In 2017, One Way would be the crux of all communication, bolstering employees’ awareness and recognition of Our Way, and subsequently, its role in contributing to even greater Company’s results. Adherence to Our Way allows employees to be ‘Open minded, adaptive, and changed.’

The Concept of “Our Way” or “5 developments” is a concept inferred from studies and benchmarking with leading organizations in Thailand and abroad. It was conceptualized in conjunction to brainstorming sessions with employee representatives from all levels. All representatives unanimously agree what the most important and necessary issues are. In order for the organization to grow sustainably, the following must be addressed:

1. Accelerate Coaching
2. Build Trust
3. Call for Smart
4. Drive Innovation
5. Enrich Community Awareness

### **Engagement Strengthening Between Employees and the Organization**

Through various implementation, there are efforts to build employee participation and engagement. Following impacts are expected, i.e. workplace satisfaction, work commitment, enthusiasm to work, the Company has implemented an employee engagement survey. The data collected will be used for the development of employee engagement survey. The survey measures results basing on 3 key behaviors:

1. Say, the employee speaks of the organization, colleagues, prospective employees, and customers, with positive attitude.
2. Stay, the employee is committed and strived to stay, work and grow with the organization

3. Strive, the employee is eager to be dedicated, and strived to meet the organizational expectation, enabling the business to succeed

The Company prioritizes engagement between employees and the organization. This was reflected through drafting of strategic policy, with continuous implementation efforts. As of 2017, the Company has founded a joint committee, comprises of representatives from every work units. The joint committee serves as the central working committee in proposing, examining, and enacting policies. There is also a working subcommittee founded. The working subcommittee exists to advance employee’ engagement building through 3 main projects:

1. Improvement of operation assessment system
2. Improvement of professional growth
3. Work lead’s knowledge provision and advisory skill for employee development; provision of recognition, and compliments for good behaviour

Apart from the main projects, the Company also gives authority to each work unit to institute an internal working subcommittee. This arrangement opens up opportunities and realizes employees’ participation, through constructive environment for opinion exchanges. Activities are organized to further enhance engagement. The activities were organized by employees, for employees. Examples of the project from each work unit, operated in 2017, are: Fun with the Gang Project, and Full with the Gang, Tank with the Crew.

# Giving Education Opportunities, Creating a Future for the Thai Youth



CP ALL Plc. and its Subsidiaries (“Company”) place a high importance on the development of children and the youth, not as capable but also be good persons. The company believes that giving educational opportunities will help open doors for the youth to become an important driving force for Thailand’s development. The company also recognizes the importance of developing strong local economies, which can be achieved by improving the capacity of farmer cooperatives and small-scale producers to compete, create quality produces, and access sales channels. Hence, resulting in, all these activities take a part in strengthening the national economic foundation. This is the philosophy the Company is committed to, and is also in line with its 3-Benefits Principle that aims to create benefits for all stakeholders with whom we conduct business.



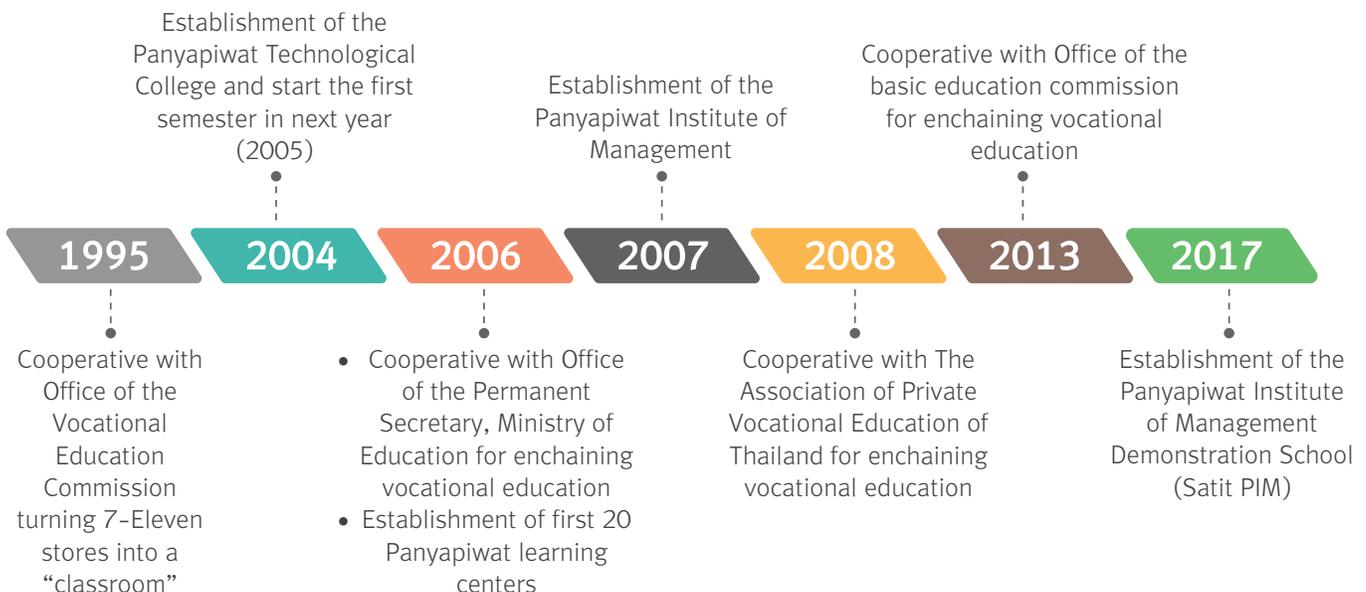
**The 2020 Goal: Promote access to education and essential skills development for 100,000 people across all genders and age groups, especially children, the youth, and those in the agricultural sector by 2020.**

Apart from developing quality people serving for the nation, these efforts will also create a valuable human resource that strengthen the Company’s operations and enable a sustainable expansion. Enchaining human capability, the company considered providing opportunities accessible to knowledge and education are an important part of our sustainable development journey. Then Company’s aspiration in education promotion is guided by the belief that human resource is essential in the success of any business. Our efforts in education became apparent and manifested themselves in broader society since 1995. The Company initiated a bilateral project with the Office of Vocational Education Commission in the area of retail business for Diploma of Vocational Education and Diploma of Advance Vocational Education, turning 7-Eleven stores into a “classroom” for those in the retail business major.

**Establishing an Education Institution.** From our initiative to provide training facilities for vocational students, the Company saw the opportunity to leverage our expertise in business to increasingly support education and incubate students. Along with our commitment to promote education to support the needs of private sector, in 2005, the Company founded Panyapiwat Technological College (PAT) to foster personnel with an academic training and real work experience that can be put in practice in the Company’s different departments, in addition to also being an important driver to maintain and improve

the quality of the Thai workforce. With our success with PAT, the Company also discovered an opportunity to share our knowledge on retail business management—a core strength of the business. This was the beginning of Panyapiwat Learning Center, under the management of CP ALL Plc. and with the educational oversight of Panyapiwat Technological College. The Learning Center was set up to expand access to education in retail business management, offering youths educational opportunities in close proximity to their homes, and gain additional income from their theoretical instruction at the center combined with on-the-job training at branch stores every 3 months.

The Panyapiwat Institute of Management (PIM) was then established to expand the scope of education being offered, ranging from a Vocational Certificate, Diploma of Advance Vocational Education, to Bachelor degrees, starting with the Business Administration faculty. The Institute also expanded to 10 faculties to give students more options, including Faculty of Communication Arts, Faculty of Engineering and Technology, Faculty of Liberal Arts, Faculty of Education, as well as a Modern Business Management program and a Human and Organization Management program offered at the graduate level. The Institute works with other leading educational institutions abroad in order to share knowledge and exchange students in each school term. It also works with private sector organizations to accept interns in related areas. In 2017, the Company expanded our efforts to cover secondary education, founding the Panyapiwat Institute Demonstration School. The school is unique in that its education system is modelled after Finnish schools,



famous for being the best education in the world, with the hope to prepare students to become quality global and local citizens. The school offers 3 main classes with English as the medium of instruction: Mathematics, Science, and English—in addition to offering Chinese classes as a third language. The school aims to cultivate students who are not only capable and skilled, but also who are also happy learners.

The Company has awarded 110,644 scholarships to date, amounting to over 6,963,497,416 Baht, covering vocational and higher education, serving over 27,466 graduates who will become important assets for the organization, society, and the country.

## Education Projects and Other Support Initiatives

Beyond the promotion of knowledge, the Company places high emphasis on preparing learners and the learning environment in order to create the most effective learning process. With the belief that learning can take place in any location, the Company supports increased access to knowledge bases, building the skills of stakeholders. Many education programs have, hence, been designed to meet the specific needs of learners, without the constraints of the traditional classroom format.

### Education Promotion Programs

- **Student Care** The project aims to improve efficiency in education management. The project oversees students from entrance to completion in various contexts, such as learning integration with internship programs, counseling for students during internships, management of internship supervisors on worksites, and support for work-related capacities after completion of education.
- **Smile Center** is an education information and

consulting center with respect to instruction in education establishment and internships in respective organizations, and all general challenges for users, including students, teachers, intern supervisors, and parents and guardians. The Center can be reached through a 24/7 Hotline 02-826-7776 and a Web Chat [callservicechat.gosoft.co.th/WebChatSmilePC/](https://callservicechat.gosoft.co.th/WebChatSmilePC/) (07.00-23.00 Hrs.) The Center was set up to assist students to complete their studies in a timely manner and help create an enjoyable learning experience. It is operated by Panyapiwat Education Group (Institutions operated by the Company and its Subsidiaries)

### Training and Visiting for Adult

- Model teachers are trained through bilateral partnerships with external education establishments to ensure project sustainability.
- Teachers in business establishments are trained in theory and practice in branch stores through bilateral partnerships with business to equip them with the knowledge and real work experience to be able to appropriately supervise interns.

In addition to providing scholarships, the Company also supports other activities, such as giving prospective students the opportunity to observe work both within 7-Eleven stores and inside ready-to-eat food and bakery manufacturing factories of CPRAM Co., Ltd. and others.

Support after graduation: All graduates from the Panyapiwat Co. Group are employed after their studies, have the opportunity to progress in their Career Path, and receive privileges to become a Store Business Partner (SBP). In 2017, there were 2,255 graduates who become employees of the Company.

Performance*	2014	2015	2016	2017
Number of Scholarship Grantees	12,918	14,576	16,733	19,526
• Higher education	2,821	3,757	4,988	5,354
• Vocational education	10,097	10,819	11,745	14,172
Number of persons who received education support and internships	3,031	2,852	3,281	3,673

\*Annual Data

# Elevating Occupational Health and Safety: appropriate working conditions



Part of an attempt to light up smiles among our employees, whom we regard as family, is providing a good working environment, ensure their good health, and elevate standards on safety, occupational health, and environment. The Company primarily adheres to legal compliance, and takes this further by developing and adapting in practice related international standards, with the goal of ensuring the safety of our operators, customers, and those concerned in the activitie and operations of the Company—as there is no replacement or compensation commensurate to these unexpected losses.

CP ALL Plc. and its Subsidiaries (“Company”) hence place its main aim at ensuring 0 incidents/year of accidents and critical vehicle-related accidents resulting to loss to life.

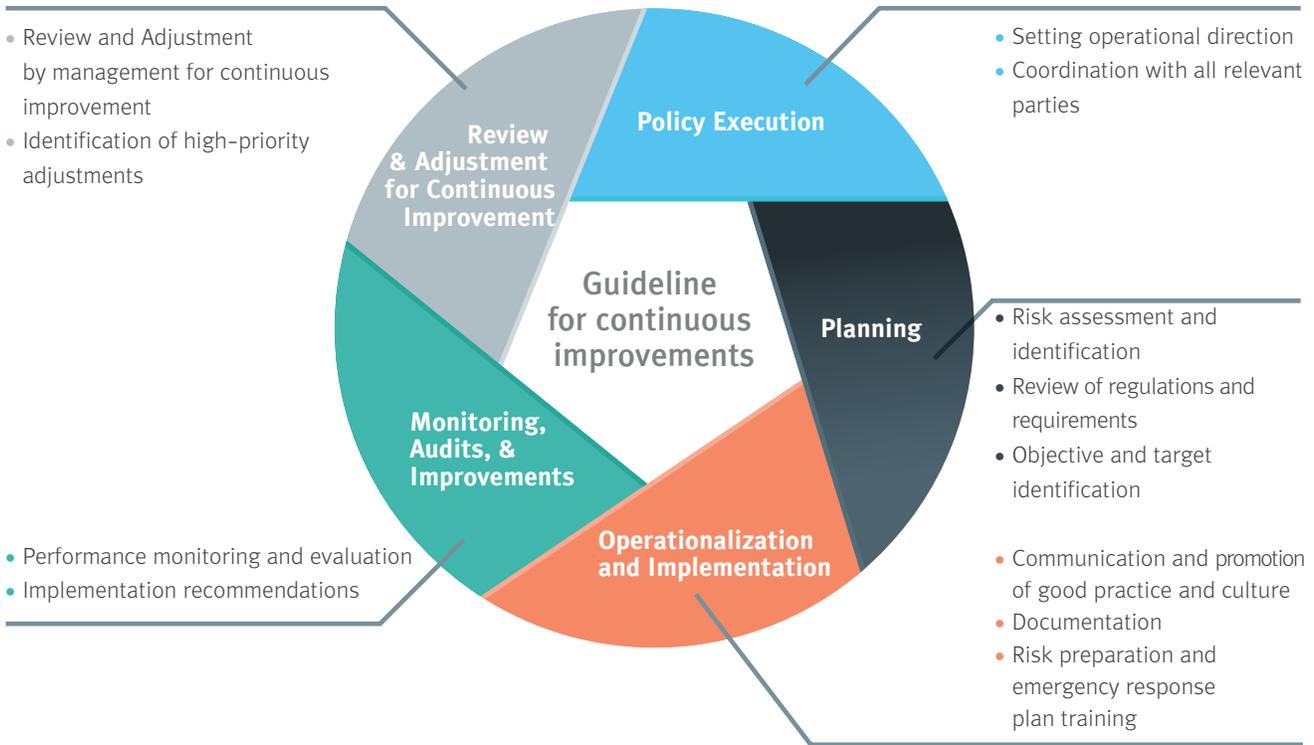
The Company commits to continuously manage safety, occupational health, and good working environment, to be on par with international standards with equal treatment for all stakeholders, whether they be customers, contractors, sub-contractors, partners, or the community. Being a large company with a wide array of businesses, our policy on and management of safety, occupational health, and good working environment were closely designed to fit different operational contexts—having appropriate indices for various activities and business contexts, specific risk

assessments, and business-specific risk mitigation plans. This is in conjunction with the promotion of a safety culture and awareness for all concerned parties in order to achieve good safety, occupational health, and working environment outcomes.

In 2017, part of our effort to continually and sustainably develop, the Company has lifted its safety management standards through the CP Safety Performance Audit Project. This program implements the Safety Health Environmental Standard (SHE Standard), expanding our commitment scope to cover environmental management by adapting and applying international standards in our approaches and practices to ensure continuous improvements.



**Safety, Occupational Health, Environment Policy Framework  
CP ALL Plc. and Subsidiaries**

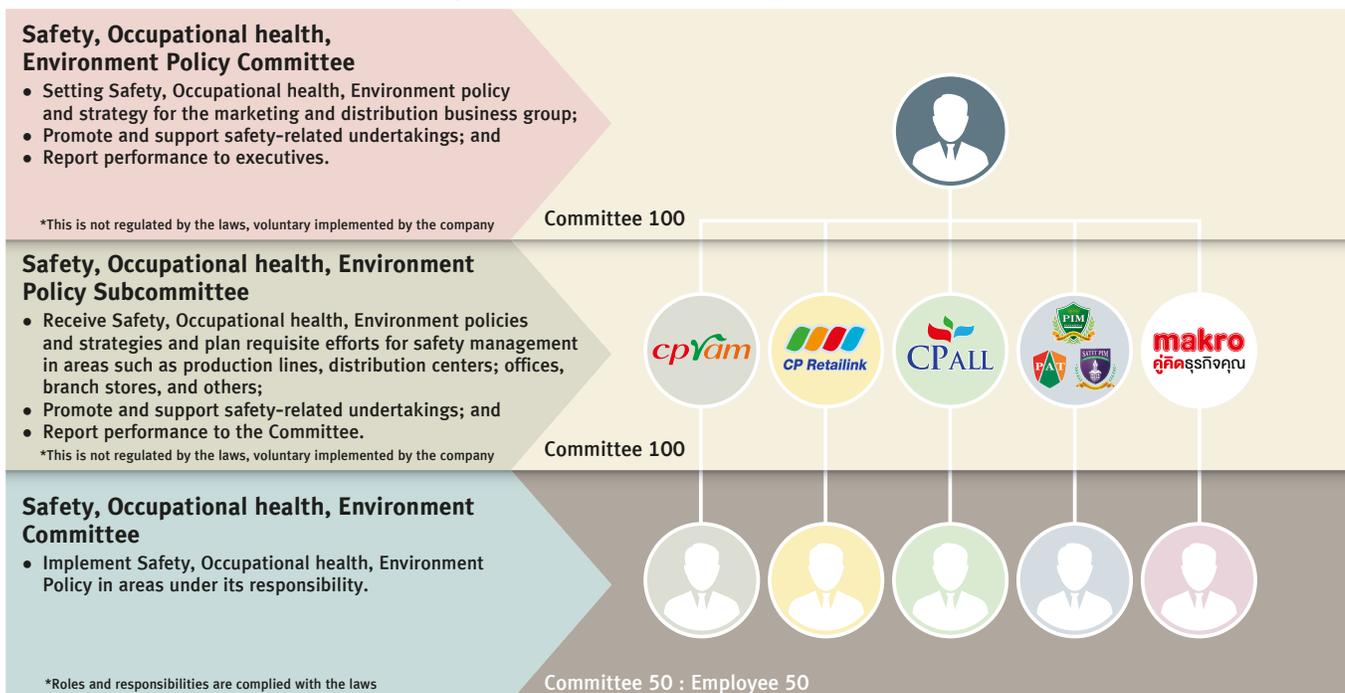


## Management approach of occupational health safety and working condition for continuous development

In the same year, the Company released its Safety, Occupational Health, Environment Policy to be implemented throughout the supply chain. These management processes are monitored and supported

by implementing policies set by committees at 3 levels—having scope and participation ratio between operating officer and executive as follows:

### Ratio of operation and management members.



## Implementation Results

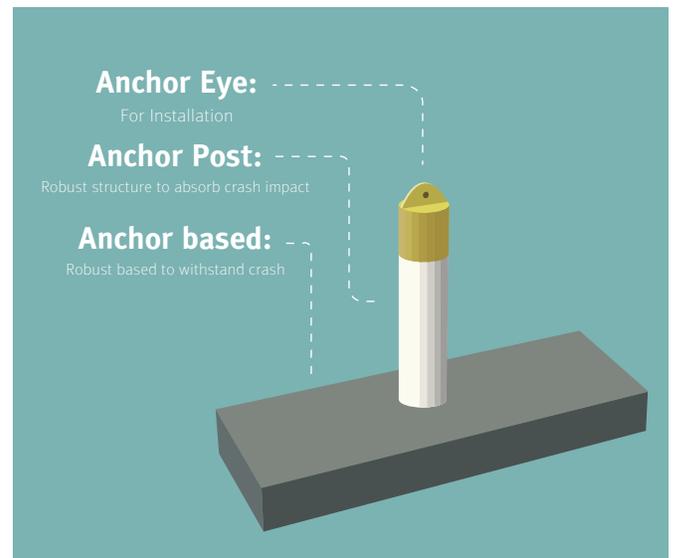
**7-Eleven Bollards Installation Project:** Risk assessments revealed that 7-Eleven stores are typically located near main roads with high-speed traffic. In mitigating accident risks to employees and pedestrians in the area, this project reduces the possibility and severity of injuries from accidents to customers and employees, as evidenced in the table below.

Information of accidents	2016	2017
Total number of car crashes into the store (incidents)	25	29
Total number of preventable car crashes with bollards before hitting store (incidents)	17	14
Average damage per time (Baht)	73,395	65,107
Number of injuries of preventable cars crashes with bollards before hitting store (incidents)	1	1

### Concepts and principles behind bollards

1. Bollards will fall upon vehicular impact
2. Upon failing, the bollards will lock itself against the floor, causing the base—designed to withstand heavy weight—to lever up the vehicle from underneath.
3. Bollards will stop the vehicle without causing damage to the store and injury to employees and customers.

\* The bollards were designed for vehicles weighing 1 tonnes, approaching at 15-30 Km/H. Actual performance is contingent on the impact angle, area characteristics, and other related surrounding factors.



### Operations Workshop for Safety Committee and Executives 2017

The activity aims to promote good safety, occupational health, and environment culture, and has been conducted for 3 consecutive years. This year's workshop objective is to "Elevate SHE standards, Leading towards Sustainability through World-Class SHE Management".

The activity features seminars and lectures by expert instructors, creating a platform for sharing and brainstorming ideas and an opportunity to award employees and Subsidiaries with outstanding health and safety performance.

### Ground anchor working principles: Hit – Hide – Halt, brought to a stop





Examples of occupational health and safety achievement awards for the year 2017

- Safety Personnel Award: Outstanding Manager in Safety at National Level (Marketing and Distribution Business) was awarded to Mr. Kaiwal Suwananthi, Safety Personnel Supervisor at the Chilled Distribution Center (CDC), Bang Bua Thong area, Nonthaburi, CP ALL Plc.
- National Safety, Occupational Health, and Environment Committee Award 2017 was awarded to the Lamphun Distribution Center, CP ALL Plc.
- Thirty one Outstanding Model Business Operators Award in Safety, Occupational Health, and Environment were awarded, with the Chilled Distribution Center (CDC), Bang Bua Thong area, Nonthaburi, CP ALL Plc. having received the award for 12 consecutive years.
- Outstanding Health and Safety Award for Educational Institutions, awarded to 6 areas: The Panyapiwat Institute of Management (PIM) Udonthani, PIM Khon Kaen, PIM Nakhon Ratchasima, and PIM Lampang.
- Emergency Team Competition Award was awarded to the Distribution Center in Suvanabhumi.

### **Stress Management Project**

The Company places high importance on employee's wellbeing. Stress management is one critical factor influencing work capacity, decision making, and long-term overall mental and physical health. As such, the Company has put together stress management-related media to be shared with employees, and organized a meditation training project called "Sati" or "Wisdom" and the "Bringing the Temple to 7-Eleven".

### **Work Flexibility Pilot Project**

The Company's Smart Office project helps employees reduce the stress from commuting during rush hours and that resulting from city life by allowing

them to work from home during emergency situations. The project, in this developmental phase, has been leveraged to develop other management projects promoting business continuity as well.

With regard to occupational health, safety, and work environment, as well as the promotion of employee's health and well-being, the Company has the following initiatives:

1. CP Safety Performance Audits are put in place to assess safety, occupational health, and environment standards.
2. Safety Standards are created a safety culture promoted among employees at all levels, with the support of the management, with the aim of 0 accident incidents.
3. Defensive driving trainings are offered as part of a curriculum developing driving skills, coupled with a road safety driving test.
4. The Exercise for Office Staff project was created as part of employee benefits, offered to support employee's health and well-being. Exercise activities are organized daily within office vicinities, offering a variety of options based on employee's interests, such as Hatha-Yoga, Zumba, and Piloxing.
5. Annual fire and evacuation drills are organized in all locations, including factories, distribution centers, office buildings, branch stores, educational institutions, in line with legal requirements. Drills are organized with internal instructors, as well as including external stakeholders such as nearby communities, educational institutions, and government agencies.
6. Basic safety orientation is given to all new employees, conducted by qualified internal instructors, as required by law.
7. Safety promotion activities are conducted prior to long holidays to promote good driving practices among employees.

# Caring for Environment, aligned with international standards



CP ALL Plc.  
and Subsidiaries

(“the Company”) are cognizant of opportunities to conserve the environment through business operations and engagements along the Company’s value chain. Environmental responsibility is the primary principle. The Company places an emphasis on the reduction of environmental impacts incurred from business operations, products, and services, by incorporating environmental protection efforts as one of the Company’s Sustainable Development goals.

## 2020 Environmental Management Targets

- 10% Reduction of greenhouse gas emission per production unit by 2020 compares to the baseline of 2015
- 10% Reduction of water consumption per production unit by 2020 compared to the baseline of 2015



Having been aware of the risks and impacts caused by climate change and the deterioration of limited natural resource, in addition to its recognition of increased competitive advantage and business opportunities from active environmental efforts and natural capital management, such as energy efficiency per production unit, clean technology, and energy saving technologies, the Company has announced its Environmental Management Policy. The policy is applicable to all subsidiaries, addressing the communication and strengthening of engagement to ascertain adherence to the guideline of good practice throughout the entire corporate value chain. The aforementioned policy establishes guidelines for both material issues on environmental management, which include Climate Change and Water Stewardship.

Operations guided through the policy kick-start multitude efforts in environmental management, as well as scale up notable environmental management performance. Participation by employees, subsidiaries, and stakeholders in environmental management is another issue the Company prioritizes in order to ensure dissemination of happiness and sustainable environmental conservation efforts to the wider public. Examples of environmental management efforts implemented by the Company in 2017 comprise of campaigning and raising awareness in environmental conservation for stakeholders, managing energy efficiency, increasing renewable energy usage, managing waste and improving packaging, managing climate change, assessing risks of water scarcity and developing a plan to reduce water consumption per production unit, and disclosing performance of environmental management. The Company is also planning for the application of an Environmental Management System (EMS) for business operations, with specifically assigned committees and internal working teams, such as the committees and working team on water quality assurance, on equipment selection for stores (Equipment Committee).

To achieve the target, the Company has developed a corporate-level strategy. One of the key strategies, “7 Go Green”, has been in operation since 2011. The scope of the strategy, focusing on activities related to retailing of 7-Eleven and product distribution, follows the “7 Go Green” pillars:

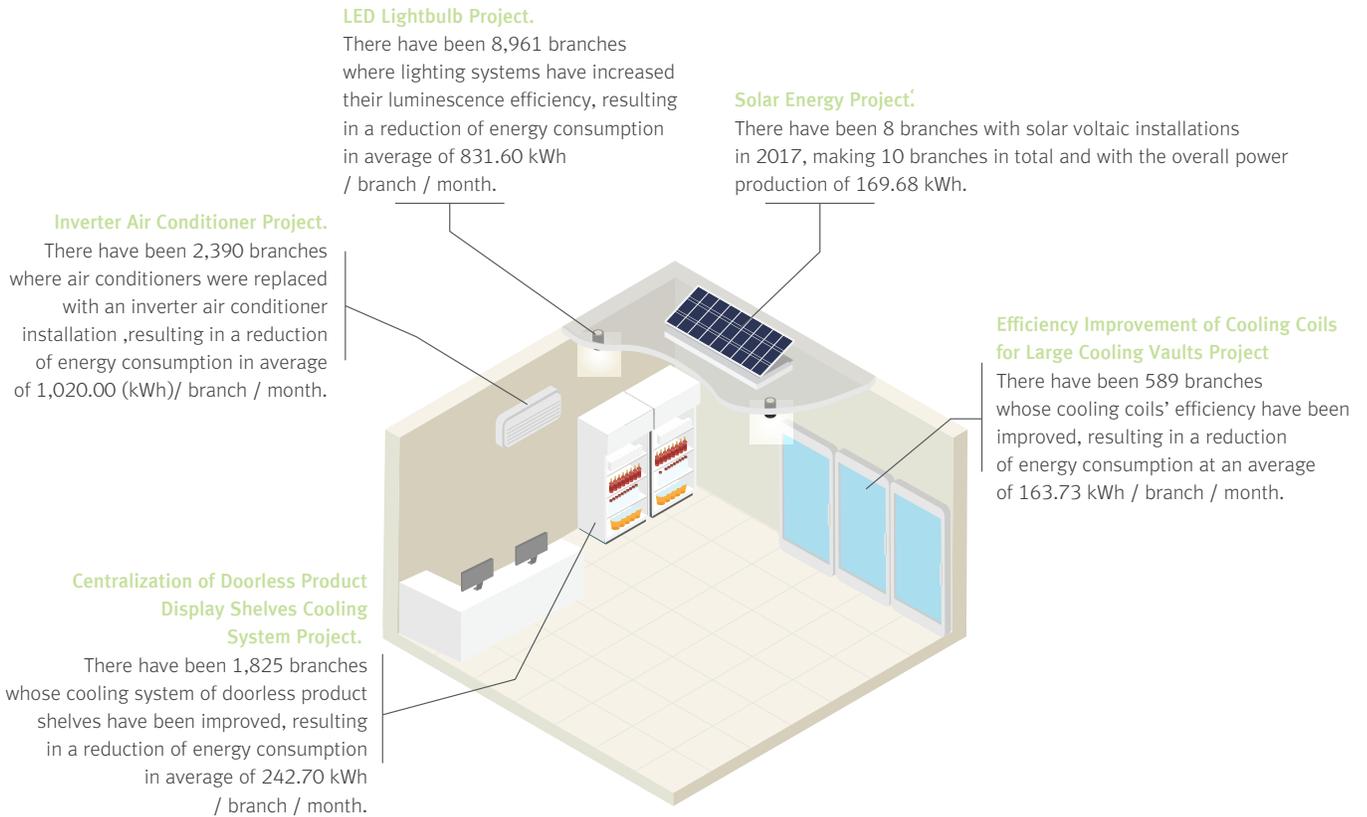
## 1 GREENStores Expansion of the energy saving store prototypes

Due to the success in designing and operating of Tara Square 7-Eleven stores, which was a prototype of an energy-saving convenient store in 2016, energy saving measures that are suitable and feasible with 7-Eleven stores have been replicated and implemented to other branches across the country, both due for renovation and due to be opened.

In 2017, Satit PIM branch was opened as a new convenient store format. The store was designed environmental friendly and even more energy-saving through the application of modern technologies, innovations, and a variety of management approaches to promote efficient energy management. These approaches include, among others, good planning of stores, eliminating unnecessary energy loss, and the use of LED lights for all screens and lightings in the stores. The Company also conducts customers’ purchase behaviors assessment system to improve the efficiency of resource consumption planning. In addition, energy consumption was monitored as a real-time practice to track and analyze of electricity consumption in daily basis.

Furthermore, the Company builds on the convenient store prototype, Tara Square branch, by designing services and management approach that benefits the community and society according to the principle of CCC: Convenience Community Center. Community Digital Touchscreen is provided to enable information exchange. There are robotic innovations, such as Sevy Bot, an artificial intelligent assistant that can communicate to customers via visuals and texts through a motion detection sensor. The Sevy Bot can communicate with customers in close proximity and move around the shop throughout the day without needing batteries. Sevy Bot may be further developed as a part of other branches as service improvement. The innovation is result from the work of students at the Engineering and Technology Faculty, Robotic Engineering and Automatic System Major, Panyapiwat Institution of Management (PIM).

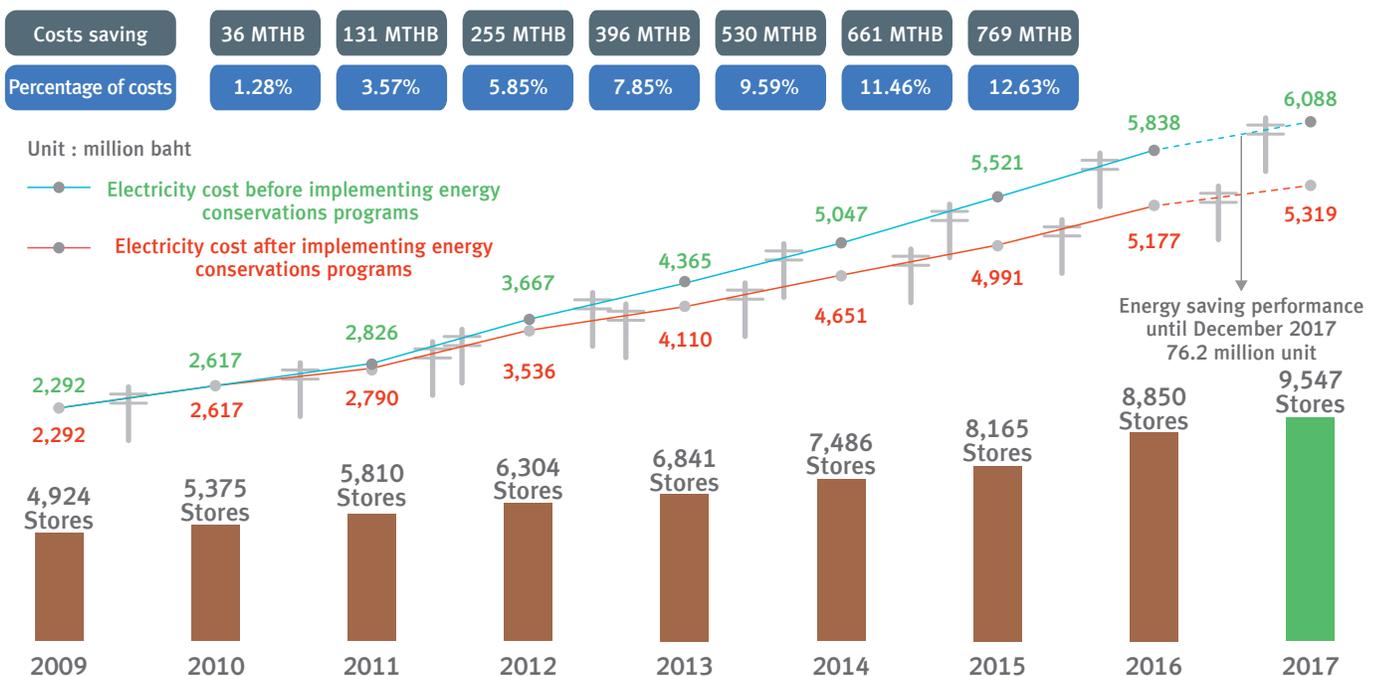
The energy conservation program by applying energy saving equipment in 7-Eleven stores is summarized below.



## 2017 Application of energy-saving equipment in the store

The overall energy conserved resulted from the energy conservation projects was 12.63%, which is equivalent to 769 MTHB as illustrated following diagram.

### Energy conservations of overall 7-Eleven stores





Furthermore, there are also energy conservation projects, which the Company reduces its environmental impacts and promote environmental quality, such as reduction of personal vehicles utilizations.

**Smart Bike Parking** Public bike parking spaces, equipped with smart locks that customers can unlock, rent and pay for via mobile phones are part of the promotion to reduce personal vehicles utilizations.

**Electric Cars Power Stations** The Company responds to a rising trend of electric car and familiarize consumers to electric cars by supporting the electric cars utilization in the future.

**Installation of Water-Saving Sanitary Wares** The Company selects water saving sanitary wares with 2 levels of capacities, 3 and 4.5 Liters. It can reduce 12.5% of water consumption comparing to the 3/6 Liters type.

**Grease Treatment by Microbes Project** The project aims to reduce the frequency of grease removal from the grease traps. The project development of powder microbes, along with automatic fermenter to break down the accumulated grease in the grease trap. This helps reducing the grease removal frequency, from 8 times per month to 1-2 times per month, without affecting the grease trap's efficiency.

## 2 GREENLogistics

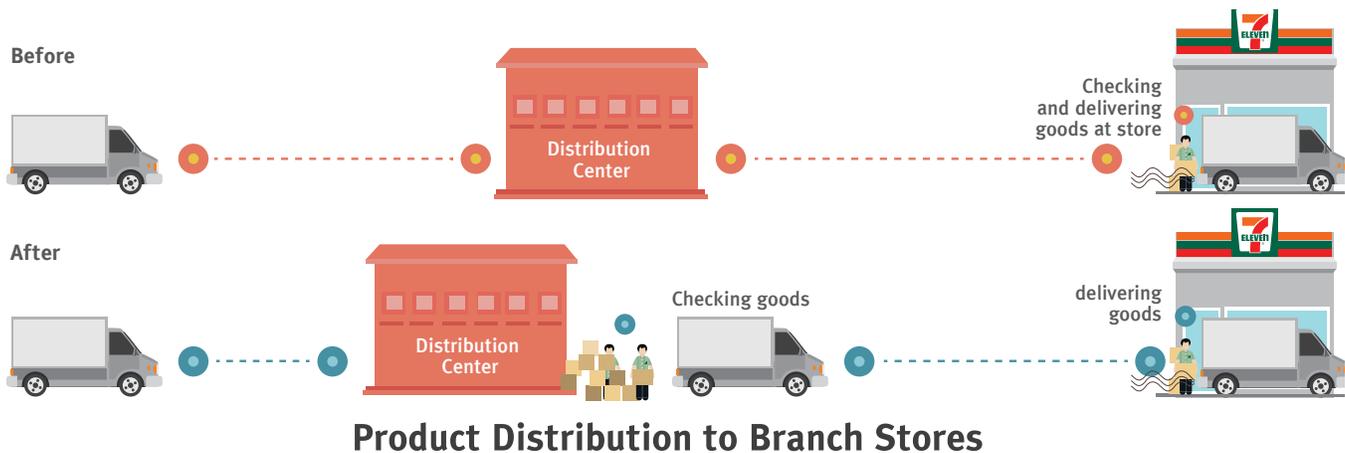
The Company is incorporating Leadership in Energy & Environmental Design (LEED), one of the most internationally recognized standard, for the development and design of distribution centers across the country, in addition to applying certification from United States Green Building Council (USGBC). Currently, Mahachai and Chonburi distribution centers have been certified. As for Buriram distribution center, it is in the process of application for Thai's Rating of Energy and Environmental Sustainability

(TREES), which is a certificate issued by Thailand's Green Building Institute.

Under the corporate Energy Management Plan, distribution centers across the country are considering energy-saving and renewable energy measures that are appropriate to the business operation, from the installation of a heat transferring system to reuse excess heat in distribution centers operations in Bangbuathong, Suvarnabhumi, Mahachai, Khon Khaen, Phuket and Chonburi. There are also plans to implement it in distribution centers across the country. For the initial phase, the Company has installed photovoltaic panels on the rooftop of a temperature-controlled distribution center in Suvarnabhumi.

For transportation and distribution of products, the Company is committed to uphold energy management as a priority through **the Reduction of Pollution from Product Transportation Project**, managing the reduction in transportation time. As of 2017, the Company has improved the processes of inventory stocking at 7-Eleven. The incoming inventory checking is conducted at the distribution center and uses the 'Trust' system, whose precision and accuracy are trusted by 7-Eleven stores. It is also used in inventory stocking of other departments in the Company. This improvement has reduced the fuel consumed and pollution generated from leaving the vehicle on for the temperature-controlled storage, which was necessary while waiting for the inventory stocking process at each 7-Eleven stores.

The aforementioned process helps in reducing the product transportation time in the stores' vicinity, currently approximately 15 minutes from 45 minutes, resulting in the reduction of diesel consumption by 83,950 liter per year, reduction of greenhouse gas emission by 230 carbon dioxide tons per year, and reduction of papers consumption and deforestation by 7,656 trees per year.



# 3 GREEN Packaging

Environmental Friendly Packaging Project is a project under the 2016-2022 timeframe. The Company has implemented this project while adopting the 3R (Reduce – Reuse - Recycle) Principle to mitigate environmental impacts generated from packaging. This was achieved through a reduction of natural resources consumption and post-consumption waste generation. The details for each 3R key component are as follows:

## Reduce

is the reduction or abolition of packaging with impact to health and the environment, and to reduce the use of packaging materials. The target was to reduce 24,000,000 bags by 2017.

### Terminate PVC usage

In 2017, the Company has announced the cancellation of PVC material usage for 3 more products of private brands under food category. This cumulates to 6 products in total, or equivalent to 33%. The Company has set a goal to abolish the use of PVC material as a packaging component for the product category by 2020.

### Reduce plastic used for rice containers

In 2017, the Company shifted its plastic container production technology for cooked rice, originally from injection method to thermoform, enabling as much as a 126 tons/year reduction of materials used.

### Various projects campaigning for reduction of plastic bag usage

- **Promotion of the use of cloth bags** by lending out cloth bags in the branch stores situated in the University campus and special offers for barcode cloth bags.
- **Project for reduction of plastic bag usage with external parties** such as Mahidol University, Chulalongkorn University, Thammasat University, and Faculty of Tropical Medicine.

### 2017 Performance reduced plastic bag usage by 24,094,660 bags.



## Reuse

is supporting material reusing to reduce the amount of post-consumer waste, such as reusable coolers instead of using bags for purchases of frozen food.

### Project for returning of clean 7-Eleven plastic bags from customers to reuse

The Company has installed boxes accepting clean plastic bags at 18 locations, 13 locations across the office buildings, 1 location in the hospital, and 4 locations across universities. Overall, the Company is able to reuse as much as 9,609 bags in 2017.



## Recycle

is bringing used packaging back into a conversion process and reuse, particularly for plastic packaging which is difficult to degrade.

### The Company focuses on using recycling symbol on the product.

In 2017, the Company establishes the criteria for using recycling symbol in accordance to ASTM International Resin Identification Coding System. There is also an operational plan for Private Brand products under the food product category to be the first category.

**Simultaneously**, the Company has started to use recycling symbol on new products that were developed in 2017. There are also further plans to apply the practice to the products that are developed from 2018 onwards. Presently, plans are being drafted for the application of recycling symbol on current products.





## 4 GREEN Living

As consumers are the key stakeholders driving environmental management, the Company has started to encourage consumers' behavior change. This was achieved by promotion of environmental friendly consumption practice, such as reduction of plastic bag usage through the campaign 'Kid-Tung, Kid-Thung.' The campaign encourages consumers to 'considerate before using plastic bags' and 'refuse plastic bags.'

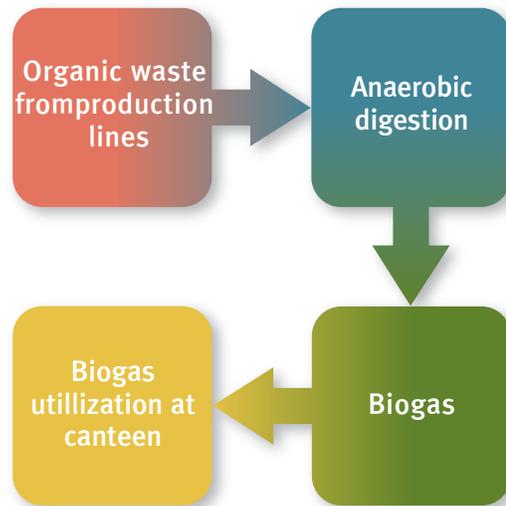
Furthermore, under the corporate environmental management policy, companies in the Group has collaborated and initiated a variety of environmental projects consistent to the subsidiaries' businesses. The projects play a significant part in reducing pollution and resource consumption according to the Company's environmental management targets, such as:

### Siam Makro Plc.

- Low Emission Support Scheme (LESS) Project is a project promoting good environmental practice initiated by Makro. There was a contest on initiatives for greenhouse gases reduction. Owners of the project that pass the assessment criteria, whose performance meets the targets of environmental impact reduction, would be awarded internally. The winning project would then be implemented. Past successes comprise of a project to change the containers size from 40-feet container to 45-feet container. This was the winning project in 2017, which helps increase the volume of products transported per delivery, reduce the energy used in transportation and greenhouse gas emission.

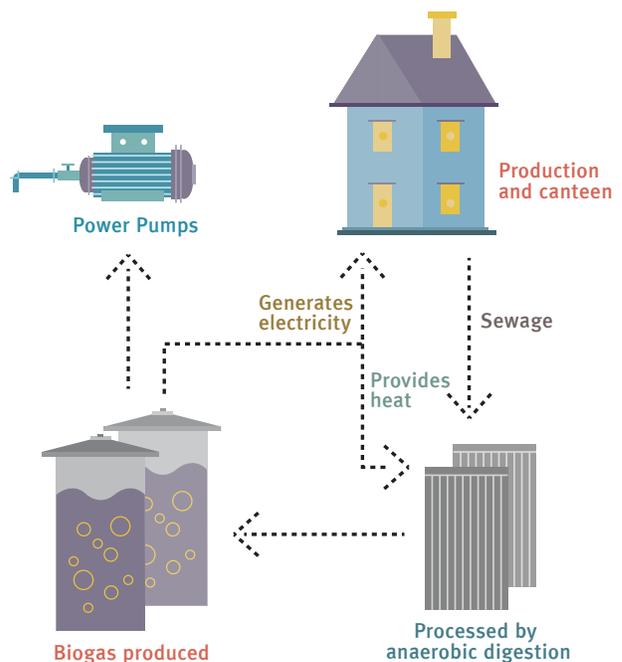
### CP RAM Co., Ltd.

- Geothermal Energy Project CPRAM Co., Ltd. (Ready-to-eat food business), Ladlumkaew Plant, has started to increase the proportion of renewable energy consumption. Warm water from groundwater at the depth of 400-500 meters is used. Its temperature is approximately at 50 degree Celsius, which is used to cleanse equipment within the production process. The

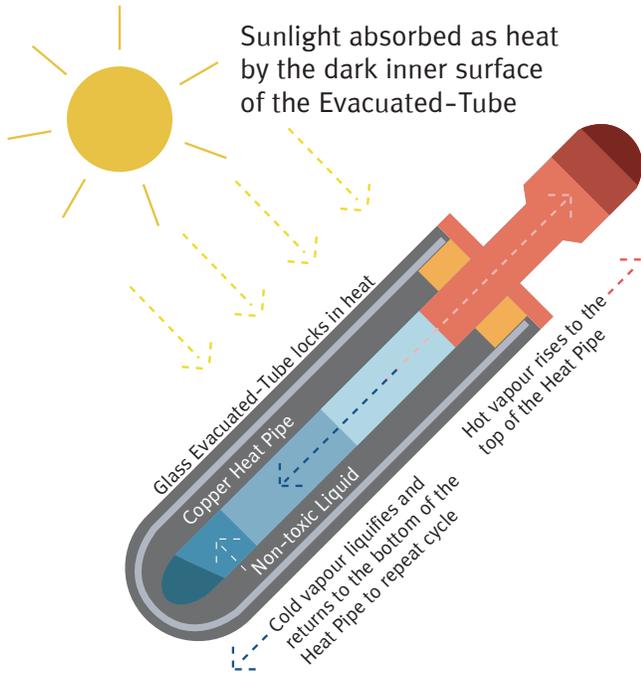


Company has started operating this project since March, 2017. This project can replace water heating process, initially through the use of electricity, in the production process. This enabled 315,926 kWh per year energy saving in 2017. The project also enables reduction of Scope 1 and Scope 2 greenhouse gases by 183.9 tons of carbon dioxide equivalent.

- Biogas Production from Organic Waste from the Production Process and Canteen, CPRAM Co., Ltd. (Ready-to-eat food business), with the daily waste amounts to approximately 800 Kilograms. This is another project implemented to increase the proportion of renewable energy consumption. The project operates by fermenting waste from the production process to produce biogas, which



could replace LPG that is currently used in the factory's canteen since 2012. The operations in 2017 enables reduction of LPG usage by 194.5 kilograms, and Scope 1 greenhouse gas emission by 0.61 tons carbon dioxide equivalent.



- Solar Water / Solar Tube Project Basing on the target to increase the proportion of renewable energy consumption by CPRAM Co., Ltd. (Bakery business), Latkrabang Plant has changed the water heating system to solar energy via Solar Water or Solar Tube. This project has been implemented at the plant since 2015. In 2017, the Factory was able to reduce the electricity used for water boiling during production process by 767 MWh and reduce Scope 1 and Scope 2 greenhouse gas emissions by 461.96 tons carbon dioxide equivalent.

The Company has assessed its greenhouse gas emission and is working on registration for carbon footprint products from Thailand Greenhouse Gas Management Organization (TGO). The information would be primarily used for effectiveness evaluation of energy conservation project and other environmental conservation efforts implemented during the production process. There are currently 5 products registered, with 3 more products pending for registration.



Shrimp dumpling  
Jade Dragon Brand  
emits 771 grams of CO<sub>2</sub>



A steamed bun with mince  
pork stuffing  
emits 275 grams of CO<sub>2</sub>



A steamed bun with salted  
egg and mince pork  
stuffing  
emits 328 grams of CO<sub>2</sub>

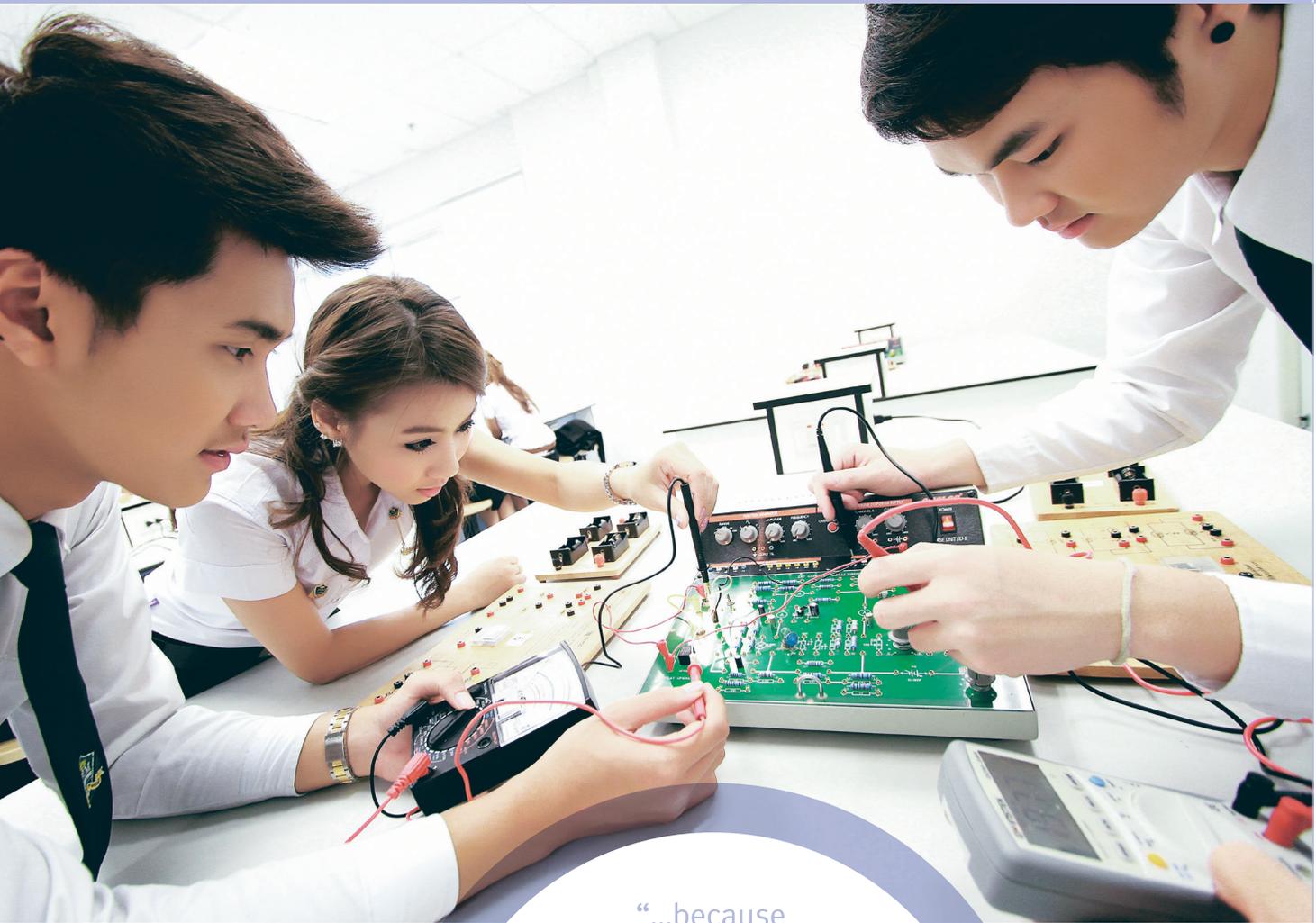
Additionally, the distribution center at Mahachai remains the first and the only distribution center in Thailand registered for Carbon Footprint in the category of services for chilled distribution center, Mahachai (860 grams carbon dioxide equivalent per square meter per day), dry grocery distribution center, Mahachai (180 grams carbon dioxide equivalent per square meter per day) and chilled distribution center's logistical services, Mahachai (390 grams carbon dioxide equivalent per square meter per day).



860 g

Chilled distribution center, Mahachai

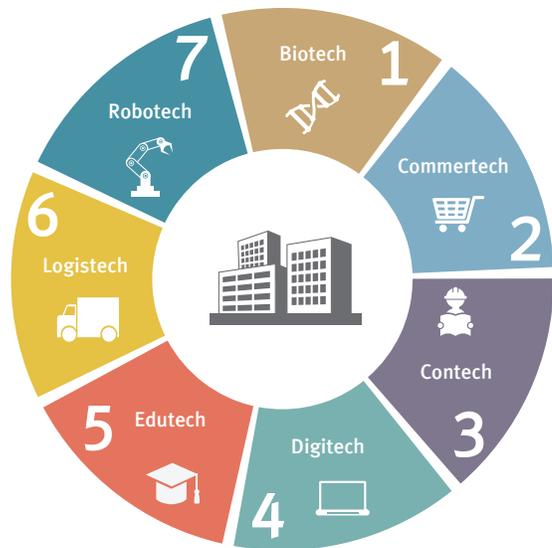
# Distilling Ideas: The Fruits of Creativity



“...because developing new things — either products, services, or businesses— is core to enabling the Company in discovery and responses to market demands; as well as developing new business models resilient to changing customer and market landscapes.”

The organization’s ability to continuously improve and keep pace with global contexts, which are constantly changing, are key success indicators for a modern business seeking to grow sustainably with the world. CP ALL Plc. and its Subsidiaries (“the Company”) aims to internally build a thought foundation by creating an atmosphere conducive for innovation— “observe, stimulate ideas, record, information exchange for development, support collaboration, create platforms for discussion and magnify results”. These are part of the organization’s “innovation culture”. Nevertheless, the Company has simultaneously pursued “Open Innovation” to spark off a market place of ideas, with greater depth and breadth. This was achieved through collaboration between the Company and external organizations. The Company’s efforts be innovative are not only in the interest of business survival, but are also pursued with the hope of creating greater value and positive impacts to broader society.

In 2017, the Company established the Science Technology and Innovation Development Office (STIDO), tasked with the responsibility to drive the Group’s endeavors on technology and innovation, develop capabilities, and synergize innovation and technology. This is achieved through research and development activities, invention and transfer of technology, and monitoring of development in research on technology and innovation; both from local and international networks. These efforts help the Company fosters technology and innovation with plausible positive impact to the economy, society, and the environment. The efforts are also an important driving force behind Thailand’s sustainable development. At present, the Company has established, and currently overseeing, 7 technology centers. They are:



Following the Sustainable Business approach, the Company has always considered innovation’s positive social and economic impacts. This is in addition to its business results, as reflected via scoring criteria of innovation awards. They are as follows.

- The “Big Fish Innovation Award” bases its scoring criteria on social and economic impact
- The “President Innovation Award” is determined based on the social and economic value added, and benefits to stakeholders.
- The “Process Excellence Award” considers benefits and satisfaction of external stakeholders.
- The “7 Innovation Awards” are awarded based on considerations of economic, social, and national benefits to various targeted groups.

Awarding results in 2017 revealed 18 innovations that generated positive impacts, with 10 creating benefits to communities and society. Awarded projects and initiatives were expanded received business support through 7-Eleven stores and others in the Group, business matching, and the promotion of innovative products and services, among others.



## Examples of Awarded Innovation Projects



Unique Thai Tamarind for the Community – 1st Runner-Up Award for “Society”

The project achieved a business model that adds value to Thai Sweet Tamarind, while also lifting the production process to be on par with international standards by creating a value chain system. The initiative starts by organizing community members by shifting their individual household production practice to a cleaner factory-based model. This was coupled with a production-related knowledge transfer for community members to apply them in practice. Research-based insights were also leveraged to develop a machine that extirpates tamarind moths through radio frequency waves, achieving a 100% elimination of moths in the final product.



Water Heater from Precision Air Conditioner (PAC) Units – 1st Runner-Up Award for “Society”

The water heater leverages residual heat from hot coils used in air conditioning units to produce hot water without using electricity and without incurring additional electricity cost. The project also improves the air conditioning units’ efficiency because the heat exchange equipment in the water tank uses suitable, high-quality materials that are strong, safe to use, efficient in transferring and retaining heat. It can be installed with any type of air condition unit.



Okusno Shrimp Chins Snack – Winner, “Economy” Category



The shrimp Chins, an often-overlooked part, was processed into a snack packed with high nutritional value, with up to 741 mg. of Calcium per pack, Chitosan, and Chitin, which help lower blood cholesterol, offering the modern consumers an alternative healthy snack.



### Commercial Micro-organisms for the Environment - 1st Runner-Up, "Economy" Category



The achievement of winnowing over 100 strains of micro-organisms down to 8 which were used to further develop products of over 18 kinds "Bio-organic substance" able to break down fat and oil into carbon dioxide and water. This creates a positive environmental impact, eliminating industrial waste from source and reduces waste disposal costs. In 2016, both petrochemical and non-petrochemical groups received the Prime Minister Award in recognition for being outstanding exporters with respect to innovative products beneficial to the environment and for receiving the Asia Pacific Entrepreneurship Award.

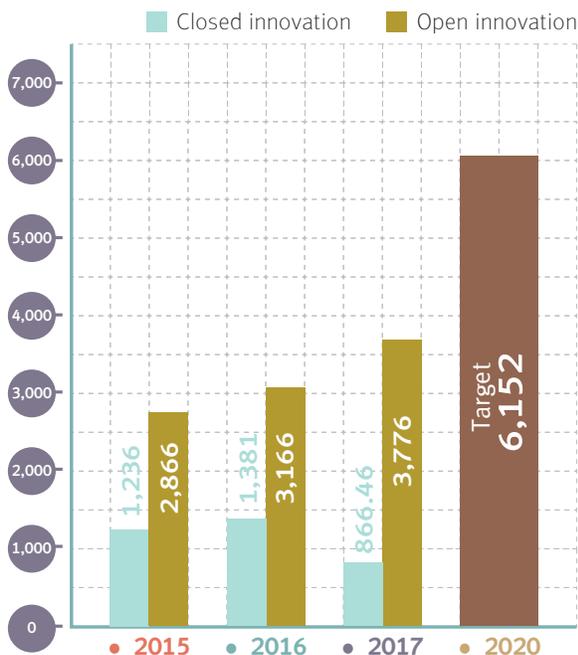


### Microwave Snowflake Beverage, 1st Runner-Up, "Economy" Category



The project developed a frozen cold beverage, which upon baking in a microwave oven for 30 seconds, transforms into a snowflake-like drink, producing consistent taste profiles across all cups, while retaining an aroma mimicking freshly made options and maintaining the ice crystals that consumers enjoy. The project created a variety of product options, such as iced milk tea, iced coffee, fruit juice, and cane juice. It also extends the product shelf life up to 6 months when stored in freezer.

## Performance Results



\* Closed innovation's financial value generation estimation to the organization comes from projects submitted to the Big Fish Innovation Award, the President Award, and the Process Excellence Award.

\*\* Open innovation's financial value generation estimation to the organization comes projects submitted to the "7 Innovation Awards".

\*\*\* Most innovation projects in 2017 focused on process improvements over revenue generation.



# Society of Peace: Respecting Human Rights



“Human Rights” are foundational rights on which individuals can lead a dignified life, endowed with rights, freedom, and equality—free from thoughts and actions in violation thereof. At present, human rights issues have received widespread attention. As a retail business leader in the country and the region that connects producers to consumers, CP ALL Plc. and its Subsidiaries (“the Company”) pledges to take part in the promotion of universal human rights.

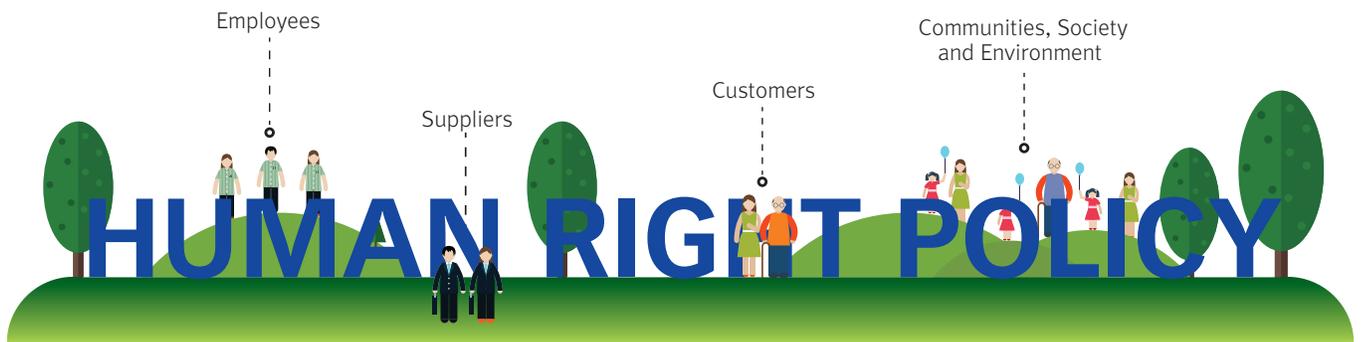
Following the determination to conduct a fair business, the Company adheres to the UN Guiding Principles on Business and Human Rights (UNGPs), including the “Ruggie Framework” pertaining to the protection of and respect for rights, and the impact remediation of rights violations (Protect, Respect, and Remedy) as guidelines for the organization’s human rights management.

Based on this approach, the Company has penned its human rights commitments through policy and human rights due diligence processes to enable the Company to manage human rights violations risks in the Company’s activities and throughout its value chain. This effort promotes human rights through fair business operations and helps elevate stakeholders’ quality of life throughout the value chain. This also helps prevent negative impacts on stakeholders and overall business

operation, such as having unsafe work environments, pollution emission affecting the rights of community members, indirect rights violations by business partners and sub-contractors, in their use of child labor and forced labor in the supply chain.

### Human Rights Policy

In 2017, the Company announced its Group-wide Human Rights Policy, demonstrating a determination to conduct business following international human rights principles, including the Universal Declaration of Human Rights, the UN Global Compact, and labor rights-related conventions of the International Labour Organization (ILO). The Policy encompasses business operations of the Company, suppliers, as well as other parties linked in the supply chain.



### Human Rights Policy

#### Objective

To demonstrate a determination in preventing risks on human rights violations of parties involved in the Company’s business operations, as well as cascading these expectations to its Subsidiaries and business partners to ensure strict compliance to the Company’s Human Rights Policy



## Human Rights Due Diligence Process

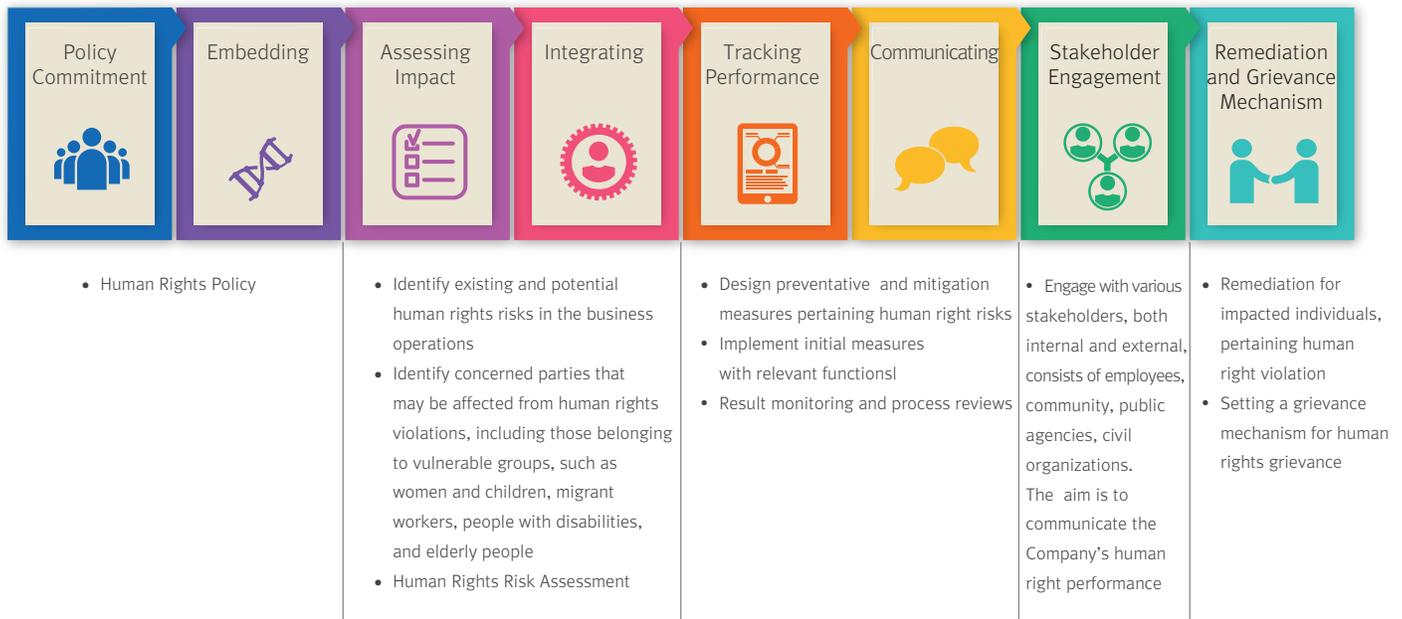
In 2017, the Company initiated its human rights due diligence process for the first year, adhering to international standards as guidelines. One important step, succeeding the Company’s policy commitment, is conducting a Human Rights Risk Assessment. The Company identified human rights risks throughout its value chain, conducted an impact analysis on concerned parties, and classified risks on an organizational level. Assessments in the first year covered the entire value

chain of 3 business groups and their support units. These are:

- Convenient store services
- Wholesale services
- Production and sale of bakery, ready-to-eat meals, and frozen food services
- Distribution Centers

The Company has plans to expand the scope of its Human Rights Risk Assessment to cover all Business Units by the end of the year.

## Human Rights Due Diligence Process

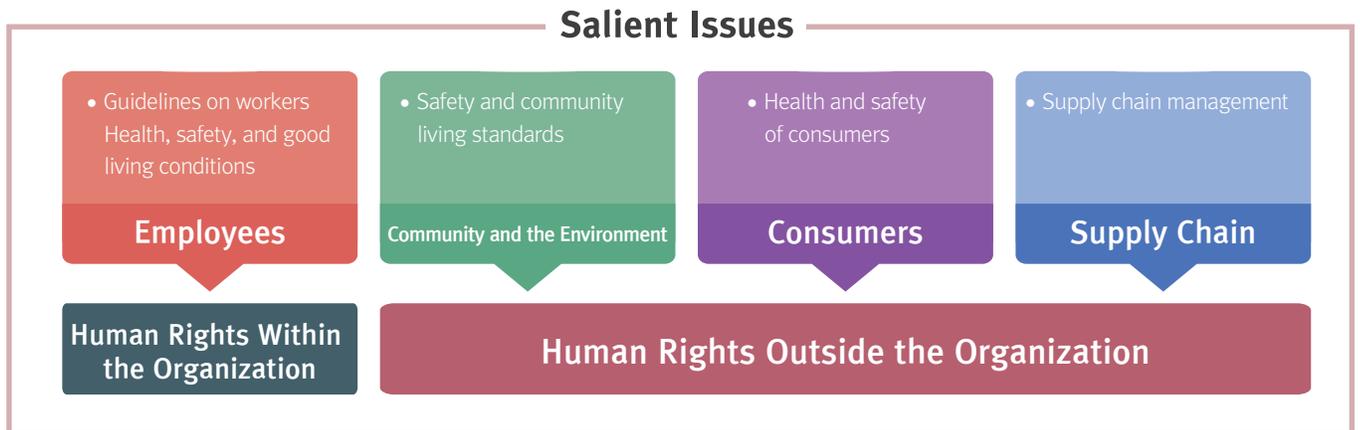


## Human Rights Risk Assessment



In 2017, The Company human rights risk assessment for all 8 core business units covering 100 percent of operations. The company aim to maintain human rights risk assessment to cover all core business units in 2020.

Initial assessment results revealed that salient human rights issues with high residual risks in 3 Business Units are as follows:



Notably, the Company has establish Human Rights Risks Management Guideline, drafted in consideration to entitle rights of vulnerable groups, such as SMEs producers, women and children, migrant labors, indigenous people, and elders. The content pertain both a policy aspect, and a protection – prevention guideline aspect, summarized as follows.

### Human Rights at the Organization

The Company firmly believes that every employee deserves equal treatment, without discrimination based on gender, age, nationality, religion, and physical traits. This also includes the assurance of fair and safe working conditions, whether they concern working hours, break time, wages, work environment, and social benefits entitlements. In this regard, the Company has established guidelines on employee ethics, work rules and regulations, as well as occupational health and

safety standards to mitigate human rights violations risks on those issues at an organizational level. In addition to this, the Company has pursued proactive initiatives to prevent human rights violations resulting from labor recruitment. The Company has clear policies against child labor, forced labor, and the hiring of illegal migrants on worksites. These policies extend its coverage throughout the supply chain, incorporating sustainability criteria which includes the prohibition of the hiring of illegal migrant workers as one of the criteria for supplier and sub-contractor selection. Additionally, the Company has organized trainings with “Risk Champions” in each function on the approach and risk identification of human rights violations in the activities of their respective departments. The Company will also incorporate its human rights training as part its Sustainability training offered to all employees by 2020, following the Company’s Sustainability targets.



## Human Rights beyond the Organization

The Company takes into account and respects the rights of all external parties involved with the Organization that may be affected by the Company’s business operations. These include communities and

the environment, consumers, and business partners. The Company has set measures preventing human rights violations to reduce risks that lead to violations in the future.

### Human Rights Issues for External Stakeholders

Human Rights Issues		
Consumers	Community and the Environment	Supply Chain
<ul style="list-style-type: none"> <li>• Health and safety of consumers</li> </ul>	<ul style="list-style-type: none"> <li>• Safety and community living standards</li> </ul>	<ul style="list-style-type: none"> <li>• Working conditions</li> <li>• Child labor</li> <li>• Forced labor</li> <li>• Illegal migrant workers</li> </ul>
Human Rights Violations Risk Mitigation Measures		
<ul style="list-style-type: none"> <li>• Product standard monitoring system</li> <li>• Product and merchandise recall system</li> <li>• A grievance mechanism for consumers grievance</li> <li>• Investigation and remediation system for customer grievance within 24 hours</li> </ul>	<ul style="list-style-type: none"> <li>• Multi-channel community grievance mechanism, including website, email, Facebook, and a hotline</li> <li>• Town hall meetings with the community to receive community feedback and concerns</li> <li>• Survey of community suggestions and concerns every 3 months</li> <li>• Logistics management plan to reduce congestion in community areas</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier and sub-contractor selection using sustainability criteria</li> <li>• Requirement for the Employer to have clear requirements on compliance to labor laws and practices violating workers’ rights for suppliers and sub-contractors</li> <li>• Auditing on labor treatment of suppliers and sub-contractors</li> <li>• Supplier and sub-contractors self-assessment to begin in 2018</li> <li>• Training with suppliers and sub-contractors on occupational health and safety</li> </ul>

# Spread the Love: Building Community Resilience



Building good relationships with communities in which the business operates is a value on which CP ALL Plc. and its Subsidiaries (“the Company”) places great importance. This is because communities are neighbors, customers, and business partners all at the same time, with whom we can help each other. The Company has thus set targets to become a Company that is free from conflicts in important functions in its operations and in all locations in which it operates by 2020.



The commitment to respond to concerns is part of building relationships and an aspiration to become one with the communities whose resilience the Company aims to foster. The Company also aims to build strong community relationships among stakeholders, government agencies, and 7-Eleven stores in tangible ways by establishing the Community Support Center (CSC), leveraging operational locations, whether they be within branch stores or distribution centers. These locations serve as learning centers for the community and government agencies, with the following 7 mission statements:

- Disseminate and share knowledge base with the community
- Creatively respond to community needs
- Improve core community strengths
- Fulfill dreams and inspire action and good deeds
- Take part in solving community and social problems
- Raise awareness on the determination to work sustainably toward social goals
- Support and partake in government agencies' activities

To achieve this mission, the Company has established operational approaches encompassing job creation, promotion of morality and ethics, health, access to

knowledge and education, and environmental conservation. These focal areas were derived from social needs analyses, grievance mechanisms, and multi-channel consultation with the community, which included input from suggestion boxes placed at branch stores, hotline, and online portals. All of these reflect the Company's commitment to build strong community ties. However, the Company discovered that there as many community contexts as there are varied demands. In order to arrive at an understanding, and as an important first step towards building good and sustainable relationships, the Company welcomes all feedback and is prepared to work together to prevent and overcome challenges, meeting the demands of the communities.

## Case Studies

**Concerns on landscape harmony between the store and its surrounding environment.** The Company designed its branch stores to be in harmony with the surrounding environment by taking into account nearby architecture. The Company conducted location surveys and classified them based on sensitivity from this perspective to be used as guideline in branch expansion management.

**Concerns on economic impacts on communities.** The Company is cognizant of impacts which may result from its business operations. Adhering to principles of fair



Dragon Descendants Museum branch, Suphanburi province



Suriyapong branch, Nan province

competition, the Company wishes to be part of the driving force behind the country's economic development, and believes that the synergy between communities and the Company will create sustainability and the country's wealth. The commitment to create professional opportunities for local communities is a dedication on which the Company places a high importance. As an example, the Company has hired local sub-contractors and workers for construction work, leading to local employment and pride in the community's accomplishments. The Company also has plans to expand its hiring scope for the maintenance and repair of 7-Eleven stores. Another example of the Company's effort to stimulate economic activities within the community is a pilot project to increase access to market for local products, supporting local economies and increasing the communities' resilience. The project is in its early stages of promoting and developing the readiness of both local products and small holders, as well as enhancing operational approaches, conducting feasibility studies, and augmenting business results. In addition, the Company also promotes local products through its Sustainable Thai SME project, which was conceived in 2016 and has continued to its second year in 2017. The project selects small holders and

manufacturers that use local raw materials in its products to collaborate with the Company in improving their packaging and sales channels—generating new kinds of products, such as fresh shrimp paste with chili sauce, which was developed from dried chili paste with fresh seasonings and shrimp paste to give customers more convenience and increase the use of local raw materials.

Overall, local products that have gone through merchandise and packaging improvements, as well as gaining access to convenient store sales channels, saw sales increase of more than 290%.





In addition to this initial step, the Company surveyed household-level economic conditions—both before and after the establishment of 7-Eleven stores—and sought for appropriate approaches to support the community. Among others, these include:

- “Fulfilling Dreams of Community Store Children Fund” is a project aimed at supporting the education of children and employees of community stores by giving them access to free vocational certification in retail business. Scholarship recipients are able to take the knowledge gained to help sustainably develop their own business, by either studying in the Panyapiwat Technological College or the Panyapiwat Learning Center, offered at more than 20 locations in Thailand.
- Seminars for Community Store Owners on the topic “Prospering with Community Stores Sustainably” have been continuously conducted since 2008. In 2017, more seminar locations were added, including NakhonSawan, Buriram, Lampang, and Trang, with over 1,000 participants. Trainings with government agencies were also conducted in order to help

facilitate a knowledge transfer with community store owners.

Other business units’ community relationship building activities are also in line with the same 5 principles reflected through various social activities, leveraging the specialization of each unit as project thrust. Examples of this include:

- Conflict reduction and relationships building with nearby companies. CPRAM Co., Ltd. (bakery business), situated in the Latkrabang industrial zone, organized meeting sessions with the management of companies in the vicinity, with the goal of understanding their challenges, complaints, suggestions, needs, and expectations. Meetings are typically organized twice a year, and once every quarter in 2017. These sessions uncovered 3 key needs and expectations: 1) traffic congestion and obstruction, 2) parking in front nearby companies, and 3) people/stores in front of nearby companies. After the Company has received these expectations, it identified remediating and preventive measures through its Traffic Management Project, which encompassed designating 4 parking zones for executive staff,



sales and marketing, employees, and suppliers. The Welfare Product Open House project has also allowed employees of nearby companies to purchase products at welfare prices, in addition to increasing their satisfaction in 2017 from 84.67% to 88.03%.

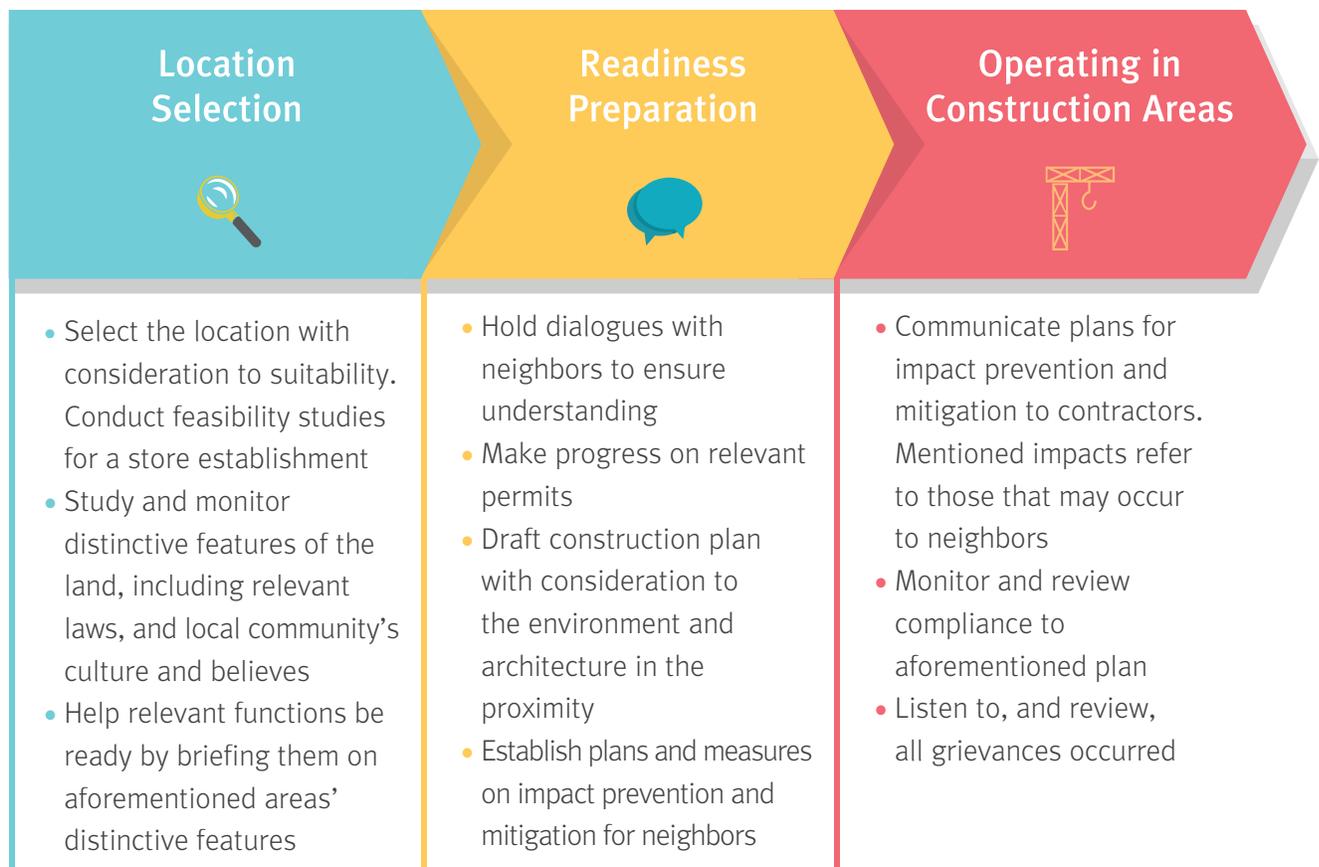
- A collaboration project among eXtra pharmacy, Bangkok district office, and Vajira hospital has organized basic health checkups and conducted information sessions on basic medical knowledge for the community, such as diabetes and high blood pressure. The project also promotes greater awareness among community members to start caring for their own health, as well as increase their access to medical services by providing mobile medical units for communities within the vicinity of participating district offices. In 2017, 228 people received medical service through this project.

Following this initiative and the Company’s experience in fostering good relationships with communities, particular those within the vicinity of its branch stores, distribution

centers, and factories, the Company has incorporate approaches to meet community needs as part of its branch store expansion approach. This is done through a commitment to reduce conflict areas, and create community acceptance through 5 key principles:

- Business operations on foundations of morality, ethics, integrity, and fairness
- Environmental protection and global warming mitigation
- Promotion of education, youth development, and community and social development
- Elevation of living standards, religion, and living conditions of community members
- Emergency disaster relief

These 5 principles have been incorporated in decisions to establish new 7-Eleven branch stores, complemented by the respect for community-specific local customs and way of life—guided by the belief that community members are neighbors whom we will help and prevent negative impacts to best of our ability.





# Delivering the Best Quality Throughout the Supply Chain

Today, sustainability-based business operations require cooperation with stakeholders to bring forward change—particularly by elevating the quality of life within society and communities, care for the environment, and good governance in driving Company to achieve its long-term goals.

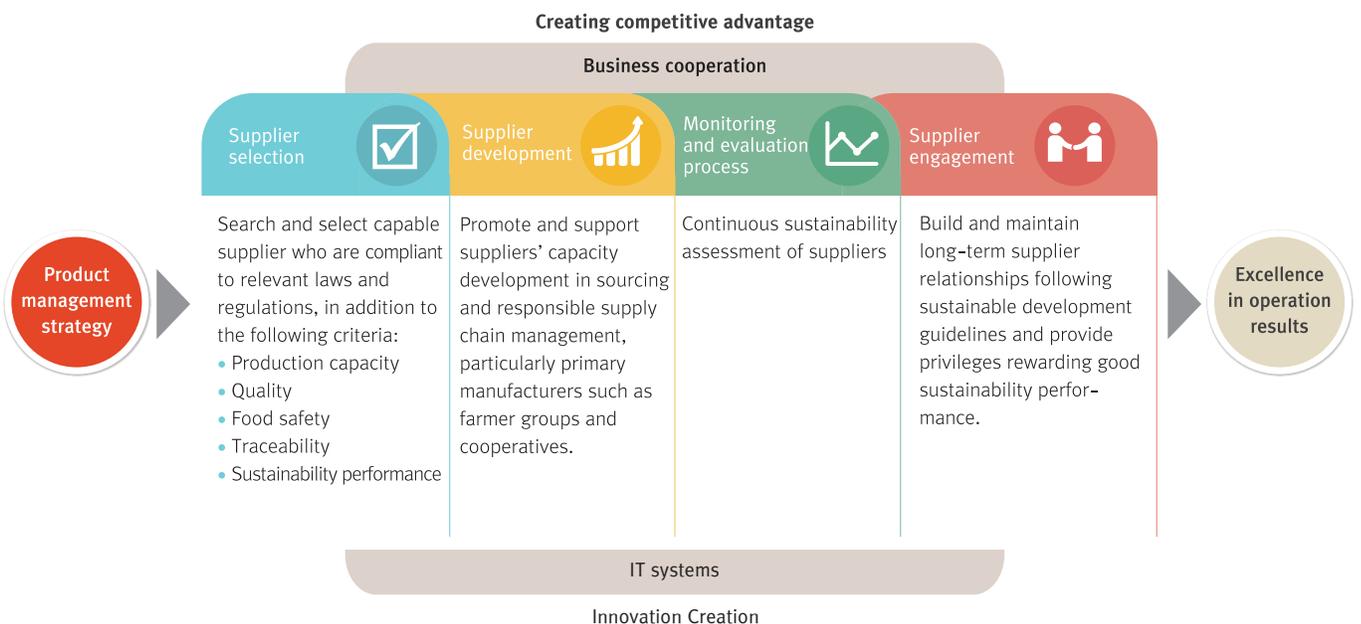
Supply chain management is key and an essential strategy in facilitating sustainable business success. An effective supply chain is composed of producers, distributors, and consumers—interlinked to meet consumer demands, improve quality of life and the environment, and guided by good corporate governance and a responsibility to all parties. By the same token, each link within the supply chain will need to continuously identify and withstand change, challenges, and future risks.

CP ALL Plc. and its Subsidiaries (“the Company”) have recognized the importance of operating a fair business, particularly with our business partners who will benefit from development opportunities and capacity building in order to grow together in the long-term. While the production and delivery of products and services whose quality and variety meet consumer demands are important business goals, the Company also believes that sustainability principles and issues constitute significant agenda and goals that ensure the strength of its supply chain. The Company is proud of this commitment, which reaffirms our organizational philosophy: “Through happy employees, we desire to see smiles from customers”.

In 2017, the Company established policies and performance targets for our trading partners in order to support and build trust in sustainably growing together. Based on sustainable development policy and goals, the Company has drafted a sustainable sourcing policy and supplier code of conduct and guideline. A Product

Selection Committee has also been established to oversee product assessment and selection prior to being sold in 7-Eleven store, while preventing any possible conflicts of interests in sourcing and ensuring the accurate, transparent, and traceable use of specific information related to the procurement and vendor selection process.

Following such policies, the Company developed a communication plan to its first-tier suppliers to ensure understanding, with the expectation that in addition to implementation, they will in turn cascade these policies to their trading partners and subcontractors. It is the Company’s determination to create awareness, collective responsibility, and elevate these standards throughout the supply chain. Additionally, the Company has also created plans to support suppliers’ preparation to meet these expectations and extenuate any potential risks that may incur to suppliers throughout the supply chain—as is outlined in our policy. In line with this, the Company has conducted trainings that include sustainable development guidelines as an important part of supply chain management. These trainings were offered with the cooperation among the Company’s various departments, such as each business procurement department, marketing management department, and product development and quality assurance department, across a range of processes from procurement, vendor selection, responsible supply chain management, to supplier relationship management, as seen in the diagram.



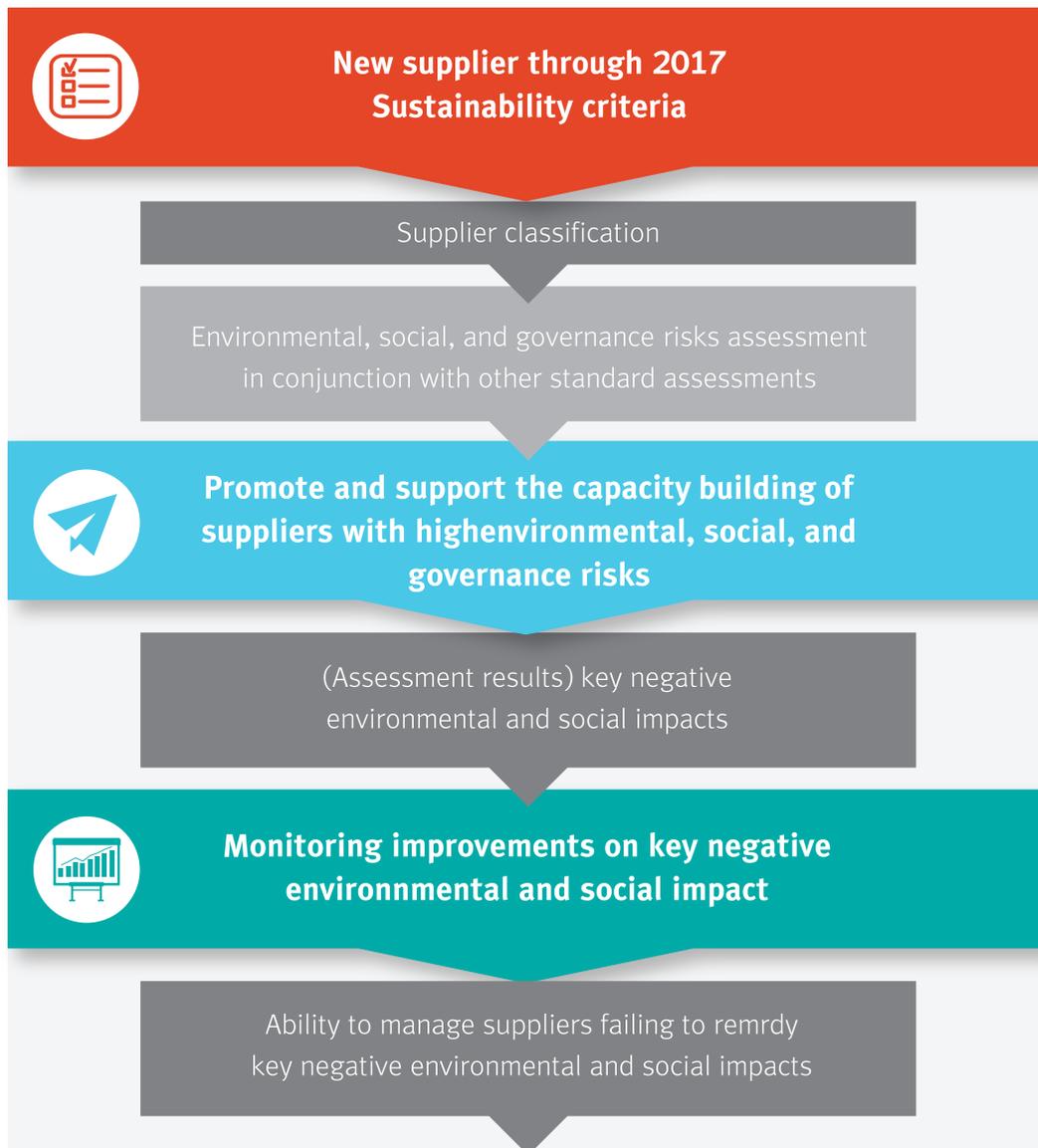
## The value chain management system



In the same year, the Company's subsidiaries have made headway in initiating ethical and sustainable and practices. Dynamic Management Co., Ltd., for instance, has distributed handbooks on good practices related to the delivery of temperature-control products, established monitoring measures for delivery vehicles that account for safety, occupational health and pollution emission, as well as screening for the use of child labor in the transportation sector. Siam Makro Plc. and CPRAM Co., Ltd. have adapted these practices to their specific business contexts, and have started communicating these policies and expectations to their suppliers.

In 2017, the Company started to incorporate sustainability issues, including environmental, social and governance, in assessing current suppliers as well as in the selection of new ones. Furthermore, the Company has also classified suppliers based on type and importance to determine the level of support and needed awareness. Suppliers are categorized as strategic suppliers, suppliers in special collaboration with the Company, and other suppliers, such as those vulnerable to business and sustainability risks.

In the initial implementation of responsible sourcing, the Company places importance on climate change



## Management Approach for Suppliers with Sustainability Risks

through its sustainable development policy and targets, by assessing sourcing decisions of raw materials and products from sources that do not damage forests and natural marine resources. The Company also promotes and supports projects that protect and rehabilitate natural resources, as well as establishing sustainable sourcing targets as follows:

**Target: Sustainability assessment and traceability of 100% of Critical Tier 1 Suppliers by 2020**

Assessment results will be used to design improvement, monitoring, and evaluation programs to ascertain that suppliers are able to sustainably conduct business with the Company.

In its efforts to communicate its sustainable sourcing policy, supplier code of conduct and guideline, and request for acknowledgement, the Company has put in place a communication and feedback plan through seminars, which have received a 100% response rate. Additionally, the Company has a policy supporting and prioritizing domestic sourcing in the country in which the business operates, with the goal to reduce energy consumption and greenhouse gas mission from logistics-related combustion and cooling chemicals. The Company's expenditure for raw materials and packaging from domestic and foreign suppliers are as follows:

Subsidiaries	Raw materials /Products	Packaging
CP ALL Plc. (7-Eleven)	100%	100%
Siam Makro Plc.	96.9%	100%
CPRAM Co., Ltd. (Ready-to-eat food business)	97.4%	100%
CPRAM Co., Ltd. (Bakery business)	100%	100%
24 Shopping Co., Ltd.	100%	100%

\*Only expenditures in Thai territories are considered

Through efforts on sustainability and capacity building with suppliers, the Company is able maintain good relationships with its suppliers. For instance, construction sub-contractors, one of the key supplier groups, reported a continuous growth in satisfaction and engagement.

### Satisfaction and engagement level of construction sub-contractors

Year	Satisfaction (%)	Engagement (%)
2014	46	77
2015	67	80
2016	94	88
2017	91	94

### Performance Highlights

The Company works with its suppliers across various projects in order to achieve its sustainable development policy objectives and targets. These encompass assessing raw materials sources to ensure the absence of deforestation and damage to marine resources and supporting the protection and rehabilitation of natural habitats. These projects include:

#### Blue Crab Breeding Project for Natural Water or the "Crab Bank Project"

Presently, the rising demands of crab meat is outpacing the natural repopulation rate, which is currently below replacement level. In response, the Company initiated a blue crab conservation effort, establishing targets protecting resources both in the Gulf of Thailand and the Andaman Sea. The project helps the Company address challenges connected to a low supply of crab, as well as helping preserve natural resources and to help support small holders (local fishermen) sustain their livelihoods.

Crab is an important raw material for CPRAM Co., Ltd.'s production plant, and is also an ingredient for 7 ready-to-eat menu items at 7-Eleven store, amounting to total sales volume of 575 million Baht in 2017.

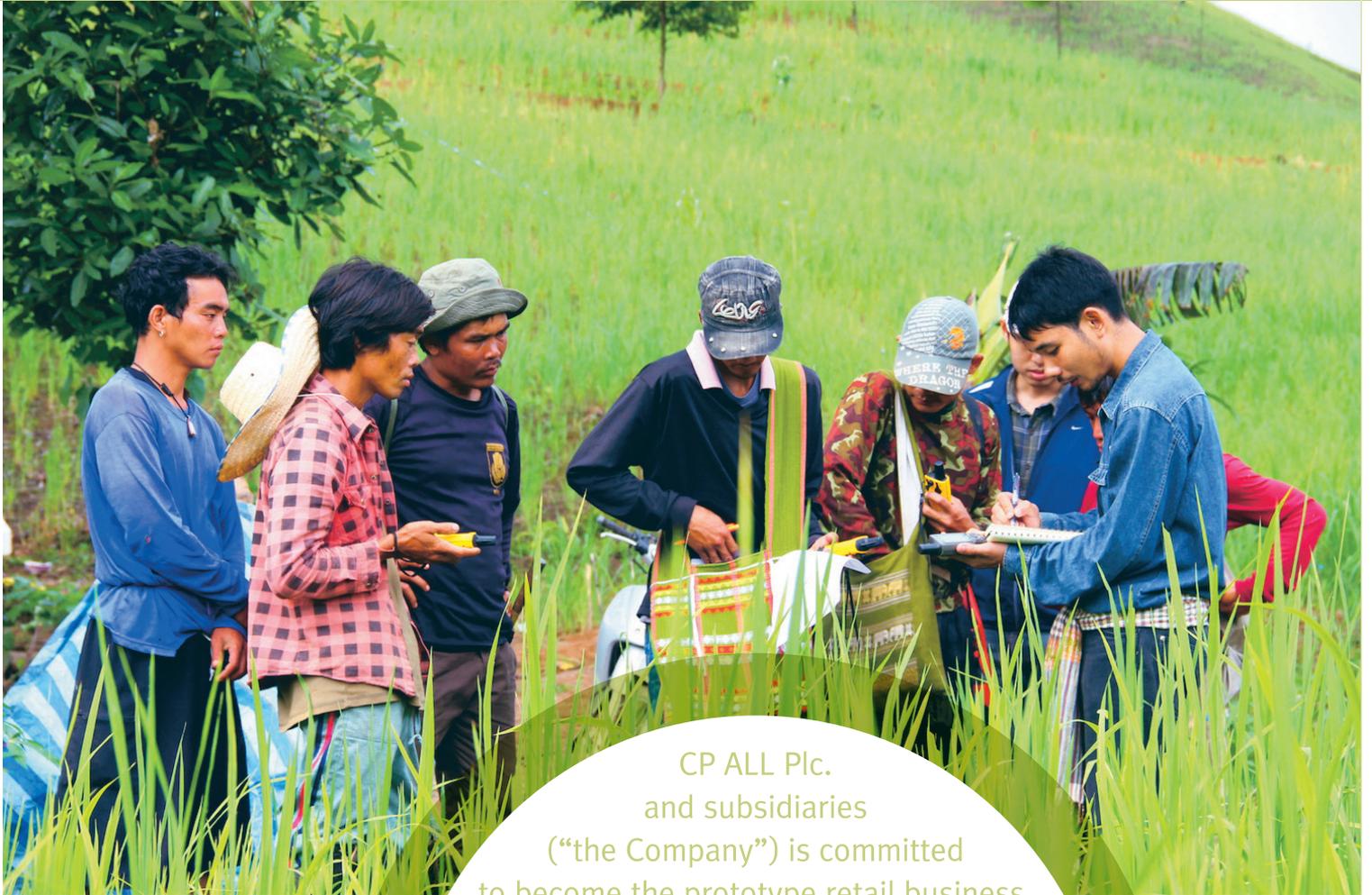


“Crab Bank Project” is a project aimed at the conservation and propagation of crabs in the area, by hatching crab eggs from the female crabs, whose eggs are attached outside the shell. This promotes conservation fishing practices, raising awareness on the ethical and responsible fishing of blue crabs and use of national resources. The parent stock with eggs attached are given to suppliers to be placed in temporary resting cages in the ocean, until the eggs hatched. Nurseries are then hosted in the cage. The younglings would be then released into the ocean, so they may grow naturally.

The result is a successful conservation of blue crabs, enabling natural repopulation, which allows small holders to sustainably maintain crab fisheries. and supply raw materials to processing plants.

The project helps restore  
**48,384,000 baby crabs/year**  
 (crab meat consumption is, on average,  
 at **8,024,390 baby crabs/year**).

# Creating Value for Society



CP ALL Plc.  
and subsidiaries  
("the Company") is committed  
to become the prototype retail business,  
and other relevant businesses, in creating  
sustainability for society. This will be achieved  
through good corporate governance, activities  
for overall social and community benefits.  
In consideration of the approach, the Company  
is determined to create a sustainable  
foundation according to Sufficiency Economy  
Philosophy, and United Nation's  
sustainability direction, coupled with  
development towards corporate  
excellence.



The Company has established a strategy pertaining social responsibility, which is in alignment with the Company’s aim in aspiring to be ‘an organization providing comfort for all communities, ensuring for the well-being and happiness of society.’ 2018-2022 Long term strategy will operate under the “Build Trust and Create Shared Value” guideline. In recognition of such crucial operation under aforementioned management approach, the Company has announced a Corporate Social Responsibility Policy. The Policy places an emphasis on creating social values through fair business operations, strengthening of professional security, and increasing income for farmers, fishermen, entrepreneurs, and small capital producers. This approach is to be achieved through the Company’s business capacity, to buttress the efforts in achieving Sustainable Development Goals: SDGs.

maximizing management and marketing competency, will be given. This is because the Company recognized that the crux of responsible business operation, on which long terms benefits can be generated for all parties involved, is to founded a balance in community development, or create social values.

**For 10,000 Farmers, or small and medium-size enterprises and vulnerable persons have received support for occupations and means of earning a living by 2020.**



One of the notable operation plans, instituted as part of the said policy, is the assessment and monitoring of project’s results. Considerations is to be given to output and impacts incurred, coupled to studies and assessment of external impacts, either positive or negative, that may arise. The data obtained will be utilized for development of new projects, and improvement of existing projects, aspiring for greater efficiency, maximum benefits and positive net impacts. The Company shall start using this process with agricultural and fisheries projects, which will serve as pilot projects in 2018.

In addition to continuous improvement and development, the company also has a guideline on ‘Support-Add on – Fill in – Complete’ in the incubating and development of stakeholders’ capacity. Examples comprise of highlighted local producers, to name a few. Practice opportunities for market trials, learning,

### Lifelong Learning for Sustainable Agriculture

Because the Company works with farmers across Thailand, goals for positive collaborations and quality agricultural progress have been established. This is in light of sustainable crops, as well as environmental and social safety, which is beneficial to all parties involved, either domestic or international market. Since 2010, the Company is committed in accumulating agricultural-related knowledge, in addition to creating occupations, and professional agricultural work. This fosters farmers to have a safer and more appropriate agricultural management, including increase distribution channels for farmers.

During the past years, the Company has participated in establishing community market, fortifying agriculture in the community. This includes direct purchases of produces from farmers. The Company investigated the area to

mitigate and prevent risks, bolstering agricultural practices in accordance to Good Agricultural Practice (GAP) itself. It also continuously monitored and advise farmers to mitigate or manage contamination risks, which may occur during plantation, harvest, or post-harvest management. This enables the Company to obtain products, which are quality, safe, consumption suitable, and to respond directly to the market's demand.

- **Farmers have safe and appropriate management**  
**6** Farmers were certified by Good Agricultural Practices (GAP), and recommended Good Agricultural Practices (GAP) to **53** farmers
- **Increased distribution channels**  
**6.75** Million Baht / year worth of products were purchased. Distribution areas were made available for

## Initial assessment criteria for agriculture areas and production source

Agricultural areas					Production source, processing agricultural products				
Water sources	Plantation areas	Dangerous agricultural materials	Agricultural hazardous materials storage	Arrange production process for quality products	Hygiene condition of the location and production buildings	Tools, machines, and equipment used during the packaging	Control over selection and packaging process	Maintenance and sanitation	Production personnel /employees
									
Harvesting, and post-harvesting practice	Data recording from various documents Environment	environment	Wastewater and agricultural waste management	Labors	Preservation and transportation	Recording			
									

The Lifelong Learning for Sustainable Agriculture Project elevates the agricultural standards for the community, farmers, and increase revenue for over 150 households. Part of the success is Basil Farming Support, which has been operating since 2010. It commits to establishing good community relationship through integration of agricultural management knowledge, and farmers' way of life. The Company provides knowledge on good and appropriate agricultural practice according to GAP Standard, granting professional stability to small scale farmers, and expands distribution channels. The Company can also purchase produces from farmers at fair prices. There are experts to provide guidance to farmers in times of needs, with regular knowledge exchanges. This secures income, provide security, and improve farmers' quality of life.

### Performance

- **Provide agricultural knowledge**  
**1,166** participants trained and participated in excursions
- **Provide jobs for community**  
**90** employments in the areas, promote **6** farmers, and **8** women professionally in their respective local cooperatives
- **Over 7 million Baht of economic circulation in the community per year**

farmers, as well as an online platform for early product reservation

- **Creative ideas or innovations generated from collaborative products**  
Develop a transportation plan via the use of digital map. Process products for aromatic oil. Forecast the produce demand, coupled to agriculture planning.

### Pilot Project: Golden Bananas (Kluay Hom Thong)

The Company recognizes the importance in product support from small and medium-sized enterprises, as well as consumers' shifting trends – inclining towards more convenient and healthier options. In 2012, the Company started implementing the Golden Bananas project for 7-Eleven stores' customers. It was a collaborative effort between various sectors, from community enterprises, to small and medium enterprises. Golden bananas were purchased from cooperatives and small-scale farmers, through a selection and selection process to ensure quality products were consumers. Additionally, the Company promotes for conglomeration of farmers to generate bargaining power and, effectiveness in operations. The Company also purchases products from farmer cooperatives to foster cooperative stability, such as Ban Ton Maprao Land Renovation Agricultural Cooperative Limited. The Cooperative was established by a group



### Farming plot management

- Utilized Good Agricultural Practice Standard
- Register farmers, and promote conglomeration
- Limited pesticide and weedicide usage
- Data recording, plan production capacity forecast



### Post-harvest process, packaging, and product distribution

- Criteria and good process for food production
- Develop packaging for transportation and post-harvest shelf-life prolongation
- Traceability



### Provide quality and safe agricultural products for consumers

- Sufficient products fitting the needs
- Healthy product
- Prolong shelf-life, and help reduce losses



for rubber tree farmers, who decided to adapt and switch to grow golden bananas instead.

The Golden bananas, sold through 7-Eleven stores, continue to generate increasing revenues. This fortifies farmers' cooperatives, enable them to have greater quality of life, following a more stable income flow. This gives more competitive capacity in the market.

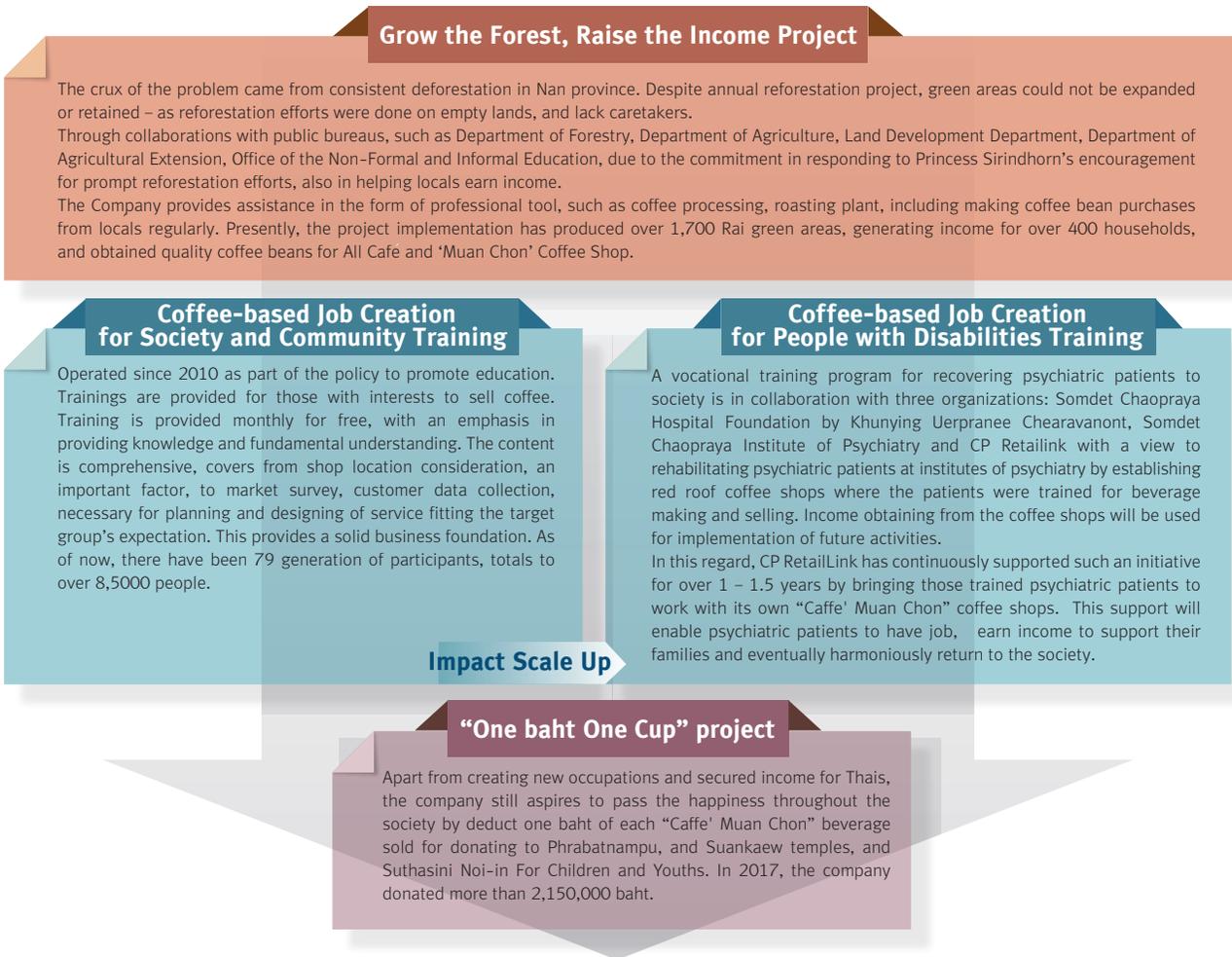
Apart from larger market distribution channels, the Company also promotes community enterprise, small and medium enterprises, cooperatives; helps enhance product quality in various aspects – covering the entire supply chain. This comprises of management and enhancement of agricultural area standard, promote chemical free golden banana plantation, as well as providing knowledge on harvests

and product selection. The Company has taken the efforts due to the recognition of health issues' importance, either farmers, sellers, or consumers. It currently studies and tests packaging innovation to help extend the Golden Bananas' shelf-life, to develop packaging for a more modern look, to better preserve the quality. The efforts mentioned facilitate distribution to 7-Eleven stores across the country. They have helped prolong golden bananas' shelf-life to 4 days, which helps cut down losses significantly.

Golden Bananas Project helps increase income and stability for community enterprises, small and medium enterprises, and cooperatives, through contracts and product quality enhancement. Presently, over 1,800 small scale farmers have participated, an equivalent of 12,970 Rai of agricultural areas.

## Coffee-based Job Creation for Society and Community Project

A project set driven by CP Retailink Co., Ltd. It comprises of smaller projects facilitating coffee supply chain development, by providing security to small-scale producers, as well as creating jobs and deliver quality coffee to consumers.



## Veteran Project

Part of the project for those with disabilities, a topic in which the Company is committed to contribute and promote, to generate positive impacts and social creativity, in accordance to the Royal Decree for Support and Development of Quality of Life for People with Disabilities. Since 2013, the Company has instituted The Committee for People with Disabilities to drive forward quality of life improvement for individuals with disabilities, specifically with more tangibility, going beyond the basic requirement of the law.

## Project Performance

The Veteran Project is a project that pushes for performance and success by Public-Private Collaboration Office, CP ALL Plc. It commits to answer employments and equal treatments as stated by the law. Work scope is determined in considerations to the expertise of aforementioned individual with disabilities.

## Roles and Responsibilities

- Monitor and investigate the safety of 7-Eleven stores to prevent incidents
- Be vigilant and maintain constant monitoring to any incidents occurred in 7-Elven stores. Facilitate for further support in case of accidents.
- Provide suggestion, guideline, approach for own safety in case of ‘robbery, burglary, harassment, or crimes’ to store employees.

## Performance

Number of employees with disabilities

2013 = 518 employees  
2014 = 539 employees  
2015 = 594 employees  
2016 = 649 employees

# APPENDIX

## Sustainability Performance : Environment

GRI	Required Data	Unit	Summary				Remark
			2014	2015	2016	2017	
	GHG Emission	tCO <sub>2</sub> e	903,379.94	1,021,629.79	1,131,651.73	1,184,068.66	
GRI 305-1	<b>GHG Emission Scope 1</b>	tCO <sub>2</sub> e	8,717.07	10,596.01	8,115.53	9,008.51	
	<b>Fugitive emissions</b>	tCO <sub>2</sub> e	2,795.18	3,444.09	1,115.46	914.04	
	Methane from UASB	tCO <sub>2</sub> e	2,795.18	3,444.09	1,115.46	914.04	Calculation comprised volume and characteristic of CPRAM Latkrabang's wastewater.
	<b>Mobile Combustion (CP ALL rents and pays for the fuel)</b>	tCO <sub>2</sub> e	5,921.89	7,151.92	7,000.07	8,094.47	
	Mobile Combustion (On road)	tCO <sub>2</sub> e	5,921.89	7,151.92	7,000.07	8,094.47	
	- Gasoline	tCO <sub>2</sub> e	3,164.96	3,938.54	4,067.27	4,221.57	
	- Diesel	tCO <sub>2</sub> e	2,756.93	3,213.38	2,932.80	3,872.90	
305-2	<b>GHG Emission Scope 2</b>	tCO <sub>2</sub> e	894,662.87	1,011,033.78	1,123,536.20	1,175,060.15	
	GHG Emission from Grid Electricity	tCO <sub>2</sub> e	894,662.87	1,011,033.78	1,123,536.20	1,175,060.15	
305-4	GHG Intensity						
	GHG Intensity (per revenue)	tCO <sub>2</sub> e /MTB	2.43	2.52	2.50	2.42	GHG intensity was calculated by including scope 1 and 2 emissions.
Energy Intensity (per revenue)							
GRI 302-1	<b>Stationary Combustion</b>	GJ	144,934.03	171,137.35	231,481.88	273,582.89	
	<b>Fossil fuels (coal, oil, natural gas, etc.) purchased and consumed (for energy purposes)</b>	GJ	144,934.03	171,137.35	231,481.88	273,582.89	CP ALL's data was included since 2018.
	- Bunker oil	GJ	110,040.00	123,301.00	143,934.00	161,001.74	
		Liter	2,913,000.00	3,264,000.00	3,770,000.00	4,216,913.00	
	- Diesel	GJ	2,697.00	3,289.57	4,083.00	4,086.98	Partial data was back-calculated with assumptions.
		Liter	74,052.81	90,323.19	112,108.73	112,217.85	
	- LPG	GJ	32,197.03	42,147.39	66,951.12	69,182.62	
		kg	640,000.00	839,000.00	4,139,772.00	1,377,382.59	
	- Natural Gas	GJ	0.00	2,399.39	16,513.76	39,311.55	
		MMBTU	0.00	2,274.30	15,652.85	37,281.09	
	<b>Electricity (nonrenewable) purchased</b>	GJ	5,533,046.83	6,252,744.90	6,948,512.89	7,267,165.11	
	<b>Total renewable energy consumed</b>	GJ	0.00	0.00	122.15	2,983.28	Geothermal energy consumption was excluded.
	- Solar	GJ	0.00	0.00	122.15	223.88	
- Solar thermal	GJ	0.00	0.00	0.00	2,759.40		



GRI	Required Data	Unit	Summary				Remark
			2014	2015	2016	2017	
GRI 302-3	<b>Energy Intensity</b>						
	Energy Intensity (per revenue)	GJ/MTB	15.29	15.83	15.89	15.41	
<b>Water</b>							
GRI 303-1	<b>Water Consumption</b>						
	Total municipal water supplies (or from other water utilities)	m <sup>3</sup>	5,962,212.15	6,536,553.33	7,084,097.21	8,025,422.18	Partial CP ALL data was back-calculated from water expenses.
	Fresh groundwater	m <sup>3</sup>	248,598.00	624,289.00	935,815.00	1,036,559.00	Groundwater was consumed only by CPRAM Ladlumkaew.
	Water returned to the source of extraction at similar or higher quality as raw water extracted (only applies to Fresh surface water and Fresh groundwater)	m <sup>3</sup>	201,388.00	142,232.00	92,618.00	101,833.00	Groundwater was consumed only by CPRAM Ladlumkaew.
	Total net fresh water consumption	m <sup>3</sup>	6,210,810.15	7,160,842.33	8,019,912.21	9,061,981.18	
GRI 303-3	Total volume of water recycled and reused by the organization.	m <sup>3</sup>	260,469.00	211,852.00	170,996.00	190,839.00	Direct measurement was implemented at CPRAM Ladlumkaew and CPRAM Latkrabang.
<b>Effluent and Waste</b>							
GRI 306-1	<b>Water discharge by quality and destination</b>						
	Volume of effluent	m <sup>3</sup>	1,302,458.19	1,560,924.10	1,823,911.21	2,083,072.07	CP ALL's data was included since 2018.
	Biochemical Oxygen Demand (BOD)	kg	19,972.00	15,530.00	22,816.00	22,852.00	
	Total Suspended Solids (TSS)	kg	6,080.00	15,824.00	16,877.00	13,088.00	

GRI	Required Data	Unit	Summary				Remark
			2014	2015	2016	2017	
GRI 306-2	<b>Hazardous Waste Disposal Method</b>						Siam Makro's data was included since 2018.
	Incineration (Mass burn)	Metric Ton	4.95	12.00	16.70	23.09	Data was measured by weighing.
	Landfill	Metric Ton	5.79	4.81	3.29	3.01	Data was measured by weighing.
	Chemical or fuel contaminated	Metric Ton	0.27	0.71	0.30	0.06	Data was measured by weighing.
	Infectious waste referring to Public Health Act.	Metric Ton	0.39	1.45	1.01	0.61	Data was measured by weighing.
	Other return to supplier	Metric Ton	n/a	n/a	0.04	2.25	
	<b>Non-hazardous Waste Disposal Method</b>						
	Composting	Metric Ton	844.55	1,131.44	2,021.71	5,065.75	Partial data was calculated from waste disposal trips.
	Incineration (Mass burn)	Metric Ton	922.77	820.01	1,165.12	1,651.77	Partial data was calculated from waste disposal trips.
	Landfill	Metric Ton	2,559.38	10,660.96	18,452.91	21,325.40	Partial data was calculated from waste disposal trips.
	Municipal solid waste referring to Public Health Act.	Metric Ton	29.06	0.00	28.39	0.00	Data was measured by weighing.
	Other return to Supplier	Metric Ton	31.00	27.68	31.16	32.76	CPRAM Ladlumkaew's data was calculated from number of waste container.
	<b>Disposed waste of both types</b>						
Landfilled + Subjected to deep well + Incinerated without energy recovery	Metric Ton	3,522.34	11,499.23	19,667.42	23,003.88		

**Scope data :**

Sub-Area data is omitted from CPALL

Food Service is omitted from Siam Makro

CPRAM Ready-to-Eat Food Business data from Ladlumkaew

CPRAM bakery Business data from Latkrabang



## Sustainability Performance : Social

GRI	Required Data	Unit	Summary				Remark
			2014	2015	2016	2017	
GRI 102-7	<b>Total Employees</b>						
GRI 102-8	Employees	Person	57,863	63,654	71,072	75,842	
GRI 102-8	Permanent employees	Person	57,722	63,546	70,902	75,684	
	Board of Directors/Supervisory Board	Person	10	10	11	12	
	- Male	Person	13	13	14	14	
	- Female	Person	2	2	2	4	
GRI 102-8	<b>Total number of employees by level</b>	Person	57,863	63,654	71,072	75,842	
	Top Executive	Person	17	17	18	18	
	- Male	Person	13	13	14	14	
	- Female	Person	4	4	4	4	
	Management	Person	1,904	2,100	2,300	2,437	
	- Male	Person	894	982	1,066	1,106	
	- Female	Person	1,010	1,118	1,234	1,331	
	Non-Management	Person	55,942	61,537	68,754	73,387	
	- Male	Person	19,578	21,415	23,269	24,822	
	- Female	Person	36,364	40,122	45,485	48,565	
GRI 405-1	<b>Total Employees by age</b>	Person	57,863	63,654	71,072	75,842	
	< 30 years	Person	31,120	34,384	39,364	41,777	
	- Male	Person	10,704	11,762	13,036	13,917	
	- Female	Person	20,416	22,622	26,328	27,860	
	30-50 years	Person	26,112	28,581	30,868	33,105	
	- Male	Person	9,551	10,389	10,996	11,667	
	- Female	Person	16,561	18,192	19,872	21,438	
	> 50 years	Person	631	689	840	960	
	- Male	Person	231	258	318	358	
	- Female	Person	400	431	522	602	
GRI 404-1	<b>Training &amp; Development</b>						
	<b>By Level</b>						
	- Executive Level	hour/person	68.13	80.65	129.31	68.19	
	- Officer Level	hour/person	28.55	40.67	53.99	54.44	
	- Staff Level	hour/person	18.40	24.96	37.43	81.98	

GRI	Required Data	Unit	Summary				Remark
			2014	2015	2016	2017	
GRI 401-1	<b>New employee hires and employee turnover</b>		-	-	-	-	
	Total new hires	Person	27,233	31,002	33,926	34,123	
	- Over 50 year	Person	27	28	31	31	
	- Age 30 - 50 year	Person	5,982	6,783	6,603	6,587	
	- Under 30 year	Person	21,224	24,191	27,292	27,505	
	Total turnover	Person	25,466	28,833	32,737	33,502	
	- Over 50 year	Person	75	85	70	97	
	- Age 30 - 50 year	Person	5,546	6,235	6,694	7,078	
- Under 30 year	Person	19,845	22,513	25,973	26,327		
GRI 403-2	<b>Absentee</b>						
	- Male	%	0.54%	0.73%	0.83%	0.36%	
	- Female	%	0.72%	0.97%	1.06%	0.55%	
	Absentee rate	%	1.26%	1.70%	1.89%	0.91%	
	<b>Lost day</b>						
	- Male	%	70.7	93.5	73	63.5	
	- Female	%	29.1	6.5	27	36.5	
	Lost day rate	%	8.6	9.4	9.7	8.4	
	<b>Fatalities (Employee)</b>						
	- Male	Person	0	0	0	0	
	- Female	Person	0	0	0	0	
	<b>Fatalities (Contractor)</b>						
	- Male	Person	0	0	0	0	
	- Female	Person	0	0	0	0	
	<b>Injuries Frequency Rate (IR) - Employees</b>	Case/million work hours	3.08	2.79	2.95	1.98	
	- Male	Case/million work hours	4.97	4.51	4.05	3.10	
	- Female	Case/million work hours	1.67	1.83	1.68	1.37	
	<b>Injuries Frequency Rate (IR) Contractors</b>	Case/million work hours	4.14	5.05	6.09	3.03	
	- Male	Case/million work hours	5.91	6.76	7.47	3.97	CPRAM Latkrabang's data was included since 2018.
	- Female	Case/million work hours	2.38	3.31	4.13	2.06	CPRAM Latkrabang's data was included since 2018.



GRI	Required Data	Unit	Summary				Remark
			2014	2015	2016	2017	
	<b>Lost-Time Injuries Frequency Rate (LTIFR) - Employees</b>	Hour/million work hours	20.73	14.53	22.06	43.67	
	- Male	Hour/million work hours	2.71	3.49	3.92	2.67	SiamMakro's methodology counts all loss-days.
	- Female	Hour/million work hours	1.1	0.66	0.95	0.67	
	<b>Lost-Time Injuries Frequency Rate (LTIFR) - Employees</b>	Case/million work hours	1.01	0.95	0.60	1.95	
	- Male	Case/million work hours	1.89	1.86	1.72	3.56	
	- Female	Case/million work hours	0.53	0.44	0.50	1.06	
	<b>Lost-Time Injuries Frequency Rate (LTIFR) - Contractors</b>	Hour/million work hours	3.74	5.39	5.95	2.40	
	- Male	Hour/million work hours	4.20	7.18	7.47	2.80	CPRAM Latkrabang's data was included since 2018.
	- Female	Hour/million work hours	3.27	3.57	3.79	1.98	CPRAM Latkrabang's data was included since 2018.
	<b>Occupational Illness Frequency Rate (OIFR) - Employees</b>						
	- Male	Hour/million work hours	0	0	0	0	
	- Female	Hour/million work hours	0	0	0	0	
	<b>Occupational Illness Frequency Rate (OIFR) - Contractors</b>						
	- Male	Hour/million work hours	0	0	0	0	
	- Female	Hour/million work hours	0	0	0	0	

**Scope data :**

Contractors (e.g. goods forwarders, visitors, and construction and maintenance contractors) are omitted from the report.

Franchise, sub area, distribution centers, and offices data are omitted from CP ALL.

Food Service data is omitted from Siam Makro.

**Remark :**

CPRAM Ready-to-Eat Food Business data from Ladlumkaew

CPRAM bakery Business data from Latkrabang

## Sustainability Performance : Education

GRI	Required Data	Unit	Performance				Remark
			2014	2015	2016	2017	
	<b>Number of Students in The Present</b>	Person	19,475	22,982	27,220	30,675	
	<b>Number of Scholarship Grantees</b>	Scholarship	12,918	14,576	16,733	19,526	
	<b>Number of Students Graduated</b>	Person	2,581	3,147	3,782	4,523	
	Vocational education	Person	1,959	2,458	2,435	2,711	
	Higher education	Person	622	689	1,347	1,812	
	<b>Number of Students Graduate and Work with Company</b>	Person	1,467	2,359	2,255	2,091	

**Scope data :**

CPALL (Public Company Limited)

Panyapiwat Technological College

The Panyapiwat Institute of Management

The Panyapiwat Institute of Management Demonstration School (Satit PIM)



Global Reporting Initiative Standards	Disclosure Title	Section	Page Number	Remark	External Assurance
<b>General Disclosures</b>					
102-1	Name of the organization	Overview of CP ALL (Public Company Limited) and Subsidiaries	4	-	-
102-2	Activities, brands, products, and services	Overview of CP ALL (Public Company Limited) and Subsidiaries	4-9	-	-
102-3	Location of headquarters	Overview of CP ALL (Public Company Limited) and Subsidiaries	9	-	-
102-4	Location of operations	Overview of CP ALL (Public Company Limited) and Subsidiaries	4-9	-	-
102-6	Markets served	Overview of CP ALL (Public Company Limited) and Subsidiaries	4-9	-	-
102-7	Scale of the organization	Overview of CP ALL (Public Company Limited) and Subsidiaries	Annexure page 5	Refer to CP ALL Annual Report 2017, page 3, 33, 35, 40-43	-
102-8	Information on employees and other workers	Overview of CP ALL (Public Company Limited) and Subsidiaries	Annexure page 5	-	-
102-9	Supply chain	Overview of CP ALL (Public Company Limited) and Subsidiaries	4, 71-76		
102-10	Significant changes to the organization and its supply chain	Delivering the Best Quality Throughout the Supply Chain	71-76	Refer to CP ALL Annual Report 2017, page 34	
102-11	Precautionary Principle or approach	Holistic Integrated Management Framework: Readiness in mitigating diverse risk profiles	27-30	Refer to CP ALL Annual Report 2017, page 51-56	
102-12	External initiatives	"Adding Product Value, For Consumer's Better Quality of Life Creating Value for Society "	35-37, 77-81		
102-13	Membership of associations	-	-	<a href="https://www.cpall.co.th/Sustain/performance">https://www.cpall.co.th/Sustain/performance</a>	
102-14	Statement from senior decision-maker	Message from Chairman Message from Chairman of Executive Committee	2-3	-	-
102-16	Values, principles, standards, and norms of behavior	"Building on Ideology, Strategy for Sustainability	10-11, 21-26		
102-18	Governance structure	Commitment to Ethics and Good Corporate Governance	21-26	-	-
102-19	Delegating authority	Building on Ideology, Strategy for Sustainability	10-11	-	-
102-22	Composition of the highest governance body and its committees	Commitment to Ethics and Good Corporate Governance	21-26	-	-
102-26	Role of highest governance body in setting purpose, values, and strategy	Commitment to Ethics and Good Corporate Governance	21-26	-	-

Global Reporting Initiative Standards	Disclosure Title	Section	Page Number	Remark	External Assurance
102-29	Identifying and managing economic, environmental, and social impacts	Holistic Integrated Management Framework: Readiness in mitigating diverse risk profiles	27-30, 62-66	-	-
102-30	Effectiveness of risk management processes	Holistic Integrated Management Framework: Readiness in mitigating diverse risk profiles	27-30	Refer to CP ALL Annual Report 2017, page 51-56	-
102-31	Review of economic, environmental, and social topics	Holistic Integrated Management Framework: Readiness in mitigating diverse risk profiles	14-15, 27-30	-	-
102-40	List of stakeholder groups	Creating happiness through stakeholder engagement	16-20	-	-
102-42	Identifying and selecting stakeholders	Creating happiness through stakeholder engagement	16-20	-	-
102-43	Approach to stakeholder engagement	Creating happiness through stakeholder engagement	16-20	-	-
102-44	Key topics and concerns raised	Creating happiness through stakeholder engagement	16-20	-	-
102-46	Defining report content and topic Boundaries	Overview of CP ALL (Public Company Limited) and Subsidiaries	4-9, 14-15	-	-
102-47	List of material topics	Building on Ideology, Strategy for Sustainability	10-11,	-	-
		Emphasis on All Material Issues for Sustainability in All Dimensions	14-15	-	-
102-49	Changes in reporting	Emphasis on All Material Issues for Sustainability in All Dimensions	14-15	-	-
102-50	Reporting period	Emphasis on All Material Issues for Sustainability in All Dimensions	14-15, Annexure page 2-9	-	-
102-52	Reporting cycle	Emphasis on All Material Issues for Sustainability in All Dimensions	14-15	-	-
102-53	Contact point for questions regarding the report	Overview of CP ALL (Public Company Limited) and Subsidiaries	9	-	-
102-54	Claims of reporting in accordance with the GRI Standards	Emphasis on All Material Issues for Sustainability in All Dimensions	14	-	-
102-55	GRI content index	GRI content index	This page	-	-
102-56	External assurance	External data assurance	104-105	-	-
<b>Management Approach</b>					
103-1	Explanation of the material topic and its Boundary	Building on Ideology, Strategy for Sustainability	10-15	-	-
103-2	The management approach and its components	Creating happiness through stakeholder engagement	All chapters	-	-



Global Reporting Initiative Standards	Disclosure Title	Section	Page Number	Remark	External Assurance
<b>Procurement Practices</b>					
204-1	Proportion of spending on local suppliers	Delivering the Best Quality Throughout the Supply Chain	75	-	-
<b>Anti-corruption</b>					
205-2	Communication and training about anti-corruption policies and procedures	Commitment to Ethics and Good Corporate Governance	21-26	-	-
<b>Materials</b>					
301-3	Reclaimed products and their packaging materials	Caring for Environment, aligned with international standards Sustainability performance	55	-	-
<b>Energy</b>					
302-1	Energy consumption within the organization	Caring for Environment, aligned with international standards Sustainability performance	83	-	✓
302-3	Energy intensity	Caring for Environment, aligned with international standards Sustainability performance	84	-	✓
302-4	Reduction of energy consumption	Caring for Environment, aligned with international standards Sustainability performance	53	-	-
<b>Water</b>					
303-1	Water withdrawal by source	Caring for Environment, aligned with international standards	84	-	✓
303-3	Water recycled and reused	Caring for Environment, aligned with international standards Sustainability performance	84	-	-
<b>Emissions</b>					
305-1	Direct (Scope 1) GHG emissions	Sustainability performance	83	-	✓
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability performance	83	-	✓
305-4	GHG Emission Intensity	Sustainability performance	83	-	✓
<b>Effluents and Waste</b>					
306-2	Waste by type and disposal method	Sustainability performance	85	-	✓
<b>Employment</b>					
401-1	New employee hires and employee turnover	Sustainability performance	87	-	-

Global Reporting Initiative Standards	Disclosure Title	Section	Page Number	Remark	External Assurance
<b>Occupational Health and Safety</b>					
403-1	Workers representation in formal joint management– worker health and safety committees	Sustainability performance	48	-	✓
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Sustainability performance	87	-	✓
<b>Training and Education</b>					
404-1	Average hours of training per year per employee	Sustainability performance	86	-	-
404-2	Programs for upgrading employee skills and transition assistance programs	Strengthening Capacity, One Organization	41-42	-	-
<b>Customer Health and Safety</b>					
416-1	Assessment of the health and safety impacts of product and service categories	Adding Product Value, For Consumer’s Better Quality of Life	35-37	-	-
<b>Human Rights Assessment</b>					
408-1	Operations and suppliers at significant risk for incidents of child labor	Society of Peace: Respecting Human Rights	62-66	Additional information please refer to <a href="http://cpall.co.th/sustain/humanright">http://cpall.co.th/sustain/humanright</a>	-
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Society of Peace: Respecting Human Rights	62-66	Additional information please refer to <a href="http://cpall.co.th/sustain/humanright">http://cpall.co.th/sustain/humanright</a>	-
412-1	Operations that have been subject to human rights reviews or impact assessments	Society of Peace: Respecting Human Rights	62-66	Additional information please refer to <a href="http://cpall.co.th/sustain/humanright">http://cpall.co.th/sustain/humanright</a>	-
412-2	Employee training on human rights policies or procedures	Society of Peace: Respecting Human Rights	62-66	Additional information please refer to <a href="http://cpall.co.th/sustain/humanright">http://cpall.co.th/sustain/humanright</a>	-



## United Nations Sustainability Development Goals (UN SDGs)

Goals	Description	Page
1	End poverty in all its forms everywhere	69, 77-81
2	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	35-37, 77-81
3	Ensure healthy lives and promote well-being for all at all ages	12-13, 35-37
4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	12-13, 43-45
5	Achieve gender equality and empower all women and girls	-
6	Ensure availability and sustainable management of water and sanitation for all	12-13
7	Ensure access to affordable, reliable, sustainable and modern energy for all	12-13, 51-54
8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	12-13, 46-50, 58-66, 77-81
9	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	12-13, 58-61
10	Reduce inequality within and among countries	62-71, 77-81
11	Make cities and human settlements inclusive, safe, resilient and sustainable	12-13, 46-57, 62-71
12	Ensure sustainable consumption and production patterns	51-57
13	Take urgent action to combat climate change and its impacts	12-13, 51-57
14	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	12-13, 75-76
15	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse	12-13
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	12-13, 67-71, 77-81
17	Strengthen the means of implementation and revitalize the global partnership for sustainable development	78

## UNGC Advanced level

UNGC Advanced level checklist		Comment/ Reference	
<i>Implementing the Ten Principles into Strategies &amp; Operations</i>	<b>Criterion 1: The COP describes mainstreaming into corporate functions and business units</b>		
	Indicate which of the following best practices are described in your COP:		
		<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13
		<ul style="list-style-type: none"> <li>Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc) ensuring no function conflicts with company's sustainability commitments and objectives</li> </ul>	Page 10-13
		<ul style="list-style-type: none"> <li>Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy</li> </ul>	Page 10-13
		<ul style="list-style-type: none"> <li>Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary</li> </ul>	Page 10-13
		<ul style="list-style-type: none"> <li>Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs</li> </ul>	Page 10-13
		<ul style="list-style-type: none"> <li>Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts</li> </ul>	Page 10-13
		<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	
	<b>Criterion 2: The COP describes value chain implementation</b>		
	Indicate which of the following best practices are described in your COP:		
		<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	<a href="https://www.cpall.co.th/Sustain/policy">https://www.cpall.co.th/Sustain/policy</a>
		<ul style="list-style-type: none"> <li>Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts</li> </ul>	<a href="https://www.cpall.co.th/Sustain/performance">https://www.cpall.co.th/Sustain/performance</a>
		<ul style="list-style-type: none"> <li>Communicate policies and expectations to suppliers and other relevant business partners</li> </ul>	<a href="https://www.cpall.co.th/Sustain/policy">https://www.cpall.co.th/Sustain/policy</a>
		<ul style="list-style-type: none"> <li>Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence</li> </ul>	
		<ul style="list-style-type: none"> <li>Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners</li> </ul>	Page 72-76 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
		<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	
	<b>Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights</b>		
	Indicate which of the following best practices are described in your COP:		
	Robust Human Rights Management Policies & Procedures	<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
		<ul style="list-style-type: none"> <li>Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates (e.g., the Universal Declaration of Human Rights, Guiding Principles on Human Rights)</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>



UNGC Advanced level checklist			Comment/ Reference
		<ul style="list-style-type: none"> <li>• Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
		<ul style="list-style-type: none"> <li>• Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
		<ul style="list-style-type: none"> <li>• Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
		<ul style="list-style-type: none"> <li>• Other established or emerging best practices</li> </ul>	Page 62-66
<b>Criterion 4: The COP describes effective management systems to integrate the human rights principles</b>			
Indicate which of the following best practices are described in your COP:			
		<ul style="list-style-type: none"> <li>• Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
		<ul style="list-style-type: none"> <li>• Process to ensure that internationally recognized human rights are respected</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
		<ul style="list-style-type: none"> <li>• On-going due diligence process that includes an assessment of actual and potential human rights impacts</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
		The Guiding Principles suggest that the assessment:	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
		<ul style="list-style-type: none"> <li>• Internal awareness-raising and training on human rights for management and employees</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
		<ul style="list-style-type: none"> <li>• Operational-level grievance mechanisms for those potentially impacted by the company's activities</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
		<ul style="list-style-type: none"> <li>• Allocation of responsibilities and accountability for addressing human rights impacts</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
		<ul style="list-style-type: none"> <li>• Internal decision-making, budget and oversight for effective responses to human rights impacts</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
		<ul style="list-style-type: none"> <li>• Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
		<ul style="list-style-type: none"> <li>• Process and programs in place to support human rights through: core business; strategic philanthropic/social investment; public policy engagement/advocacy; partnerships and/or other forms of collective action</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
		<ul style="list-style-type: none"> <li>• Other established or emerging best practices</li> </ul>	-

UNGC Advanced level checklist		Comment/ Reference
Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration		
Indicate which of the following best practices are described in your COP:		
	<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
	<ul style="list-style-type: none"> <li>Monitoring drawn from internal and external feedback, including affected stakeholders</li> </ul>	-
	<ul style="list-style-type: none"> <li>Process to deal with incidents the company has caused or contributed to for internal and external stakeholders</li> </ul>	-
	<ul style="list-style-type: none"> <li>Outcomes of integration of the human rights principles</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
	Suggested GRI Indicators: HR2 Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken. HR10 Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.)	
	(a) Be of a form and frequency that reflect an enterprise's human rights impacts and that are accessible to its intended audiences;	
	(b) Provide information that is sufficient to evaluate the adequacy of an enterprise's response to the particular human rights impact involved;	
	(c) In turn not pose risks to affected stakeholders, personnel or to legitimate requirements of commercial confidentiality.	
	<ul style="list-style-type: none"> <li>Outcomes of remediation processes of adverse human rights impacts (Suggested GRI Indicator: HR11 Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.)</li> </ul>	-
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-



UNGC Advanced level checklist		Comment/ Reference
<b>Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour</b>		
Indicate which of the following best practices are described in your COP:		
<i>Robust Labour Management Policies &amp; Procedures</i>	<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Reflection on the relevance of the labour principles for the company</li> </ul>	Page 46-50
	<ul style="list-style-type: none"> <li>Written company policy to obey national labour law, respect principles of the relevant international labour standards in company operations worldwide, and engage in dialogue with representative organization of the workers (international, sectoral, national).</li> </ul>	<a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners</li> </ul>	72-75 <a href="https://www.cpall.co.th/Sustain/policy">https://www.cpall.co.th/Sustain/policy</a>
	<ul style="list-style-type: none"> <li>Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation Examples: Inclusion of vulnerable/discriminated groups in the workforce (e.g., women, disabled, migrant, HIV/AIDS, older/younger workers); equal pay for work of equal value; contribution to national strategies to eliminate child/forced labour, etc.</li> </ul>	<a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Participation and leadership in wider efforts by employers' organizations (international and national levels) to jointly address challenges related to labour standards in the countries of operation, possibly in a tripartite approach (business – trade union – government).</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
	<ul style="list-style-type: none"> <li>Structural engagement with a global union, possibly via a Global Framework Agreement</li> </ul>	Page 62-66 <a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-
<b>Criterion 7: The COP describes effective management systems to integrate the labour principles</b>		
Indicate which of the following best practices are described in your COP:		
	<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Risk and impact assessments in the area of labour</li> </ul>	Page 62-66
	<ul style="list-style-type: none"> <li>Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards</li> </ul>	-
	<ul style="list-style-type: none"> <li>Allocation of responsibilities and accountability within the organization</li> </ul>	Page 48
	<ul style="list-style-type: none"> <li>Internal awareness-raising and training on the labour principles for management and employees</li> </ul>	Page 62-66
	<ul style="list-style-type: none"> <li>Active engagement with suppliers to address labour-related challenges</li> </ul>	<a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
	<ul style="list-style-type: none"> <li>Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in agreement with the representative organization of workers</li> </ul>	
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-

UNGC Advanced level checklist		Comment/ Reference
<b>Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration</b>		
Indicate which of the following best practices are described in your COP:		
	<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>System to track and measure performance based on standardized performance metrics</li> </ul>	-
	<ul style="list-style-type: none"> <li>Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future</li> </ul>	Page 48
	<ul style="list-style-type: none"> <li>Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labour standards</li> </ul>	Page 62-66
	<ul style="list-style-type: none"> <li>Process to positively engage with the suppliers to address the challenges (i.e., partnership approach instead of corrective approach) through schemes to improve workplace practices</li> </ul>	<a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
	<ul style="list-style-type: none"> <li>Outcomes of integration of the Labour principles</li> </ul>	<a href="https://www.cpall.co.th/Sustain">https://www.cpall.co.th/Sustain</a>
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-
<b>Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship</b>		
Indicate which of the following best practices are described in your COP:		
<b>Robust Environmental Management Policies &amp; Procedures</b>	<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)</li> </ul>	-
	<ul style="list-style-type: none"> <li>Reflection on the relevance of environmental stewardship for the company</li> </ul>	51-57
	<ul style="list-style-type: none"> <li>Written company policy on environmental stewardship</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners</li> </ul>	-
	<ul style="list-style-type: none"> <li>Specific commitments and goals for specified years</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-
<b>Criterion 10: The COP describes effective management systems to integrate the environmental principles</b>		
Indicate which of the following best practices are described in your COP:		
	<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Environmental risk and impact assessments</li> </ul>	-
	<ul style="list-style-type: none"> <li>Assessments of lifecycle impact of products, ensuring environmentally sound management policies</li> </ul>	51-57
	<ul style="list-style-type: none"> <li>Allocation of responsibilities and accountability within the organisation</li> </ul>	10-11
	<ul style="list-style-type: none"> <li>Internal awareness-raising and training on environmental stewardship for management and employees</li> </ul>	51-57
	<ul style="list-style-type: none"> <li>Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts</li> </ul>	9
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-



UNGC Advanced level checklist		Comment/ Reference
<b>Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship</b>		
Indicate which of the following best practices are described in your COP:		
	<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>System to track and measure performance based on standardized performance metrics</li> </ul>	-
	<ul style="list-style-type: none"> <li>Leadership review of monitoring and improvement results</li> </ul>	-
	<ul style="list-style-type: none"> <li>Process to deal with incidents</li> </ul>	-
	<ul style="list-style-type: none"> <li>Audits or other steps to monitor and improve the environmental performance of companies in the supply chain</li> </ul>	74
	<ul style="list-style-type: none"> <li>Outcomes of integration of the environmental principles</li> </ul>	51.57
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-
<b>Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption</b>		
Indicate which of the following best practices are described in your COP:		
<i><b>Robust Anti-Corruption Management Policies &amp; Procedures</b></i>	<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Publicly stated formal policy of zero-tolerance of corruption</li> </ul>	Page 24
	<ul style="list-style-type: none"> <li>Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes</li> </ul>	Page 24-26
	<ul style="list-style-type: none"> <li>Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption</li> </ul>	-
	<ul style="list-style-type: none"> <li>Detailed policies for high-risk areas of corruption</li> </ul>	-
	<ul style="list-style-type: none"> <li>Policy on anti-corruption regarding business partners</li> </ul>	Page 73 <a href="https://www.cpall.co.th/Sustain/policy">https://www.cpall.co.th/Sustain/policy</a>
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-
<b>Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle</b>		
Indicate which of the following best practices are described in your COP:		
	<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Support by the organization's leadership for anti-corruption</li> </ul>	Page 21-26
	<ul style="list-style-type: none"> <li>Carrying out risk assessment of potential areas of corruption</li> </ul>	
	<ul style="list-style-type: none"> <li>Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees</li> </ul>	Page 25
	<ul style="list-style-type: none"> <li>Internal checks and balances to ensure consistency with the anti-corruption commitment</li> </ul>	Page 25
	<ul style="list-style-type: none"> <li>Actions taken to encourage business partners to implement anti-corruption commitments</li> </ul>	-
	<ul style="list-style-type: none"> <li>Management responsibility and accountability for implementation of the anti-corruption commitment or policy</li> </ul>	Page 74
	<ul style="list-style-type: none"> <li>Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice</li> </ul>	Page 26
	<ul style="list-style-type: none"> <li>Internal accounting and auditing procedures related to anticorruption</li> </ul>	Page 25
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-

UNGC Advanced level checklist		Comment/ Reference
	<b>Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption</b>	
	Indicate which of the following best practices are described in your COP:	
	• Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	• Leadership review of monitoring and improvement results	Page 21-26
	• Process to deal with incidents	-
	• Public legal cases regarding corruption	-
	• Use of independent external assurance of anti-corruption programmes	Page 26
	• Outcomes of integration of the anti-corruption principle	-
• Other established or emerging best practices	-	
Taking Action in Support of Broader UN Goals and Issues	<b>Criterion 15: The COP describes core business contributions to UN goals and issues</b>	
	Indicate which of the following best practices are described in your COP:	
	• Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	Page 10-13, 78-79 <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	• Align core business strategy with one or more relevant UN goals/issues	Page 10-13
	• Develop relevant products and services or design business models that contribute to UN goals/issues	Page 10-13
	• Adopt and modify operating procedures to maximize contribution to UN goals/issues	Page 10-13
	• Other established or emerging best practices	-
	<b>Criterion 16: The COP describes strategic social investments and philanthropy</b>	
	Indicate which of the following best practices are described in your COP:	
	• Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	Page 10-13, 78-79 <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	• Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy	Page 10-13, 78-79 <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	• Coordinate efforts with other organizations and initiatives to amplify—and not negate or unnecessarily duplicate—the efforts of other contributors	Page 78-79
	• Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups	Page 78-79
	• Other established or emerging best practices	-
	<b>Criterion 17: The COP describes advocacy and public policy engagement</b>	
	Indicate which of the following best practices are described in your COP:	
	• Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	• Publicly advocate the importance of action in relation to one or more UN goals/issues	Page 78
• Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>	
• Other established or emerging best practices	-	



UNGC Advanced level checklist			Comment/ Reference
	<b>Criterion 18: The COP describes partnerships and collective action</b>		
	Indicate which of the following best practices are described in your COP:		
		<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
		<ul style="list-style-type: none"> <li>Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy</li> </ul>	Page 75-76, 80-81
		<ul style="list-style-type: none"> <li>Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain</li> </ul>	Page 75-76, 80-81
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-	
<i>Corporate Sustainability Governance and Leadership</i>	<b>Criterion 19: The COP describes CEO commitment and leadership</b>		
	Indicate which of the following best practices are described in your COP:		
		<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 2-3, 10-13 <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
		<ul style="list-style-type: none"> <li>CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact</li> </ul>	-
		<ul style="list-style-type: none"> <li>CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards</li> </ul>	-
		<ul style="list-style-type: none"> <li>CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation</li> </ul>	-
		<ul style="list-style-type: none"> <li>Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team</li> </ul>	-
		<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-
	<b>Criterion 20: The COP describes Board adoption and oversight</b>		
	Indicate which of the following best practices are described in your COP:		
		<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 21-26
		<ul style="list-style-type: none"> <li>Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance</li> </ul>	Page 10-11
	<ul style="list-style-type: none"> <li>Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability.</li> </ul>	Page 10-11	
	<ul style="list-style-type: none"> <li>Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)</li> </ul>	-	
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-	

UNGC Advanced level checklist		Comment/ Reference
Criterion 21: The COP describes stakeholder engagement		
Indicate which of the following best practices are described in your COP:		
	<ul style="list-style-type: none"> <li>Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff</li> </ul>	Page 10-13, <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Publicly recognize responsibility for the company's impacts on internal and external stakeholders</li> </ul>	Page 2-3, 10-13 <a href="https://goo.gl/x2q5dx">https://goo.gl/x2q5dx</a>
	<ul style="list-style-type: none"> <li>Define sustainability strategies, goals and policies in consultation with key stakeholders</li> </ul>	-
	<ul style="list-style-type: none"> <li>Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance</li> </ul>	-
	<ul style="list-style-type: none"> <li>Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'</li> </ul>	Page 16-20
	<ul style="list-style-type: none"> <li>Other established or emerging best practices</li> </ul>	-



## ASSURANCE STATEMENT

### **SGS (THAILAND) LIMITED'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE CP ALL PUBLIC COMPANY LIMITED'S SUSTAINABILITY REPORT FOR 2017**

#### **NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION**

SGS (Thailand) Limited was commissioned by CP ALL Public Company Limited (hereinafter referred to as CP ALL) to conduct an independent assurance of the Sustainability Report for 2017. The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the text, and data in accompanying tables, contained in this report.

The information in the Sustainability Report of CP ALL and its presentation are the responsibility of the directors or governing body and the management of CP ALL. SGS (Thailand) Limited has not been involved in the preparation of any of the material included in the Sustainability Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all CP ALL's stakeholders.

The SGS protocols are based upon internationally recognized guidance, including the Principles contained within the Global Reporting Initiative (GRI) Sustainability Reporting Standards (2016) for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

This report has been assured at a moderate level of scrutiny using our protocols for:

- evaluation of content veracity;
- Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2008); and
- evaluation of the report against the Global Reporting Initiative (GRI) Sustainability Reporting Standards (2016).

The assurance comprised a combination of pre-assurance research, interviews with relevant employees at CP ALL headquarter and subsidiary offices i.e. CPRAM Company Limited (Ladlumkaew and Ladkrabang factory), Siam Makro Public Company Limited in Thailand; documentation and record review and validation with external bodies and/or stakeholders where relevant.

#### **STATEMENT OF INDEPENDENCE AND COMPETENCE**

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS (Thailand) Limited affirm our independence from CP ALL, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors experienced in one or more of the following; AA1000, GRI, QMS, EMS, SMS, EnMS, Carbon Footprint, Water Footprint, GHG Validation - GHG Verification Lead Auditors and experience on the SRA Assurance service provisions.

#### **VERIFICATION/ ASSURANCE OPINION**

On the basis of the methodology described and the verification work performed, we are satisfied that the information and data contained within Sustainability Report verified is accurate, reliable and provides a fair and balanced representation of CP ALL sustainability activities from 1<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017.

The assurance team is of the opinion that the Report can be used by the Reporting Organisation's Stakeholders. We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting. In our opinion, the content of the report meet the requirement of GRI Standard (2016) and AA1000 Assurance Standard (2008) Type2, Moderate level assurance.

#### **AA1000 ACCOUNTABILITY PRINCIPLES (2008) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

##### **Inclusivity**

CP ALL has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement effort such as survey and communication to employees, customers, investors, suppliers, CSR experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, CP ALL may consider having more direct involvement of stakeholders during future engagement.

##### **Materiality**

CP ALL has established effective processes for determining issues that are material to the business. Formal review has indentified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

##### **Responsiveness**

The report includes coverage given to stakeholder engagement, as well as the response to the material issues concerned by the stakeholders.

#### **GLOBAL REPORTING INITIATIVE REPORTING GUIDELINES CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

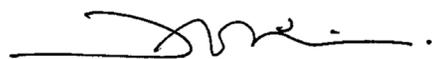
The CP ALL's Sustainability Report of 2017 is presented in accordance with the core option for GRI Standard (2016) and fulfills all the required content and quality criteria for the identified aspects listed below:

- GRI 302 - Energy 2016; (302-1 Energy consumption within the organization, 302-3 Energy intensity)
- GRI 303 - Water 2016; (303-1 Water withdrawal by source)
- GRI 305 - Emission 2016; (305-1 Direct (Scope 1) GHG emissions, 305-2 Energy indirect (Scope 2) GHG emissions, 305-4 GHG emission intensity)
- GRI 306 - Effluents and Waste 2016; (306-2 Waste by type and disposal method)
- GRI 403 - Occupational Health and Safety 2016; (403-1 Workers representation in formal joint management-worker health and safety committees, 403-2 Type of injury and rates of injury occupational disease, lost days, and absenteeism and number of work-related fatalities)

The material aspects and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material aspects, boundaries, are correctly located in context index and report. It is recommended to have more identifications and disclosure of their subsidiary's material aspects in the next report. Disclosure on Management Approach components, such as goals and targets, specific actions taken to achieve the expected result, may be further enhanced. It is encouraged to emphasize on the specific management practices undertaken for each identified material aspect next year.

**Signed:**

**For and on behalf of SGS (Thailand) Limited**



**Sompong Kiatiporn, General Manager**  
**Bangkok, THAILAND**  
**23 April, 2018 WWW.SGS.COM**

**A L L    F**

H A P P I N E S S



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