

Spread the Love from Hearts, Fostering Community's Resilience

KEY PERFORMANCE IN 2019



44.37%
of local labor employment



100%
of local contractor
employment (maintenance
and renovate)



259 persons
of the elderly employment

Supporting the SDGs



SDG4 Quality Education
4.3 ensure equal access
for all women and men
to all levels of education



**SDG8 Decent Work and
Economic Growth**
8.3 promote development-
oriented policies that
support productive
activities and decent job
creation

8.9 promote sustainable
tourism that creates jobs
and promotes local
culture and products



**SDG9 Industry, Innovation,
and Infrastructure**
9.3 Increase the access
of small-scale industrial
enterprises to
an integration into value
chains and markets



FOR MORE INFORMATION
CAN BE FOUND AT QR CODE OR
[https://www.youtube.com/
watch?v=lb86MJRA3iA](https://www.youtube.com/watch?v=lb86MJRA3iA)



2020 GOAL



The Company shall have
no significant conflicts
for all business operations and
in all areas where it operates

PERFORMANCE AGAINST GOAL



Goal

Without the Case
Critical Conflict



Performance

Without the Case
Critical Conflict

Challenges

The operations of CP ALL Plc. and its subsidiaries (“the Company”) affect the communities in one way or another, which at times may cause concerns from the communities. These concerns may evolve into conflicts that affect the overall relationship with stakeholders, comprising customers, suppliers, and any individuals living the vicinity of the Company’s operations if they are not addressed properly. A good relationship with communities is what the Company focuses on for a sustainable coexistence.

PROGRESS IN 2019



Community Support Center



Natural Disaster-relief Project, Training, Community Fire Drill



Volunteer Project



Project for community from To Be Number One



Room of Knowledge Project

LOCAL CONFLICT DASHBOARD

Satisfaction with the Operations of 7-Eleven in Their Community (full score 5)

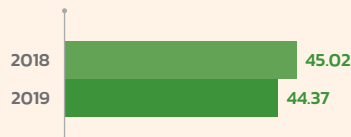


12 stores that designed to be in harmony with local architecture



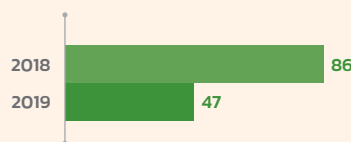
4,905 scholarships in providing educational opportunities through One Branch, One Scholarship Project

Local Labor Employment (%)

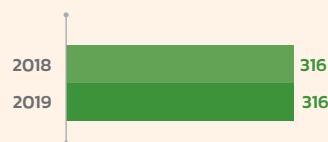


259 persons of the elderly employment

Local Products Project
Local products (items)



Supported Community Enterprises and Small and Medium-sized Entrepreneur (SMEs)
Number of Entrepreneur (person)



Training and Community Fire Drill (persons)



Purchase Value (million baht)



Purchase Value (million baht)



Natural Disaster-relief (times)



Management Approach

Trust from community and society is crucial for the Company. The Company aims to foster co-creation of shared values between the Company and communities. The Company consider community a part of its important stakeholders whose concerns need to be address throughout the process, from pre-construction planning, construction process to post-construction operations, to ensure that the Company will gain trust from society and community where it operates and become a company that Thai people are proud of. The key steps are as follows:

Operational Framework of Creating Acceptance and Easing Concerns from Community



The Company places importance on listening to opinions, attitudes, expectations and concerns communities through a variety of means in a two-direction communication design. This includes programs such as “CP ALL Brand Health Check” to understand the reception, feelings, attitudes, and expectations that stakeholder groups—including social and community groups—have towards the Company in the present and the future. Prior to constructing branch stores, factories, and distribution centers, the Company conducts site visits to understand

opinions and listen to expectations and concerns from community representatives and thought leaders. In locations where the district and municipality offices have an opinion, the Company conducts public hearings to understand impacts on the lives of people, the community, and society, so that the Company can fully adapt and cooperate. Furthermore, the Company has also integrated the approach for addressing community’s needs and concerns as part of branch store expansion. The process can be concluded as follows:

Construction Process of Branch Stores, Distribution Centers, and Factories that can Sustainably Co-exist with Communities



The Company realizes the significance of communities who are considered its important neighbors, customers, and partners. Thus, the Company is committed to creating an awareness and trust in “store for community” in every area it operates, along with creating benefits for community in every process of the operations. In 2019, the Company proceeded with several important projects to achieve goals and address concerns of community. The key projects are as follows:

Considerate Construction to Local Architecture

The Company surveys the environment and local architecture, as well as noting community’s concerns prior to construction launch. For branch stores in areas with local architectural sensitivity, the Company takes efforts to address the concerns. Branch stores are designed to be in harmony with local architecture and environment. They will also boost tourism in that particular area e.g. Payanak Branch 7-Eleven, the new landmark in Nakhon Phanom. The Company also provide opportunities for local entrepreneurs in communities to sell OTOP or local products in 7-Eleven to create jobs and income for local people to have a better quality of life and pass on folk wisdoms to the world.



Community-Friendly Construction

In the construction process, the Company aims to reduce the negative impact on its neighbors as much as possible, through a safety protocol and building relationships with stakeholders. In addition, the Company is committed to creating jobs in community, focusing on consideration of local contractor employment if they meet the Company’s criteria including past experiences, credibility, and labor safety control. The Company give job trial opportunities in 3 store branches. If they pass the test and evaluation process, they will be registered as contractor partners of the Company. Besides, to unleash the potential of local contractors, the Company has parted with the public and private sectors or local labor markets to educate local contractors and help them get ready.

Performance in Supporting Local Labors, as Part of Community Support Center Project



Local Contractors new Store Constructions

11%



Local Contractors who have been Registered as the Company’s Partners

100%

Community-friendly Operations

This is a process with high chances of creating an impact, including on relationships with surrounding community. So, every day that the Company operates its businesses, it aims to create values for surrounding community by reducing negative impacts and create positive ones with projects as follows

Community Support Center Project

With an aim to “co-create and share opportunities with everyone,” the Company sees the potential of bringing its strengths into use to share opportunities and enhance the wellbeing of community, through the following guidelines

1 Creating jobs and income in community

As part of Provincial Specialty Project to encourage and develop the economic in the community. The Company encourages local labor and contractor employment, provides job opportunities for senior citizens in community and supports OTOP and local products from community. So far, 133 items of local products including food items are sold at 143 pilot branches. In the beginning, products need to pass the criteria in order to be carried at 5 branches of 7-Eleven. If the sales target is achieved, the next step is the expansion of product distribution to other branches in the province, the region and across the country. In the present, 34 items from 143 local communities have been distributed across the country.

Selection of Local Products to be Carried at 7-Eleven

01



Provincial specialty products, FDA-approved products and products with barcode

02



Selection of 5 branches for trial sales

03



Arrange products in store branches and install promotional media to attract customers

04



Monitor product sales

05



In case the sales target is achieved, the distribution of the products will be expanded to other branches in the province and region

2 Providing Educational Opportunities

Through One Branch, One Scholarship Project. In 2019, the company sets the goal for store participating at 4,000 branches. There are 4,905 scholarships worth 815,373,000 baht were given to children to reduce the gap and provide an educational foundation for Thai youths to vocational education level at Panyapiwat Technological College, 20 of Panyapiwat learning centers, Vocational Education network, Private Vocational Education network, Office of Basic Education Commission network and Non-formal and Informal Education network. This totals to 174 locations across the country.











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Worth

815.37 million baht were given to children to reduce the gap and provide an educational foundation for Thai youths

Performance of Community Support Center

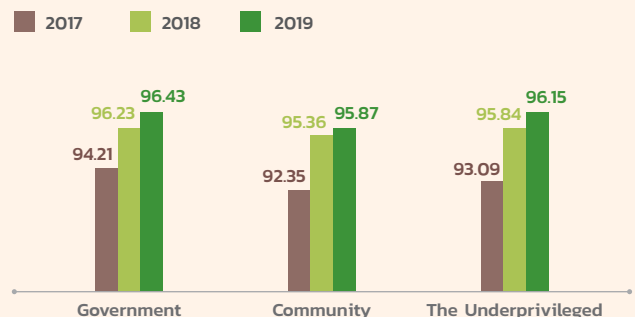
| | 2018 | 2019 | | 2018 | 2019 | Local Products (local specialties) | |
|---|-------|-------|---|------|--------|---|------------|
|  Local labors (%) | 45.02 | 44.37 |  Creating jobs for the elderly in community (person) | - | 220 |  Number of Products (accumulated items) | |
|  Local contractors for maintenance (%) | 100 | 100 | One Branch, One Scholarship | | | | |
|  Local contractors for renovation project (Big Cleaning) (%) | 100 | 100 |  Number of scholarships | - | 4,905 | | |
| | | |  Scholarship value (million baht) | - | 815.37 |  Accumulated Purchase Value (million baht) | |
| | | | | | | | 2018 86 |
| | | | | | | | 2019 133 |
| | | | | | | | 2018 6.42 |
| | | | | | | | 2019 11.12 |

Natural Disaster-Relief Project, Trainings and Fire Drills

The Company realizes that fire accidents these days can cause a large amount of damage to communities and establishments, which may come from insufficient understanding of fire prevention and suppression. To enhance fire safety in community and to build a good relationship between 7-Eleven and community, as well as to educate the Company’s employees on basic knowledge of how to use fire extinguishers to reduce a risk of damages, injuries, and deaths from fire accidents, the Company takes steps as follow 1. Educate and train people on basic knowledge of putting out a fire for community, government bodies and areas with high risks, including Ban Bang Khae Social Welfare Development Center for Older Persons, Thammasat Hospital, Rangsit Home for Babies, and Department of Labor Protection and Welfare 2. Provide team to support community and society when there is a fire accident. For example, in March 2019, there was a fire accident in a glass bottle manufacturing factory located on Khon Kaen - Mahasarakham Road, Amphur Mueang, the Company was on guard to support the community and society through its Emergency Response Team (ERT) at the distribution center in Khon Kaen who worked together with firefighters and were able to put out the fire within one hour, reducing damages that could have been caused due to the speed of the fire suppression.



The Level of Satisfaction from Trainings and Fire Drills



In addition, the Company is also committed to easing the burdens for those affected from other natural disasters, through a donation of drinking water and eggs for the victims of the Tropical Storm Pabuk in Nakhon Si Thammarat Province and shelters for flood victims in Pitsanukok, Kalasin, Roi Et and Yasothon Province.

Volunteer Project

To cultivate a sense of responsibilities towards themselves and the society among employees, as well as to encourage and develop the well-being and create values for the society, the Company carried out volunteer projects in different areas:

Developing Schools and Temples in Community



Over **23** employees painted classrooms, restrooms, fixed the facilities and donated an education fund and snacks to students at Wat Tung Bua, Krasae Sin, Songkhla



Over **50** employees participated in school development activities, provided lunch, painted the playground, the fence and gave an education fund to Wat Don Yang School, Prachuap Khiri Khan



Over **150** employees cleaned and renovated the temple court and donated supplies to Wat Pa Nong Kha Yang, Khu Mueang, Buri Ram

Room of Knowledge Project

The Company is committed to enhancing the quality of life of children in remote areas who lack books and school supplies. The Company realizes the importance of knowledge and how it will impact their careers in the future, as well as cultivating a reading habit, academic skills and encouraging creativity among children. Thus, the Company compiled books donated by employees and the general public and delivered them to schools in remote areas, including Ban Phi Phuan School, Yasothon; Peang Luang School, Kanchanaburi; and Baan Sa Tong School, Surin. The Room of Knowledge Project aims to create the highest benefits through book donations, improved libraries and additional learning sources for schools and communities.



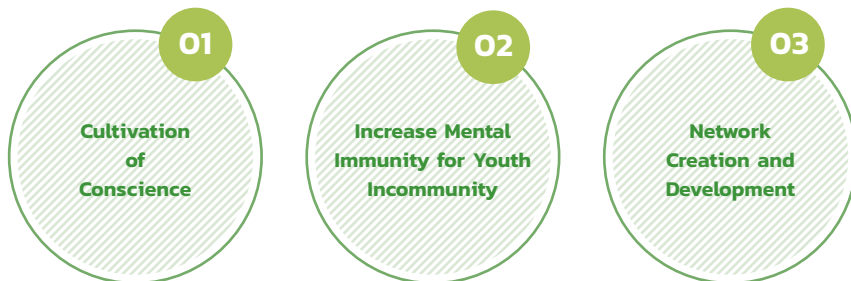
Blooming Sunflower Project

The Company educated community and society on agricultural careers as part of its sustainable operations based on its corporate social responsibilities, with an objective to educate best practices of agriculture and encourage community to bring the methods into use to develop sustainable agricultural careers, and support the learning of developing the community into a tourist destination, to create jobs and careers for people in the community, as well as increase distribution channels of agricultural products and services in the community and create a good relationship between the Company and the community. There have been over 14,000 visitors to date.



Drug Addiction Treatment Program

To Be Number One club, CP ALL Plc. and Khon Kaen distribution center have a systemetic operation through a combination of “committee-funds-activities”. The activities are created based on 3 strategies to prevent and reduce the impact of drug addiction issues as follows



The Company carried out several projects including “Drug Addiction Treatment Program” where youth and adults with addiction will be provided treatments and job trainings, according to the support program for addicts to be able to come back and live their lives in the society afterwards, with a collaboration with the public sector to conduct a random drug testing at the Company at least twice a year. For those who wish to be treated voluntarily they can ask for help and enter the treatment process. In addition, the club aims to create a network to prevent drug addiction through activities among the club members divided into 2 networks - a network of learners and a network of club founding supporters - in order to help other groups set up their own To Be Number One club and operate effectively.



Grievance Mechanisms for Stakeholders

Suggestions and concerns of community and stakeholders are crucial to the operations. The Company provides channels for community to file their complaints, suggestions and concerns through 7-Eleven stores, call center, online channels and public service announcements. The Company also sees the importance of fixing issues and follow up on community’s complaints to ensure that feedback, suggestions and concerns of the community informed through different channels get improved and addressed in a quick and effective manner. The key steps are as follows



According to a survey of satisfaction level community has towards the Company,



3.75 out of 5 were

increase to

10% ▲

from 2018, due to existence of 7-eleven stores in communities, has to create more job, prosperity and safety environment

Grievance Management Process

