

SMEs Promoting and Capacity Development Guideline

Principles

With awareness of the importance roles of SMEs on being a part of and enhancing economic infrastructure of the nation, while, aligned with the sustainable supply chain management guideline

Therefore, the Company strives on supporting and developing suppliers especially SME by effectively systematic collaboration. Leading to products development and high quality services deploy to the market. In according to corporate ambition “giving and sharing opportunities for all”, the objectives are aiming for “enhancing quality of customer life” and “sustainable supplier capacity enchantment”.

Capacity development guideline

As per aforementioned principles, the Company has established promoting and capacity development guideline that covered business operations as follows:

1. Exploring market opportunity, by development of new products and services that has a capacity to response diversify needs of customer
2. Improving and designing modernized packaging that aligned with customer lifestyle, and accurate product labelling by providing a consultancy to suppliers
3. Providing financial support by considering credit and payment term, linkage with financial institute for enhancing resource accessibility and liquidity to SME
4. Providing consultancy and assessment services that related with product standardization and quality control as well as prevention product quality management failure and complaint
5. Conducting capacity building program to SME, CP ALL Next Gen SMEs that has objectives on creating awareness on sustainable business practice, sharing new knowledge including branding, online marketing, and business ethic. Also, providing a training session on laws and regulations, and workshop solving complain about

products and services

Apart from SME capacity development programs, the Company has created sustainability awareness training program by conducting trainings on code of business ethic, and performing supplier sustainable assessment, and on-site auditing for high-risk suppliers, in accordance with the assessment results and aligned with sustainability supply chain management guideline.

Example SME development

Example 1 : Company's name : Khun Kae KaNom Whan Co., Ltd.

Product : Coconut jelly

Background:

Being CP ALL's supplier since July, 2007, the business found 1997 by Khun Sirirat Sarunvatchakul, housewife who produces coconut jelly as a part-time job, supporting her husband during economic crisis. Then, got support from National Food Institute (NFI) on product development and standardization.

Promoting guideline

1. Collaborating support supplier in new product development, aiming for products diversification and response customer's needs such as Sago dessert group, sweet sago with corn, sago with cantaloupe, and many more by increasing market opportunity, business growth complied with international standards, production capacity. These leading to supplier income growth which current all dessert products are ranked in best sale (Rank A) with contributed 80% of total sale of the supplier.
2. Providing recommendations on packaging development that focus on modernizing, convenience wide-range of customer, and environmental-friendly
3. Increasing chance of product development being a product that sell only at 7-Eleven (Only @) as alignment the same vision and upgrading product quality and standard.

Expected outcomes:

1. Job creation for farmer and local community 30 person
2. Income increasing after being CP ALL supplier 82%

Example 2 : Company's name : B.T.Y food (Bann tong yord)

Product : thong yip, thong yot, foi thong (dessert made from egg yolks)

Background:

Starting the business with Thai desserts that are thong yip, and thong yot for more than 40 years and being a favorite for reseller, until, Khun Parnuwat ngensrisuk, 3rd generation management has developed market capacity by adding 2 products which are foi thong and met khanun.

Promoting guideline

1. Exploring market opportunity and sale channel by distributing 3 products (thong yip, thong yot, and met khanun) that become best sale products in desserts category and well-known by customer
2. New products development continuously
3. Considering provide financial support by shorten credit term during supplier's factory is facing conflagration, damaging on machines and tools and unable to produce (except foi thong that is still able to produce). Expecting for issues mitigation and liquidity of supplier.
4. Providing consultancy on foi thong production replacement previous products for compensation sale during recovery phase.
5. Keep open the opportunity for the factory by not find product replacement

Expected outcomes:

1. Job creation to farmer and local community 105 person

Example 3 : Company's name: limited partnership Sureerat (pa wan chill paste)

Product: chill paste

Background:

Established in 1997 when Aunty Bangon Wannoi, brand owner of "Nam pik pa wan" that previously was a farmer, turning into business owner chill paste product. With her family situation that has to responsible for 3 child, she has no idea about her ambition selling the product at 7-Eleven. With her cooking skills and trusted on potential to sell her menu, she has started sale chill paste at fresh markets. Sometimes she get loss but with her perseverance and effort. She has various patrons. The market own named her chill paste as "Nam pik pa whan".

Promoting guideline

1. Being distribution channels via various and cover both online (24 Shopping) and offline (7-Eleven stores) channels
2. Continuous product development for responding market opportunity and customers' needs such as taste adjustment, explore and develop side dish (fish) combination the existing product that create diversity of the product and enhance potential of product development.
3. Increase business opportunity by connecting with other business groups that required ingredients such as connecting between CPRAM and fish suppliers and agriculture product groups, chili, and spices
4. Providing recommendations on system and quality control for all production processes, starting from GMP standard of operating place as a key foundation standard.

Additionally, performing on-site assessment and further suggestions as follows:

- a. Data recording system of each production lot for reference and traceability purposes

- b. Factory layout designing comply with hygiene standards and for reducing contamination in production processes
- c. Uniform of production staff
- d. Set appropriated temperature of each production process such as stir fried process, and packing or top seal process aiming for reducing **sweat that caused fungus contamination**
- e. Providing recommendations on tools cleaning to their staff

Expected outcomes

1. Job creation for farmer and local community (under pa wan chill paste) 98 person
2. Income increasing after being CP ALL supplier 7%