

Sharing Opportunities and Creating Value for Society





Support **10,000** farmers, small entrepreneurs and vulnerable groups on their careers and income

Performance Against Goal

Number of farmers, small entrepreneurs and vulnerable groups that have received career and income supports (accumulated persons)





HEART

Risk and Opportunity

The World Bank officially reported that Thailand's poverty rate has been steadily increasing. The decline of the average household income has posed a challenge in reducing poverty and has been further exacerbated by the coronavirus disease (COVID-19) pandemic. Consequently, CP ALL Public Company Limited and its Subsidiaries ("the Company") is aware that it is a part of society and strives to create social and environmental impact in its business operations rather than focusing sole on business results. The Company is also determined to support society both during normal circumstances and crises in order to achieve more sustainable success in the organization's business operations.

Progress in 2020

Continuing "the Golden Banana" project and the "7-Eleven and Thai Farmers Collaboration" project

Continuing "the Farmer Capability Development" program

Continuing "the My Farmer, My Life Partner" project

Continuing "the Coffee-based Job Creation" project

Continuing "the Hill Tribe Farmer Development Program for a Better Life" project

Management Approach

The Company aims to conduct business in awareness of the society in which it operates in through creating value with various means, such as promoting capabilities and knowledge, creating jobs, and providing distribution channels. These endeavors are designed to open opportunities for farmers, and micro, small and medium enterprises, and vulnerable groups to play a role in society and improve the quality of life. In 2020, the Company continued to develop long-term projects and initiate new projects to adapt with the changing situation so that it may continually and sustainably create value to the society.



Guidance on Mitigating and Preventing the Risk of COVID-19

The COVID-19 pandemic has affected the lives and livelihood of people across society, and has triggered a loss of income and jobs. Thus the Company implemented measures to support farmers, small entrepreneurs, and vulnerable groups and mitigate the impact as well as spread news and knowledge about the COVID-19.

Social Impact Management Dashboard		
Farmers Received Carrier and Income Supports		
Total number of farmer (person) 2018 26,066 2019 28,039 2020 28,319	Type of farmer (person) Fruits and cut fruits 2	million Baht
Small and Medium Enterprise (SMEs) Total number of SMEs (person) 2018 15,275 2019 14,001 2020 32,551	Received Carrier and Income Supports Type of SMEs (person) CTOP entrepreneurs 2,589 Retail store and other type of entrepreneurs 29,915 Services entrepreneurs 47	Purchase Value 9,671 million Baht
	rier support for vulnerable Value f ups by category (person) grou	for vulnerable ups support 84 illion Baht Skill improvement support for vulnerable groups by category (person) Disable person 18 Others 576

In 2020, the Company created social value in the form of support and opportunity provision such as charitable donations, community investments, and commercial initiatives. The different forms of support were given through various means such as budgets, items, management fees and employee volunteer hours, which can be calculated with the following values.



HEART

Supporting Farmers to Improve Their Quality of Life

The Company has continuously supported farmers to improve the quality of life through knowledge sharing in developing, managing and increasing the productivity of the arable land. Additionally, the Company provides support in building capabilities for agricultural technology and agricultural distribution channels. In 2020, adding onto the success of the Golden Banana Project, the 7–Eleven and Thai Farmers Collaboration project further supported farmers by expanding its reach to 4 agricultural product groups, namely seasonal fruits, cut fruits, ready–to–season vegetables, and salad vegetables. The objective of the project was to increase the value of agricultural products, ensure marketability, and spread income to locals.

Additionally, the efforts made to improve the quality of life of farmers are in line with the United Nations' Sustainable Development Goals (SDGs) comprising, Goal 1 is advocated by reducing economic poverty economically and poverty in other related dimensions, Goal 2 is advocated by increasing agricultural productivity and income of producers in order to eliminate hunger, and Goal 10 is advocated by growing the income of the general population so as to close the inequality gap of farmers.

Impacts and Benefits 7-Eleven and Thai Farmers Collaboration Project

Generated income and stability for famer families and SMEs



The Golden Banana Project

The Golden Banana project is an on-going project since 2012 that promotes products from farmers and small entrepreneurs. The support covers various aspects from sharing knowledge and promoting standardized cultivation, traceable production, packaging, preservation, and processing to providing distribution channels through 7-Eleven.



The Golden Banana Project has not only succeeded in fulfilling the Company's goal of increasing the income of farmers and small entrepreneurs, but has also helped to create more jobs in the community. In 2020, the Golden Banana Project covered 19,056 rai over 41 provinces across Thailand. From the previous year's performance review, the Golden Banana Project resulted in a positive impact greater than 42 times the negative impact.



An average income increase of 776,282 Baht for SMEs and farmers, which can also be calculated as a 3.61% increase from before the project.



The Golden Banana Project

Resulted in

A 7.8% reduction in number of participants (compared to 2019) and a 32.5% increase of cultivation land from 2019.



More than 275,000 golden bananas per day were distributed into the market, which is more than 100 million bananas per year, and can be calculated to possess an economic value of 865 million Baht.



42 times

greater positive impact > negative impact

The Seasonal Fruits Project

In addition to the Golden Banana project, the Company dedicated to continuously improve the wellbeing of farmers through the seasonal fruits project, whether the seasonal fruit may be Monthong durian, organic mangosteen, Siam Ruby pomelo or Bang Mot tangerine (Sai Nam Phueng orange). The Company provided assistance beginning from the production process and delivery of the agricultural products until the sales channels via 7-Eleven stores, online channels, such as www.shopat24.com, Facebook, and www.24catalog.com, and customer information center. In 2020, the Company aided farmers and vulnerable groups by supporting their products such as Sai Nam Phueng orange from Rom Klao, phop Phra district, Tak province, as follows.



Number of farmers who were provided with distribution channels for agricultural products



Amount of fruits and agricultural products that were distributed

items



24 (2)

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The Farmer Capability Development Program

An extension of the "Honoring Rice Farmers – the Cultivators of the Thai Essence" project CP ALL in collaboration with Cherntawan Chawna Buddhist Economics School in Chiang Rai province helped communities by promoting and developing skills on sustainability. Practical training was provided to farmer students on the product development of beverages and bakery goods in order to share knowledge and a sustainable means of income. The aim was to help the students at Cherntawan Chawna Buddhist Economics School gain knowledge of bakery and beverage secrets and apply them to local ingredients, such as longan and strawberry. By using local produce as the main ingredients, the students can experiment with other raw material in the area to develop products into a local signature, such as longan cookies and steamed mushroom buns.



Furthermore, training on "modern retail store management" and "good manufacturing practices (GMP) for food production" were offered. The Company's knowledge and experience on the aforementioned topics, as well as preparation for Food and Drug Administration (FDA) product licenses, contribute to developing ALL-Organic stores which distribute products from participating farmers. It was also an opportunity to use this body of knowledge and apply it to new ranges of products.



Impacts and Benefits in 2020.

farmers



Additional information were participated in the project is available through QR Code APPENDIX

The My Farmer, My Life Partner Project

The "My Farmer, My Life Partner" project by CP RAM Co., Ltd. is one of many ongoing projects to elevate the quality of life of farmers in communities, promote employment, and build stable careers for farmers. Additionally, the project aims to integrate different fields of knowledge to maximize the effectiveness and efficiency of agriculture, emphasize on the importance of cultivation under good agriculture practices (GAP), and build career stability. In 2020, the project expanded its production across areas in 5 provinces, namely, Pathum Thani, Nonthaburi, Khon Kaen, Lamphun and Surat Thani. The expansion has sustainably resulted in a stable income and mutual benefits between the community and organization.

Smart Farm Development Project

This project aims to support partners who are farmers and agricultural SMEs in raising the standard and quality of agricultural products, gaining acknowledgement from state authorities, and achieving relevant standards. The method of attaining this goal is by focusing on and utilizing technology that supports participation, learning, measurement, and assessment of products by the farmers themselves.

The Hill Tribe Farmer Development Program for a Better Life Project

This project seeks to increase employment and generate income to hill tribe farmers in the 4 northern provinces of Thailand. The objective of this project is to increase the value of agricultural products, such as cabbage and Chinese cabbage that are safe and meet the standard of good agriculture practices (GAP). The project offers training and knowledge on applying the Makro i-trace system for tracing products. In complement, the project includes an evaluation of the products to ensure that the agricultural products are fresh and free of residual chemicals.



Impacts and Benefits



Impacts and Benefits



The Resource-to-Wealth Sharing Project

This project pursues a higher quality of life through creating jobs and generating income for the farmers residing in the high elevation areas of Fang district, in Chiang Mai province. The project hopes to incentivize the farmers to switch to a variety of organic agricultural products and collaborates with various local authorities in managing the product supply chain. The purpose of the cross-organizational partnership is to ensure a safe product that can be traced by the Makro i-trace system.



The Coffee-based Job Creation Project

CP Retail Link Co., Ltd. continues its efforts in building careers for Thai coffee farmer. The project started from a field visit to Bo Kluea district in Nan province to share knowledge with the locals on coffee cultivation while conserving the forest, avoiding shifting cultivation, and increasing the green space. The field visit then proceeded to integrate correct coffee processing methods to produce quality coffee, a supply of occupational tools, and buying of coffee from the community at a higher price than that of the market. The goal was to sustainably generate an income for the farmers, co-exist with the community, expand the market for coffee to support the product supply, and sell it as a beverage at All Café and Café MuanChon stores. In alignment, the expected end result was to consistently develop a range of products for distribution to coffee shops in the network and customers elsewhere. At present, the project has covered additional areas to build career for farmers within the country, such as Pong Khon in Chiang Rai province, Doi Chang in Chiang Rai province, and Laewo in Kanchanaburi province. The latest cultivation area was at Thi Lo Su in Tak province in partnership with the Sueb Nakhasathien Foundation. In 2020, a total of 478 farming households participated, which covered 1,459 rai. The project bought a total of 1,850 kilograms of coffee.



The "One Baht One Cup" Project

Café MuanChon under the business concept of "Coffee of the Community", has taken out 1 baht from its income for every cup sold. Each year, the sum is donated to the community and society, temples, foundations, and various charity organization, such as Wat Phrabat Nampu, Wat Suan Kaew, the Sutthasinee Foundation Noi-in for Children and Youth, the Somdet Chaopraya Hospital Foundation under the Royal Patronage, and the Chakri Naruebodin Medical Institute of the Ramathibodi Hospital. In 2020, a total sum of 3.1 million Baht was donated, accumulating to 18 million Baht over the past 10 years.

The Social Re-Entry Program for Psychiatric Patients

This program provides psychiatric patients with occupational training to restore psychosocial function so that patients will be able to support themselves and carry out life in society with pride. CP Retailink Co., Ltd., in partnership with the Somdet Chaopraya Hospital Foundation under the Royal Patronage and the Lady Auepranee Chiaravanond, established the "Red Roof Café", built the café, provided training equipment for brewing coffee, and offered training on store management to patients and staff. The objective of the café is to train patients on occupation skills and hire them to work at Café MuanChon as career support so the patients will be able to support themselves when reentering society. Additionally, the project serves as a means of income for the foundation to continue developing other career choices for the next batch of patients. In the present, 24 patients have been trained and 3 patients have been hired to work at Café MuanChon.



The Phu Fah Center Co-Product Development for Café MuanChon Distribution Project

This project was designed to build careers for farmers and develop local products toward a sustainable community. As a partnership between the Charoen Pokphand Group and the Projects under Her Royal Highness Princess Maha Chakri Sirindhorn, the project follows the concept of "using local knowledge to earn a living under sufficiency" and has developed the agricultural products from the locals living in Bo Kluea district, Nan province. The products incorporated modern packaging and information on nutritional value to allow the image of the product to resonate with present day consumers. Some of these products are raw banana chips, dried banana, ripe banana chips, mulberry jam, mulberry juice, Phu Fah green tea, and Phu Fah organic tea. Additionally, some of the community's products were developed into a signature menu across more than 100 Café MuanChon stores in Thailand.

Creating Careers Opportunities for the Small and Medium Enterprises (SMEs)

Supporting the business of small and medium enterprises (SMEs) is one of the approaches to creating value in society. The forms of support encompass marketing knowledge to adapt with changes in the future, acquisition funds, recruitment of workers to operate the business, and application of technology to manage different factors in the business operations. The range of support enables SMEs can carry out businesses smoothly and provides a chance to become a successful business owner and grow sustainably in the future. The Company is therefore

determined to consistently support SMEs toward growth through various projects, such as the Day of Opportunities Project, the Business Matching Project, the 24 Shopping Project, and the TSC On-site visit at CP ALL project. The Company has fostered cooperation with the community in developing internationally standardized products which raises the local potential, leads to economic growth, and raises the competitiveness of the country.

Day of Opportunities @CPALL Project

CP ALL has run this ongoing project under the concept "Giving and sharing opportunities for all" to provide chances for small entrepreneurs to conduct business together whether it be through distributing products via 7-Eleven stores or online stores. Small entrepreneurs can register online for a Business Matching appointment or seek information from the SMEs Clinic on product quality management, product development or market expansion guidelines so small entrepreneurs may have multiple options for distribution channels, such as 7-Eleven stores, 24 Shopping online platform, ALL online platform and eXta Plus pharmacies stores. Additionally, small entrepreneurs may seek advice from the Company's allies in the government sector, such as the Office of SMEs Promotion (OSEMP) and the Thailand Institute of Scientific and Technological Research (TISTR), acquire investment funds from leading banks, and learn about business practices from the Chamber of Commerce of Thailand. Aside from business partnerships, the project offers location proposals for opening 7-Eleven stores. As for support on human resources, there are opportunities for students to apply for education scholarships so that they may become people with knowledge and skills to improve the economic system on the organizational level, community level, societal level, and national level in the future.

Impacts and Benefits





HOME

"Supporting SMEs for 24 Shopping" Project

The Company has continuously supported 24 Shopping small entrepreneurs. To cater to the changing consumer behavior, product sales and distribution channels are provided to social enterprises, small entrepreneurs, and OTOP entrepreneurs through the 24 Shopping online platform and mobile application. These channels provide an online shopping experience for customers that is available 24 hours a day.



Business Matching Project

The Company proceeds to create and share opportunities to SMEs. Together with the Federation of Thai Industries, the Company organized the 2nd event for "Business Negotiations and Alliances with CP ALL Non-Trade" to provide an opportunity for contractors, contractor businesses, and support service businesses, such as building contractors, furniture manufacturers, and IT equipment stores. Over 20 companies attended in the seminar on the business direction where the initial terms and conditions explained so that contractors could prepare for business partnerships matching to their needs and specific selection requirements.



HEART

The U-Project "Strengthening Partners and Developing Your Business"

The U-Project "Strengthening Partners and Developing Your Business" is an ongoing project under Siam Makro Public Company Limited. The goal of the project is to develop the capabilities of retail store owners in adapting to the present changes, strengthening the business, and sustainably creating sales channels. As part of the project, Makro's mentors and participating retail store owners must together design necessary development plans and improve the store based on guidelines and advices. At every step, the plans are reviewed by experts in procurement, product arrangement, store management suitable to specific customer groups, and advertisement. Additionally, Makro aims to raise the competency for competitiveness, knowledge management, and store management. For 13 consecutive years, Makro has shared its experience in competency development and adaptation to an ever-changing situation under the "Makro Retailer Alliance" project. In collaboration with the Department of Business Development, the Ministry of Commerce, this project raises the standard of retail stores toward Sustainable Retail 4.0 and ensures that stores are modern and international through the introduction of various methods, such as Big Data Analysis, activities, and tools as follows.

Consultation on store

management encompasses

the principle of profession

retail store management as

well as techniques that

needs and behaviors of

consumers through training,

seminars, and workshops

in every region by Makro.

adapt to the changing

The manual for "Professional Retail Management" comprises of 8 principles of retail management for those who are starting a new store or entrepreneurs who wish to develop their stores, store layout, and product placement layout as well as techniques for increasing sales and profit.

Knowledge development

through 24-hour E-learning on www.shohuaythai.com.

11 Product ordering, preparation,

and distribution services for state stores.

Impacts and Benefits in 2020

"Makro Retailer Alliance" Project

A total of participating retail stores, a total increase of 13,267 retail stores or equal to 24%



An average income has increase of

5% for participated retail stores



The retail stores participants' satisfaction scoring at



The U-Project "Strengthening Partners and **Developing Your Business**



A cumulative total of

7,867 retail stores

were participated as of 2020

A cumulative total of 41,114

Designing services

for 3D store layouts.

students were participated as of 2020

The Platform for Sustainable Thai SMEs Project

This project focuses on building an online platform where communities of entrepreneurs can exchange information and learn from one another. A mentor supports the community in finding and connecting businesses of both supply and demand sides to prepare the readiness of Thai SMEs in entering modern trade. The project increases opportunities for Thai SMEs to achieve sustainable growth and stability, strong operations, and standards so that SME groups that possess the capability may start to become well-known while supporting new entrepreneurs that have not met the standard.

Impacts and Benefits

The project became a tool to create the online community platform and opened the opportunity for SMEs across the country and projects to collaborate in activities, such as the Day of Opportunities @CPALL, SME D Bank, and Biz. Matching. The various parties became a single community to test and evaluate one's own products on strengths and areas for improvement toward selling in the modern trade.

Supporting Vulnerable Groups and Creating Equality in Society

Another approach to creating social equality is providing a good quality of life to vulnerable groups. The increase in population, fast-paced transforming technology, and natural disasters resulting from climate change have contributed to the social gap and inequality. The Company is therefore determined to create social equality and raise the quality of living and wellbeing of vulnerable groups and the disabled, as well as enable access to basic equal rights. Various projects were designed to effectively respond to the expectations of these vulnerable groups and the disabled. One such example is the CP ALL x Art Story Project by Autistic Thai.

The Returning Good People to Society

CP ALL Public Company Limited and its Subsidiaries acknowledge the importance of giving opportunities to those who have erred to return to society with greater value. These opportunities should especially include the chance for a career, education, and training as the basic foundation to continue living in society, as follows.

The Returning Capable and Good People to Society Program

By Siam Makro PCL.

Impacts and Benefits

 The program has initiated in 5 prisons comprising Khao Kling Agricultural Prison (Phetchaburi province), Kae Noi Agricultural Prison at (Phetchaboon province), Lomsak Agricultural Prison at (Phetchaboon province), Phetchaboon Provincial Prison, and Nonthaburi Provincial Prison.

- A total of 361 prisoners participated in the program.
- The 100% of ex-convicts have a zero recidivism rate.







The Support Program for People with Disabilities

The Company focuses on the importance of "Giving and sharing opportunities for all" and has exhibited this focus through ongoing projects that give career and income opportunities to the disabled. Taking special consideration, the projects adjusted the form of work to accommodate the disabled and provided suitable capability training. In 2020, the Company expanded the extent of employment and capability training and continue additional projects to provide opportunities and income for disability person in the society.

The CP ALL x Art Story by Autistic Thai Project

To promote the career and earnings of the youth and the autistic, CP ALL Public Company Limited coordinated a joint effort with the Autism Thai Foundation to develop and distributed a collection of special products, such as fabric masks and bags, through the Boutique for All stores and www.shopat24.com. The total proceeds after the initial expenses of developing the products were donated to the foundation so that it may continue its operations.



Impacts and Benefits

A sales of more than 2,000 fabric masks. A donation of 184,184 Baht as the total proceeds after the initial expenses.

The CP ALL Giving Ambassadors Program : from "Care" to "Share"

The Company collaborated with artists who design famous characters and disability organizations that showed interested to develop and design products, especially sewing products, from the disabled. The products were then sold on 24 Shopping and the earnings after the fulfillment fee were donated to a total of 4 disability foundations/organizations, namely the Heart of Disable Association in Udonthani province, the Sustainable Integrated Handicapped Club in PakThok sub-district, Phitsanulok province, the Ang Thong Provincial Disabilities Association in Ang Thong province, and the Vocational Rehabilitation Center for Persons with Disabilities in Phra Pradaeng district, Samut Prakan province. Without deducting the cost of the canvas cloth, bag straps, etc.

Impacts and Benefits

Career support was offered to 95 disabled persons. A sales of 1,276 products. Create income of 332,482.35 Baht for disabled person.

Career support to a total of

20 persons.

The CP ALL Giving Space Project

The Company has allocated space in front of 7-Eleven stores for the disabled to sell products from disabled groups without any fees. In 2020, the project was piloted in 2 provinces, namely Ang Thong with the Ang Thong Provincial Disabilities Association and Udonthani with the Heart of Disable Association. A total of 55 disabled people was offered career support.



Guidance on Mitigating and Preventing the Risk of COVID-19

The Company has continuously strived to create opportunities for the society, including farmers, entrepreneurs, and vulnerable groups. In order for these groups to safely pass through the hardships brought by the COVID-19 pandemic, the Company focused on providing help to adapt to the new normal.

Support Activities Under the COVID-19 Pandemic

The Sustainable Restaurant Owner Program

This program helps Makro partners to turn the food industry crisis into a context for sustainability during the COVID-19 pandemic. The pandemic has led to an economic crisis and forced various parties from the unemployed to people in the food business to adapt to the new normal. Through the Makro HoReCa Academy, the program provided a network to learn about the entire integrated food business. This encompassed both online and offline channels as well as methods to strengthen the network of restaurant owners. Another offer by the program was a way to alleviate the hardship during the crisis in the short term and long term with free-of-charge spaces in front of local Makro branches for food entrepreneurs to set up operations. Additionally, the program provided raw ingredients for the Chef Hug food box program, which offered food boxes to 5 communities in Bangkok.



Impacts and Benefits More than Facebook followers on Makro HoReCa Academy page. More than Facebook participation activities on Makro HoReCa Academy page. The audience via online training **OU** times courses by % comparing increased with 2019. U shops A total of accepted the free space offered by 64 Makro stores during the COVID-19 pandemic.

A total of **40,000** food boxes were sent to 50 communities in Bangkok.

