

# CPI GHG Report 2023

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RICE IS LIFE



# SUSTAINABILITY STRATEGY

RICE BUSINESS TRANSPORTATION AND SERVICE



# Sustainability readiness

## Q1.1 What is your overall attitude/ awareness of the drive towards sustainability?

# CPG 2030 Sustainability Goals



# CPG 2030 Sustainability Strategy Framework



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

## Three-Benefit Principle


Sufficiency Economy Philosophy	C.P. Excellence Management Approach	The 10 UNGC Principles 17 UN SDGs & UNGP	Regulations and Standards
<b>Heart:</b> Living Right	<b>Health:</b> Living Well	<b>Home:</b> Living Together	
 CORPORATE GOVERNANCE	 HEALTH & WELL-BEING	 CLIMATE RESILIENCE	
 HUMAN RIGHTS & LABOR PRACTICES	 SOCIAL IMPACT	 CIRCULAR ECONOMY*	
 EDUCATION & INEQUALITY REDUCTION	 INNOVATION	 WATER STEWARDSHIP	
 LEADERSHIP & HUMAN CAPITAL DEVELOPMENT	 STAKEHOLDER ENGAGEMENT	 ECOSYSTEM & BIODIVERSITY PROTECTION	
 CYBER SECURITY & DATA PROTECTION*	 SAFETY AND OCCUPATIONAL HEALTH	 RESPONSIBLE SUPPLY CHAIN MANAGEMENT	

Enabled by Partnerships, Capability, and Culture of Sustainability

# Q1.2 Has your company made any commitments/ set any goals?

## CPI 2030 SUSTAINABILITY GOALS

### Heart: Living Right




**CORPORATE GOVERNANCE**

**100%** of businesses implement a corporate governance impact scoring assessment



**HUMAN RIGHTS & LABOR PRACTICES**

**100%** of businesses periodically conduct human rights impact assessment in high risk own operations and tier 1 suppliers



**EDUCATION & INEQUALITY REDUCTION**

**100,000** people supported through educational support, lifelong learning, and upskilling



**LEADERSHIP & HUMAN CAPITAL DEVELOPMENT**


**100%** employees engaged in sustainability training and initiatives



**CYBER SECURITY & DATA PROTECTION**

**100%** of businesses certified on international standard of data security and data privacy

### Health: Living Well




**HEALTH & WELL-BEING**

**50%** of total sales volume of consumer products and services help promote health and well-being




**SOCIAL IMPACT**

**100,000 farmers** jobs supported to generate incomes for small farmers, SMEs and vulnerable groups along our supply chain




**INNOVATION**

**100 Million Baht** Cost saving from Process innovation



**STAKEHOLDER ENGAGEMENT**


**80%** of multi-stakeholder engagement surveys score positively



**OCCUPATIONAL HEALTH & SAFETY**


**Zero Accident** achieve zero lost time injury frequency rate

### Home: Living Together




**CLIMATE RESILIENCE**

**Net Zero** carbon emissions of organization's operations



**CIRCULAR ECONOMY**

**100%** achieve zero food waste from organization's activities and use of sustainable packaging



**WATER STEWARDSHIP**

**10%** reduction in water withdrawals per unit revenue compared to baseline year 2020



**ECOSYSTEM & BIODIVERSITY PROTECTION**

**800,000 Rai** agriculture area of protection and restoration of land ecosystems in the countries where CPI operates passed sustainability standard cover biodiversity issues



**RESPONSIBLE SUPPLY CHAIN MANAGEMENT**

**100%** of high-risk raw materials are traceable and high-risk suppliers audited

# SUMMARY OF THE PERFORMANCE 2023



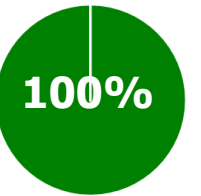
## HEART: LIVING RIGHT



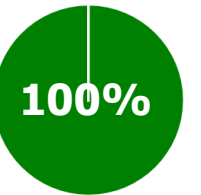
**CORPORATE GOVERNANCE**  
PERCENTAGE OF BUSINESS  
ASSESSED ON CG PRACTICES.  
(ETHISPHERE)



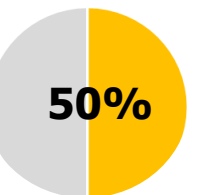
**HUMAN RIGHTS &  
LABOR PRACTICES**  
PERCENTAGE OF BUSINESS WITH  
HUMAN RIGHTS IMPACT  
ASSESSMENT.



**EDUCATION &  
INEQUALITY REDUCTION**  
SUPPORT 19,903 CHILDREN, YOUTHS, AND  
ADULTS WILL GAIN ACCESS TO EDUCATION  
AND NECESSARY SKILLS DEVELOPMENT.



**LEADERSHIP & HUMAN  
CAPITAL DEVELOPMENT**  
PERCENTAGE OF EMPLOYEES ENGAGED  
IN LEARNING AND INITIATIVES



**CYBER SECURITY &  
DATA PROTECTION**  
PERCENTAGE OF BUSINESS WITH  
CERTIFIED INTERNATIONAL STANDARD

## HEALTH: LIVING WELL



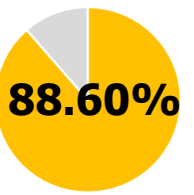
**HEALTH & WELL-BEING**  
ALL PRODUCTS ARE CERTIFIED  
FOR FOOD SAFETY, GHPS, BRC



**SOCIAL IMPACT AND  
ECONOMIC CONTRIBUTION**  
IMPROVED EMPLOYMENT PROSPECTS  
AND QUALITY OF LIFE FOR 20,158  
FARMERS AND VULNERABLE GROUPS



**OCCUPATIONAL HEALTH &  
SAFETY**  
ZERO ACCIDENT

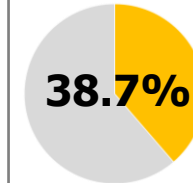


**INNOVATION MANAGEMENT**  
SAVING FROM INNOVATION PROJECTS.  
INCREASE EFFICIENCY AND REDUCE  
COSTS, INCREASE 88.60 MILLION BAHT  
FROM THE GOAL OF 100 MILLION BAHT.

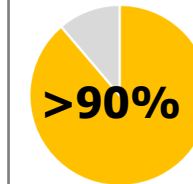


**STAKEHOLDER ENGAGEMENT**  
90% ENGAGEMENT SCORE OF MULTI-  
STAKEHOLDER PERCEPTION SURVEY

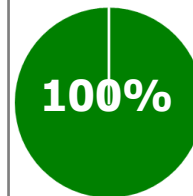
## HOME: LIVING TOGETHER



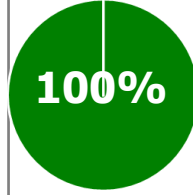
**CLIMATE RESILIENCE**  
AMOUNT OF GREENHOUSE GAS  
EMISSIONS PER REVENUE REDUCTION  
BY 6.24% IN BASE YEAR 2020.



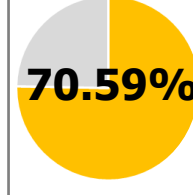
**CIRCULAR ECONOMY**  
90% OF ALL PLASTIC PACKAGING  
ARE RECYCLABLE, REUSABLE OR  
COMPOSTABLE



**WATER STEWARDSHIP**  
23.68 % REDUCTION IN WATER  
WITHDRAWAL PER UNIT REVENUE  
COMPARED TO BASELINE YEAR 2020.



**ECOSYSTEM AND BIODIVERSITY  
PROTECTION**  
PROTECTED AND RESTORED TERRESTRIAL  
ECOSYSTEMS 94,153 RAI FROM TARGET  
80,000 RAI.



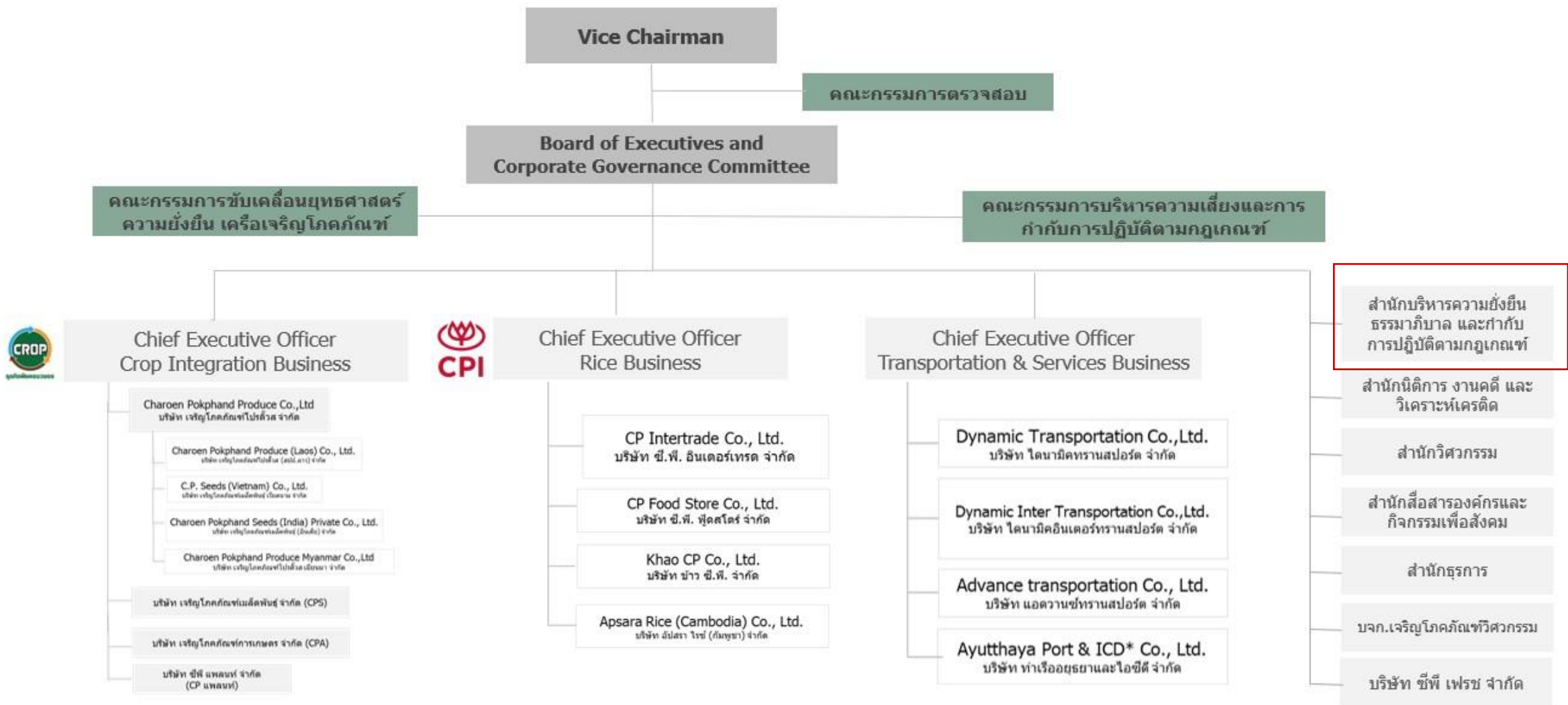
**RESPONSIBLE SUPPLY CHAIN  
MANAGEMENT**  
SUSTAINABILITY AUDIT WITH 24 HIGH-  
RISK SUPPLIER FROM 37 SUPPLIER



Q1.3 Specific ESG questions:  
-Do you have an ESG department? Any plan to create one?



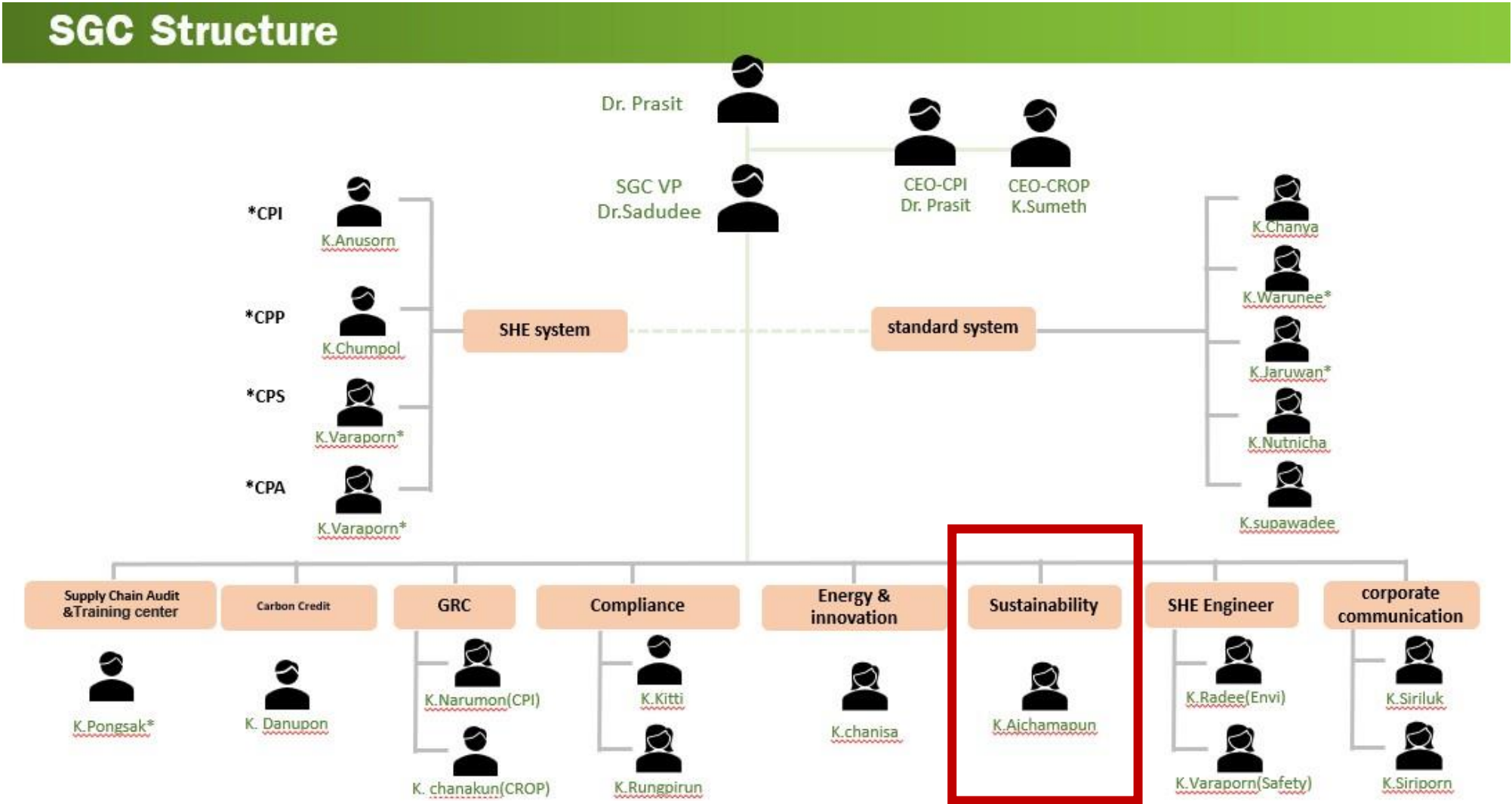
Yes, company have ESG department. “Sustainability Governance and Compliance Office”





Q1.3 Specific ESG questions:  
-Do you have an ESG department? Any plan to create one?

Yes, company have ESG department. “Sustainability Governance and Compliance Office”



### Q1.3 Specific ESG questions:

- In the past, have other customers approached you for ESG related questions?

**Yes, have many supplier.**

**COSTCO**

**WALMART**

**THAI BEV**

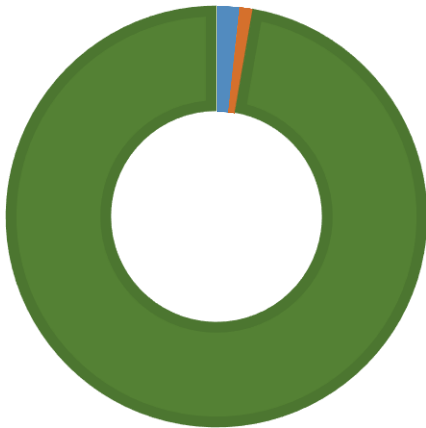
**UNILEVER**

Q1.3 Specific ESG questions:  
- Do you track your greenhouse gas emissions (Scope 1, 2, or 3)? Any plans to do so?



Greenhouse Gas Emissions Classified by Scope 1+2 and 3

1,908,105.04 Tons CO<sub>2</sub>eq

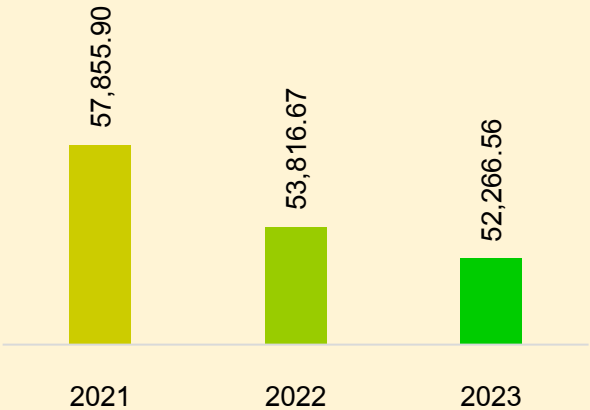


Scope 1	32,196.55	1.69%
Scope 2	20,070.01	1.05%
Scope 3	1,855,838.48	97.26%

Greenhouse Gas Emissions (Scope 1+2)

52,266.56

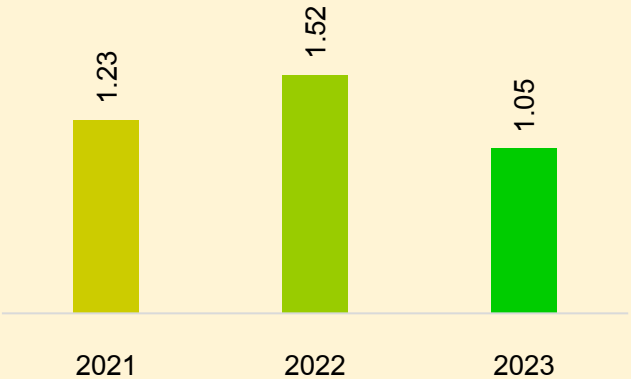
tons CO<sub>2</sub>eq



Greenhouse Gas Emissions to Revenue

1.05

tons CO<sub>2</sub>eq / Million Baht








# Neutral 2030 (Scope 1&2)

ต้องลดการปล่อยก๊าซเรือนกระจก 91,571 ตัน CO<sub>2</sub>e



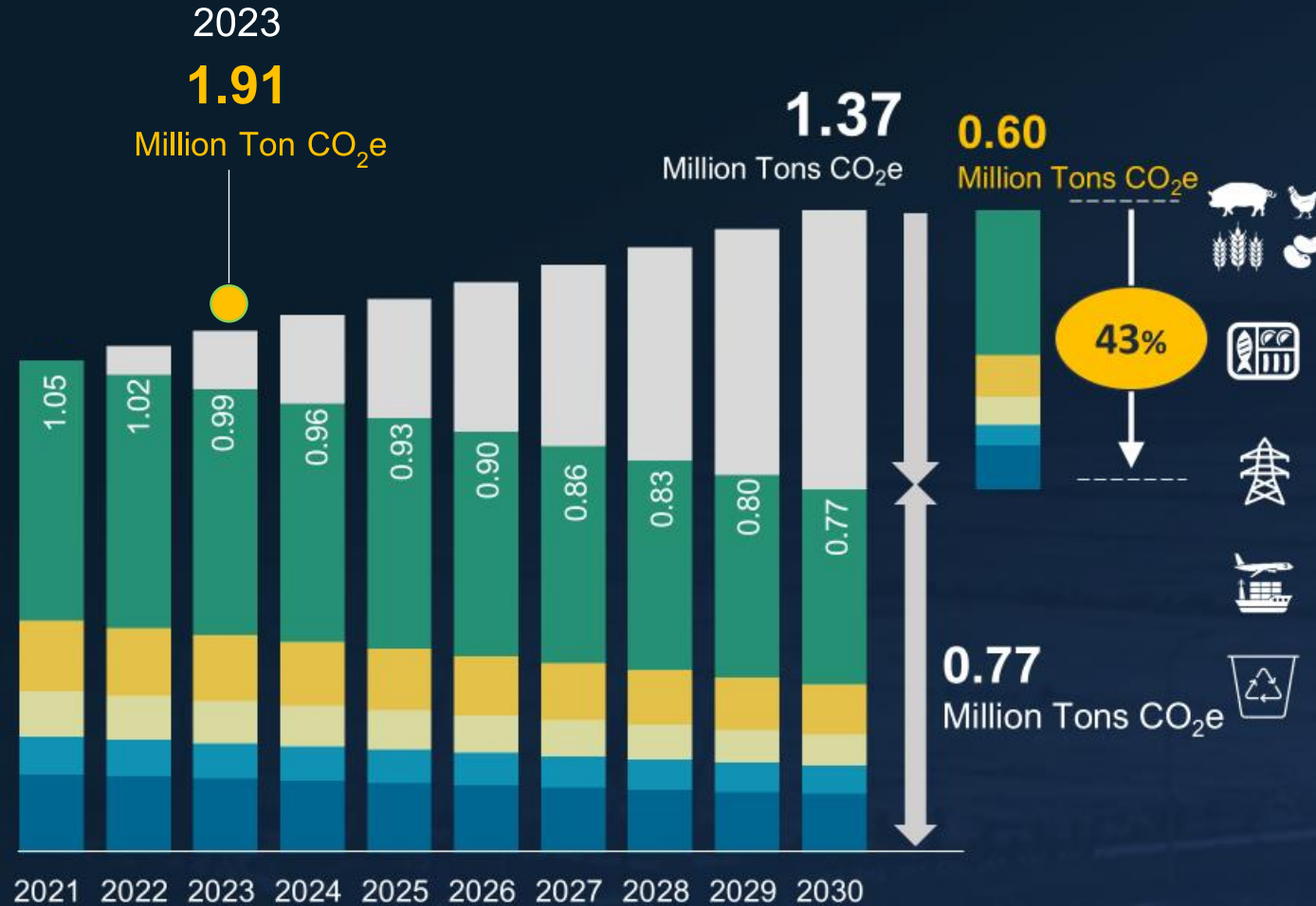
## GHG Reduction

		Tons CO <sub>2</sub> e	%
	Solar Energy	25,524	20%
	Energy Efficiency	18,232	17%
	Biomass / Biogas	4,558	5%
	Green Transportation	2,735	3%
	Carbon Credit	40,522	



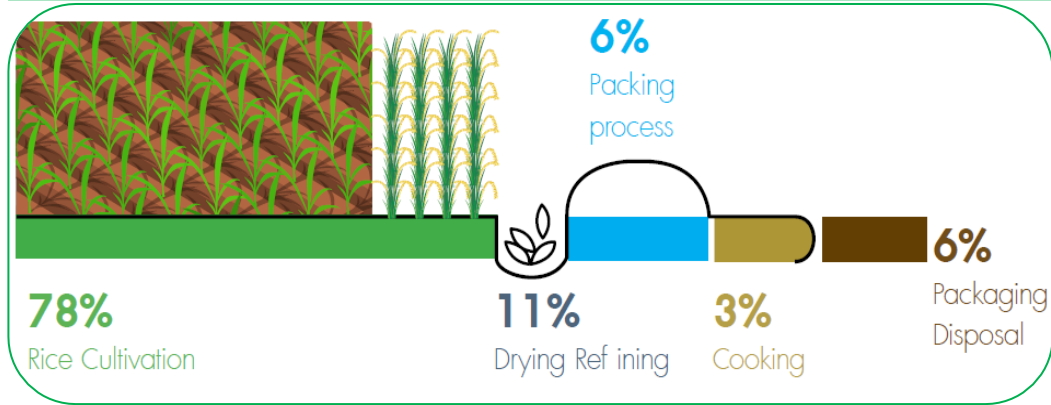
# Zero 2030 (Scope 1, 2, 3)

ต้องลดการปล่อยก๊าซเรือนกระจก 0.60 ล้านตัน CO<sub>2</sub>e



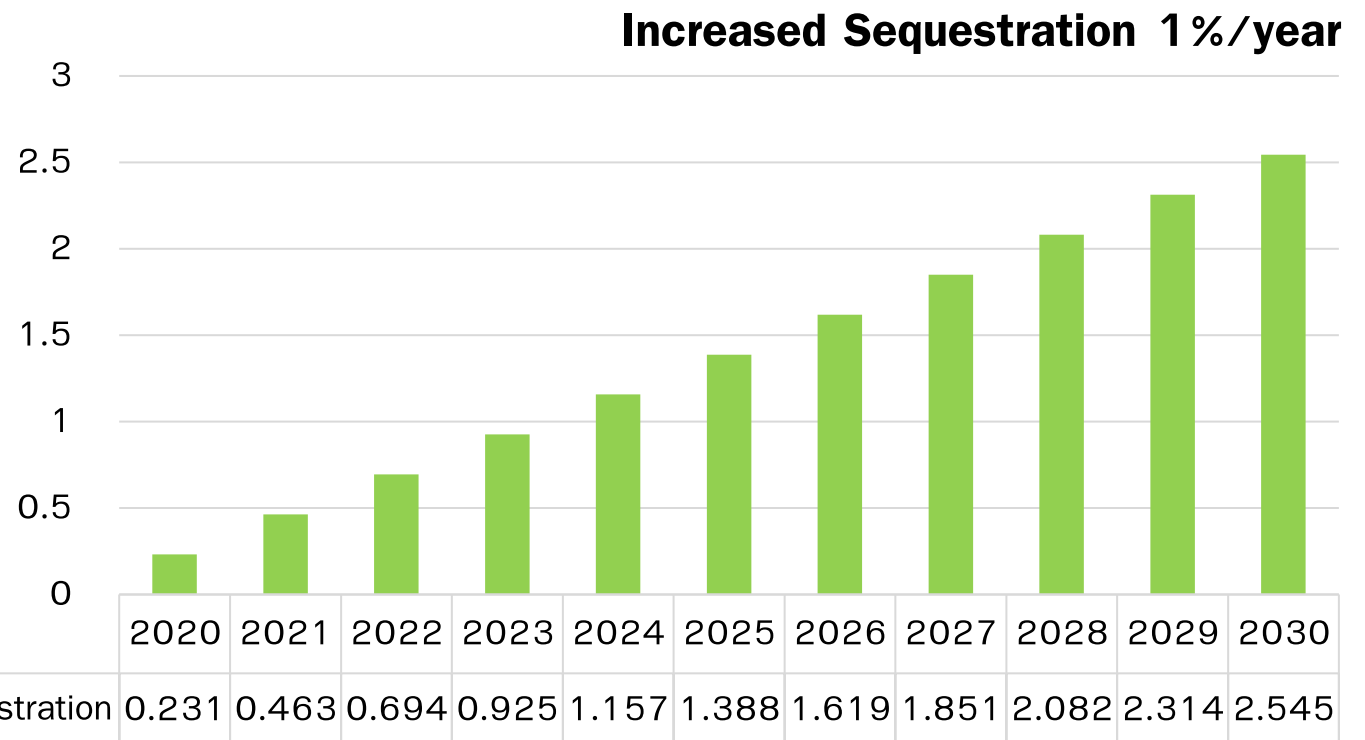
GHG Reduction	MillionTon CO <sub>2</sub> e	%
Sourcing Low-Carbon Raw Materials	0.31	22%
Low Carbon Product Development	0.09	7%
Renewable Energy & Energy Efficiency	0.09	6%
Green Transportation	0.06	4%
Zero Waste, Sustainable Packaging, etc.	0.04	3%
<b>Total GHG Reduction</b>	<b>0.60</b>	<b>43%</b>

## Greenhouse gas emissions in the rice process



**190,198 Rai**  
Paddy field that promotes  
2020-2030

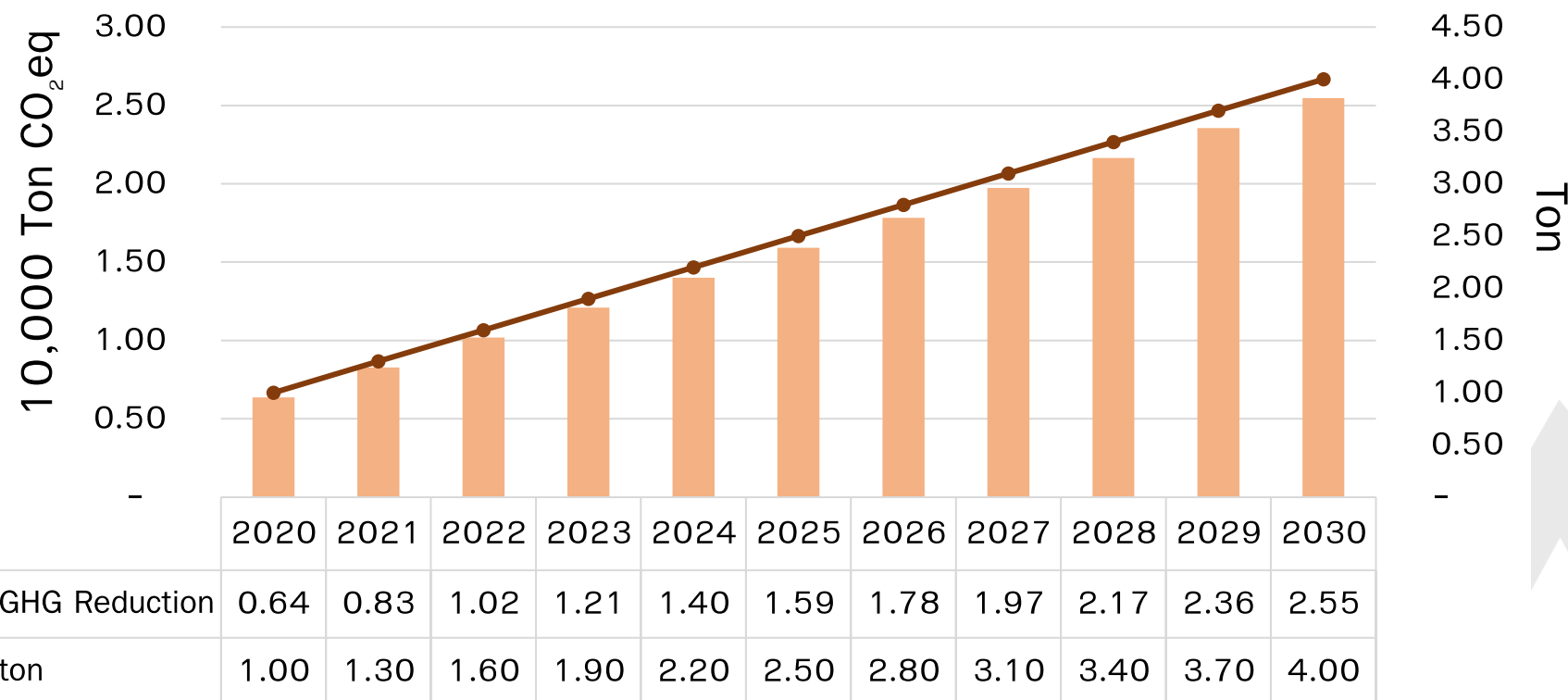
- Methane Sequestration in the soil
- Nutrient Management



Reference; PCR, IPCC 2007



Ayutthaya Port &amp; ICD Co., Ltd.



**In case, Max capacity (8M ton)**

GHG Reduction = 50,900 tonCO<sub>2</sub>

Net Carbon Emission = -22,000 tonCO<sub>2</sub> (For Sell)

Emission factor

Ship = 0.0107 kgCO<sub>2</sub>/tkm



Truck = 0.0404 kgCO<sub>2</sub>/tkm



Q1.3 Specific ESG questions:  
-Any no-deforestation/ plastic reduction/ other commitments?



Consider sustainable policy at “ <https://sgc.cptg.co.th/en/> ”



OUR  
COMMITMENT

FRAMEWORK &  
GOVERNANCE

SUSTAINABILITY  
PERFORMANCE

SUSTAINABILITY  
REPORTS

AWARDS &  
RECOGNITIONS

> EN  
TH

OTHER POLICIES

Environmental Policy and Guidelines	CPI DOWNLOAD	CPP DOWNLOAD
Policies and guidelines on whistleblowing and complaints handling	CPI DOWNLOAD	CPP DOWNLOAD
Matters concerning the policy and practice of hiring foreign workers	CPI DOWNLOAD	CPP DOWNLOAD
Compliance Policy	CPI DOWNLOAD	CPP DOWNLOAD
Risk Management Policy	CPI DOWNLOAD	CPP DOWNLOAD
Human rights policies related to political rights	CPI DOWNLOAD	CPP DOWNLOAD
Innovation policy	CPI DOWNLOAD	CPP DOWNLOAD
Energy Management and Optimization Policy	CPI DOWNLOAD	CPP DOWNLOAD
Health and Nutrition Policy	CPI DOWNLOAD	CPP DOWNLOAD

Q1.3 Specific ESG questions:  
- Any sustainability initiatives that are ongoing/ planned/ were implemented in the past?

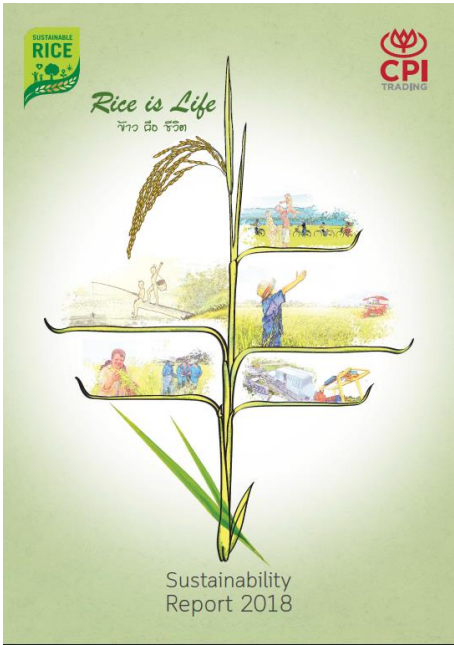


Asia’s Best Sustainability Report (First Time) Level “Gold” 2019

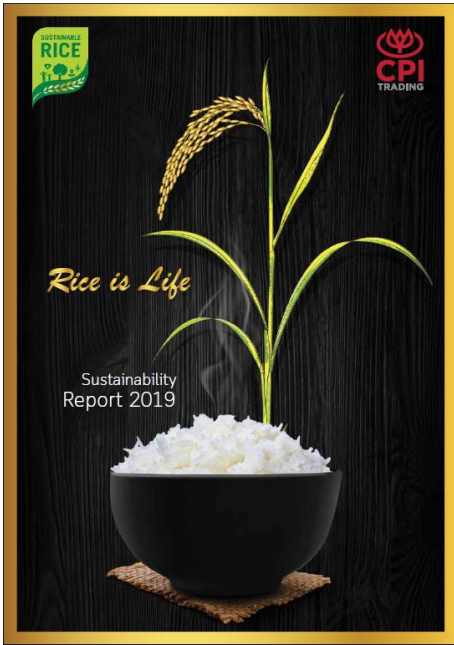
FROM >> CSR Works International and partner organizations



Sustainability  
Report



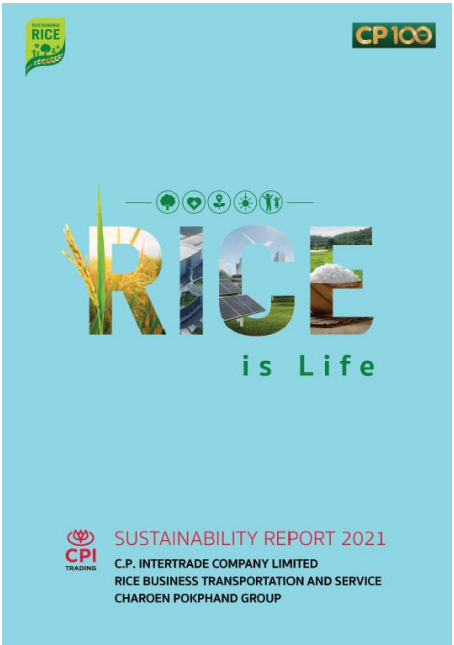
Report 2018



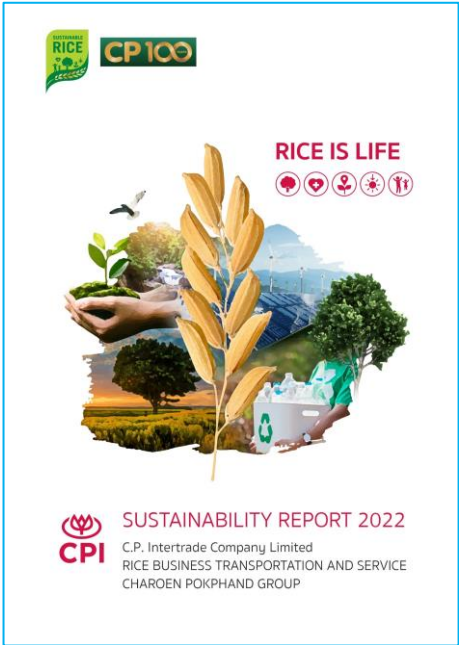
Report 2019



Report 2020



Report 2021



Report 2022



## TARGET : CPI TO **WORLD** SUSTAINABILITY RANKING

CORPORATE GOVERNANCE IS AN IMPORTANT FOUNDATION FOR ACHIEVING SUSTAINABLE GROWTH IN A BUSINESS. C.P. INTERTRADE HAS IMPLEMENTED A CORPORATE GOVERNANCE SYSTEM TO PROMOTE AND ENSURE COMPLIANCE IN THE FOLLOWING AREAS: CORPORATE GOVERNANCE PRINCIPLES, BUSINESS CODE OF CONDUCT, POLICIES AND ETHICAL BEST PRACTICES, AND SUPPLIER CODE OF CONDUCT, ALL OF WHICH ARE RELATED TO LAWS, SOCIAL NORMS, AND CORPORATE REGULATIONS IN THE VALUE CHAIN.

THESE PRINCIPLES ALSO RESPECT HUMAN RIGHTS AND LABOR PRACTICES WITHIN OUR ORGANIZATION. WE ALSO FOCUS ON HUMAN CAPITAL AND LEADERSHIP DEVELOPMENT, AS WELL AS STAKEHOLDER ENGAGEMENT TO PROMOTE EFFICIENCY WITHIN OUR ORGANIZATION. SUCH ACTIVITIES ARE CRUCIAL TO OUR SUCCESS AND FOR CONTINUALLY BUILDING THE LEVEL OF TRUST IN CP INTERTRADE CONSISTED OF;



GOVERNANCE STANDARDS  
(ETHISPHERE)

CORPORATE  
GOVERNANCE



LABOR STANDARDS

HUMAN RIGHTS &  
LABOR PRACTICES



EDUCATION &  
INEQUALITY  
REDUCTION

- INTERNAL HI-PO TALENT
- LEADERSHIP DEVELOPMENT
- MANAGERIAL DEVELOPMENT

LEADERSHIP &  
HUMAN CAPITAL  
DEVELOPMENT



CYBER SECURITY &  
DATA PROTECTION

## SUSTAINABILITY AGRICULTURE

### KCP RICE PRODUCTION PRACTICE



### PARTICIPATED WITH GLOBAL RICE SUSTAINABILITY PROGRAM



### KHAO C.P. SUSTAINABILITY



THE AGRICULTURAL SECTOR IS STILL AN INTEGRAL PART OF THE ECONOMIES OF THAILAND AND MANY OTHER COUNTRIES AROUND THE WORLD, AS IT IS RELEVANT TO THE LIVELIHOOD OF MANY PEOPLE. YET, MOST FARMERS ARE STILL IN POVERTY DUE TO THE LACK OF CAPITAL, KNOWLEDGE, TECHNOLOGY, AND ACCESS TO MARKETS. MEANWHILE, C.P. INTERTRADE HAS THE RESOURCES AND CAN COLLABORATE WITH RELEVANT PARTIES IN ORDER TO IMPROVE THE FARMERS' QUALITY OF LIFE, ESPECIALLY TO ERADICATE POVERTY AS PART OF ADDRESSING GOAL 1 OF THE SDGS.

CP INTERTRADE HOLISTIC OPERATIONS SEEK TO SUPPORT FARMERS BY DEVELOPING THEIR SKILLS AND ENHANCING THEIR LAND MANAGEMENT CAPABILITY. OUR OPERATIONS PRIORITIZE PROGRAMS THAT CAN CREATE ECONOMIC, SOCIAL, AND ENVIRONMENTAL VALUES AND ALIGN WITH THE FOUR-IN-ONE APPROACH COMPRISING THE PUBLIC SECTOR, PRIVATE SECTOR, FINANCIAL INSTITUTIONS, AND FARMERS. WE ALSO SUPPORT THE LEGISLATION OF CONTRACT FARMING AND OTHER INTEGRATED PROJECTS TO ENSURE SELF-SUFFICIENCY AND SUSTAINABILITY FOR FARMERS.

## TARGET:

SUPPORTED TO GENERATE INCOMES

FOR FARMERS AND VULNERABLE GROUPS ALONG OUR SUPPLY CHAIN

15,000 FARMER



2021

50,000 FARMER



2025

100,000 FARMER



2030



# HOME : LIVING TOGETHER

CP INTERTRADE RECOGNIZING THE URGENCY OF ACTION ON SUSTAINABLE DEVELOPMENT HAPPENING AROUND THE WORLD. OUR BUSINESS GROUP IS **COMMITTED TO OPERATING IN ACCORDANCE WITH THE PARIS AGREEMENT. TO LIMIT GLOBAL TEMPERATURE, RISE TO NO MORE THAN 1.5 DEGREES CELSIUS ABOVE PRE-INDUSTRIAL LEVELS** AND SET LONG-TERM TARGETS FOR GLOBAL GREENHOUSE GAS EMISSIONS BOTH THE VALUE CHAIN WILL BE ZERO BY 2050, COUPLED WITH SETTING SCIENTIFIC GOALS OR SCIENCE BASED TARGETS IN ALL RELEVANT AREAS.

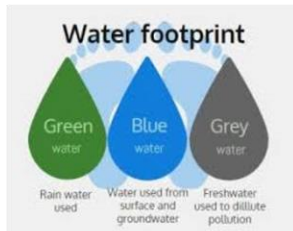
## CPI NET ZERO TARGETS



THIS IS IN LINE WITH THE CRITERIA AND RECOMMENDATIONS OF THE SCIENCE BASED TARGETS INITIATIVE (SBTI). IT ALSO **AIMS TO REDUCE GREENHOUSE GAS EMISSIONS PER UNIT OF REVENUE BY 10% IN 2022** COMPARED TO THE BASE YEAR 2020 BY DEFINING ACTION GUIDELINES TO **BEING A ZERO EMISSIONS ORGANIZATION SCOPE 1,2 IN 2030 AND ZERO EMISSIONS ORGANIZATION SCOPE 1,2,3 IN 2050**



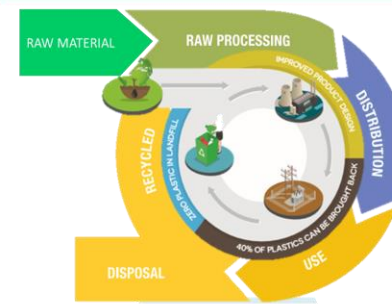
CARBON FOOTPRINT



WATER FOOTPRINT



SUSTAINABILITY PACKAGING



GREEN SUPPLY CHAIN

### Q1.3 Specific ESG questions:

- Would you be interested in partnering with DFI on sustainability? If not, why?

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Yes, Company interested in partnering with DFI on sustainability.

# **Lever evaluation and overall capabilities**



VERTICAL RICE INTEGRATION



# PROJECT 32: TRACEABILITY

## GOAL :

from farm  
to table  
100%  
traceability

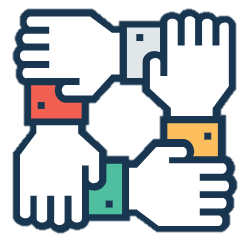
## Driving Force :

Sustainable  
Value Chain



## KEY STRATEGY:

### [STRATEGY 1: Synergy Traceability system entire Value Chain]



Connect the traceability system of Charoen Pokphand Group products throughout the value chain.

### [STRATEGY 2 : Set Pilot Project-expansion]



Prototype a comprehensive traceability process throughout the value chain.

### [STRATEGY 3 : Multi Platform Integration]



Collecting/improving/developing traceability programs that can be connected to the whole group and provide information to customers.

## KPI & TARGET

KPI	FY19	FY20
Product prioritize	100%	100%
Role model of BU	90%	100%
Analyze and platform integration	90%	100%

## TECHNOLOGY & INVESTMENT :

- F2F
- Block chain

## PROJECT PARTNERS :



# PROJECT 32: TRACEABILITY

## GOAL :

- Sustainable Value Chain
- Support CPG Traceability's Goal

## Driving Force :

- Sustainable Value Chain
- Customer demand



## KEY STRATEGY:

### [STRATEGY 1: Upstream Raw material Development Program]



Two-way data linkage management technology from the level of cultivation, production, transportation, distribution points, as well as products to consumers.

### [STRATEGY 2 : Sustainable Rice Strategy]



Improving the quality of life of farmers with the production standards of industrial agricultural products  
(Sustainable Agriculture:  
Economy/Society/Environment)

### [STRATEGY 3 : 3<sup>rd</sup> party Verification by TUVNORD]



Verification and certification of trace by external agencies.

## KPI & TARGET

KPI	FY19	FY20
IT System of Traceability	100%	-
Input Farmer data	100%	100%
Complete 3rd party verification	100%	100%

## TECHNOLOGY & INVESTMENT :

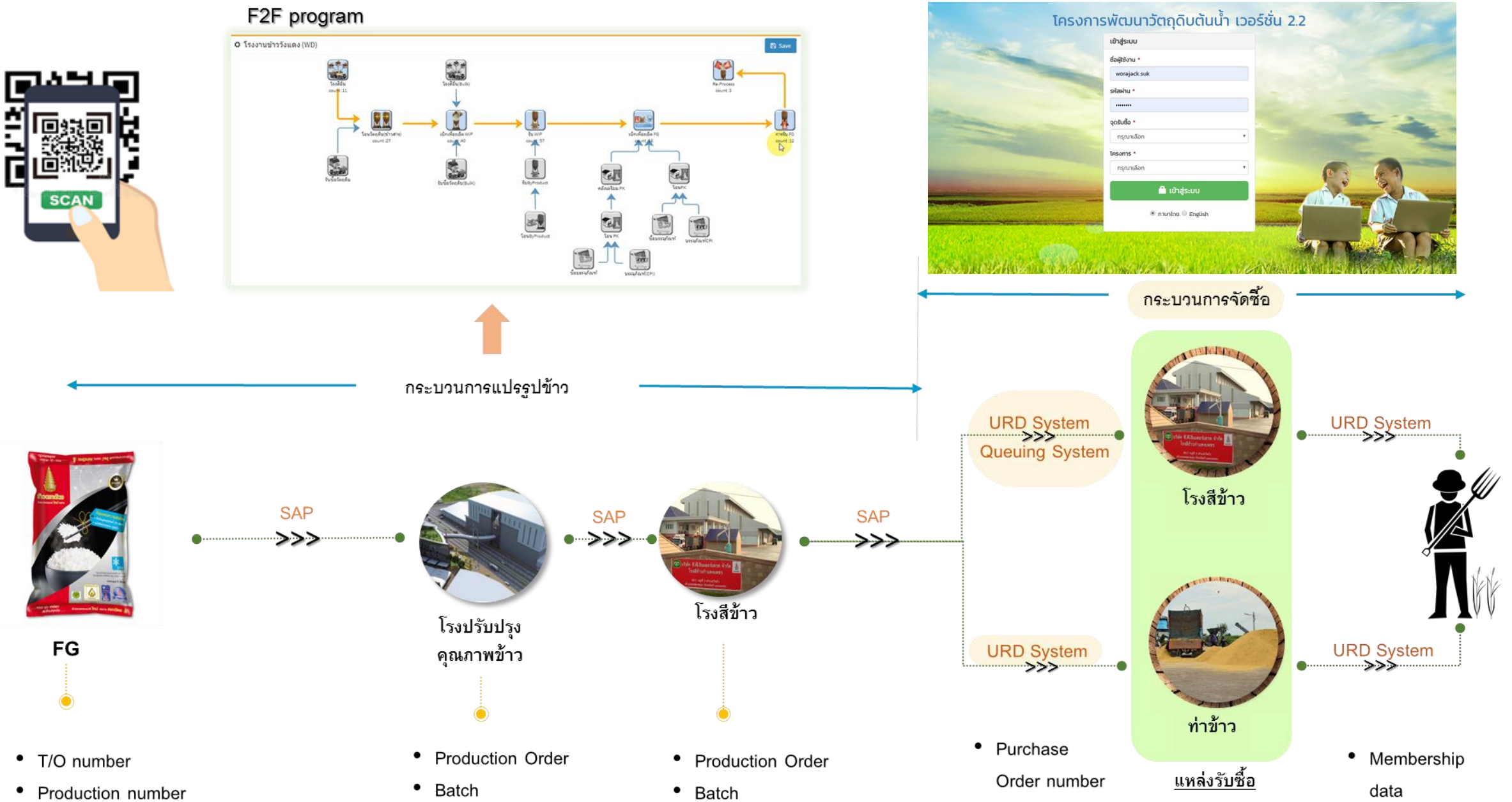
- F2F
- Crop INN
- Internal Control System
- Third Party Verification

## PROJECT PARTNERS :

IT  
URD  
CSO  
TUVNORD / Control Union



## [STRATEGY 1: Upstream Raw material Development Program]



# [STRATEGY 2: Sustainable Rice Strategy]



GOOD AGRICULTURAL PRACTICE : GAP PLUS



## Q2.1 Have you thought of/ planned implemented any of these levers? How realistic do you think this lever is?

- Do you host workshops/ sessions with farmers on the ground?



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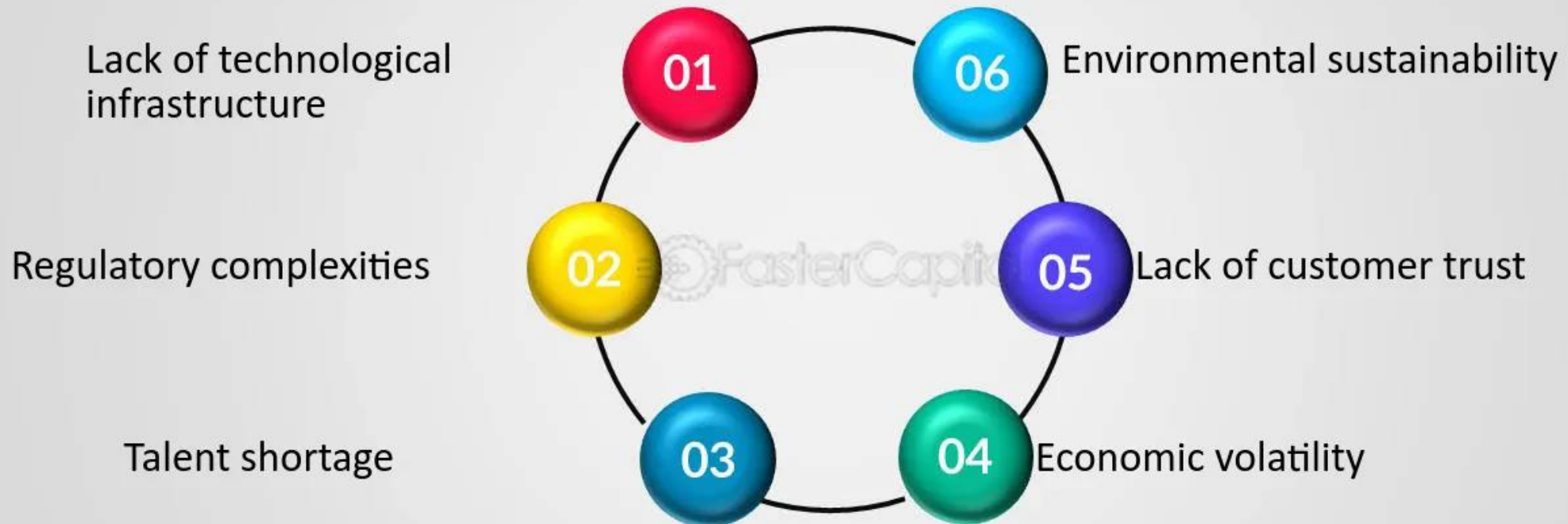
- Are you up-to-date with incentives and policies on agriculture that government departments are piloting? Do you share information with your upstream distributors/ farmers? Some of the levers mentioned already receive gov support.

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- We support a 50% discount on agricultural production factors for farmers and we give an additional 250 baht per tons.



## Challenges and Roadblocks



Q2.3 What would it take for you to drive sustainability? (e.g., resources, knowledge)



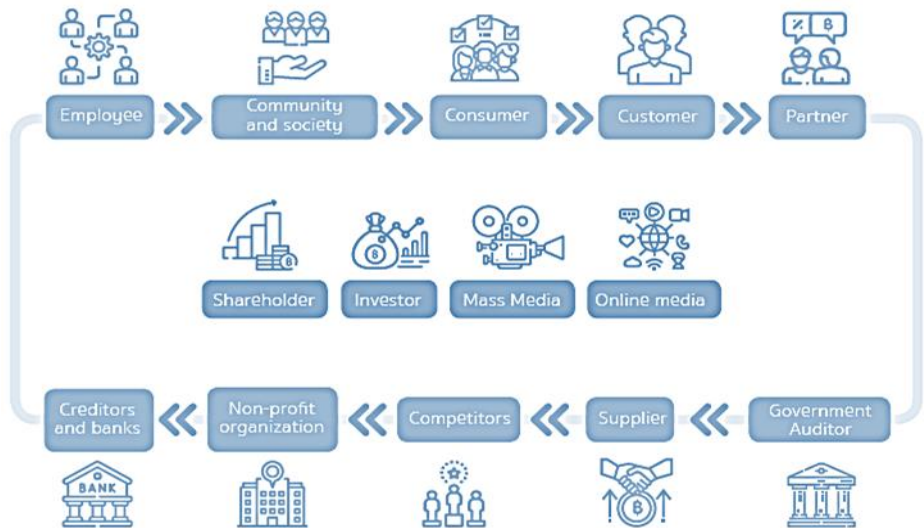
RESOURCES



KNOWLEDGE



TECHNOLOGY




STAKEHOLDER

Q2.4 What might the implementation timeline for this lever look like? How many months would it require?




CPI 2030 SUSTAINABILITY GOALS

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 **EDUCATION & INEQUALITY REDUCTION**  
**100,000** people supported through educational support, lifelong learning, and upskilling


 **LEADERSHIP & HUMAN CAPITAL DEVELOPMENT**  
**100%** employees engaged in sustainability training and initiatives


 **CYBER SECURITY & DATA PROTECTION**  
**100%** of businesses certified on international standard of data security and data privacy


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 **SOCIAL IMPACT**  
**100,000 farmers** jobs supported to generate incomes for small farmers, SMEs and vulnerable groups along our supply chain


 **INNOVATION**  
**100 Million Baht** Cost saving from Process innovation


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**80%** of multi-stakeholder engagement surveys score positively

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**Zero Accident** achieve zero lost time injury frequency rate

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**Net Zero** carbon emissions of organization's operations

 **CIRCULAR ECONOMY**  
**100%** achieve zero food waste from organization's activities and use of sustainable packaging

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 **ECOSYSTEM & BIODIVERSITY PROTECTION**  
**800,000 Rai** agriculture area of protection and restoration of land ecosystems in the countries where CPI operates passed sustainability standard cover biodiversity issues

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# CPI SUSTAINABILITY GOALS

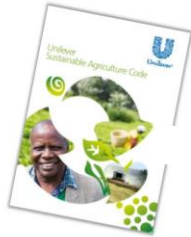
## HEART: LIVING RIGHT

### CUSTOMER

WORKING TOGETHER IN PARTNERSHIP

Unilever Self Assessment

Industry Wide Standards



Field to Market  
The Alliance for Sustainable Agriculture

CPI TO **WORLD**

SUSTAINABILITY  
RANKING



## HEALTH: LIVING WELL

### SUSTAINABILITY AGRICULTURE

In 4 Country :

Thai, Myanmar, Vietnam, Cambodia



Self Claim

: KHAO C.P. Sustainability



Key Stakeholder Audit

: Sustainability Agriculture Code



Global Audit

: Sustainability Rice Platform

### SUSTAINABILITY SOCIAL



FAIRTRADE  
FOUNDATION

## HOME: LIVING TOGETHER

### SUSTAINABILITY PACKAGING

: Thailand



### SUSTAINABILITY ENVIRONMENTAL



CARBON FOOTPRINT



WATER FOOTPRINT



Q2.5 Are there other initiatives you have considered, but perhaps did not implement?  
Why?

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1. We originally tried to develop our Sustainable Agriculture Standard as the KCP Standard, using the SRP Standard as a template. But it turned out to be past. We currently use the FSA Farm Sustainability Assessment standard in our implementation.
2. The development of renewable energy, solar cells, is another approach that is being developed.