

# CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE **DEVELOPMENT**





# SUSTAINABILITY REPORT

Central Plaza Hotel Public Company Limited or CENTEL operates hotel and food businesses under the framework for good corporate governance and effective risk management, adheres to the principles of sustainability, offers a superior service experience with Thai hospitality, and delivers valuable meals to customers. The company recognises all stakeholders throughout the supply chain and strives to become a good citizen of the society and create a balance for sustainability in the economy, society, and environment to enhance competitiveness and value of the organisation in the long term.

We are committed to developing sustainability strategies to support sustainable economic growth and social development wherever we operate based on the sustainable development policy. To create a sustainable balance in the economic dimension, the company is committed to improving the quality of its service and products to meet the needs of all customer groups. In terms of society, it aims to bring about security to the society and community by developing the skills and potential of its employees, creating jobs and professions, and distributing income to ensure a sustainable society. For the environmental dimension, it has been committed to conducting businesses that are environmentally friendly at all stages of its operations and taking into account both short- and long-term environmental impacts throughout the supply chain.

## Vision and Mission

VISION AND MISSION	
HOTEL BUSINESS	FOOD BUSINESS
<b>Vision</b> To be the leading global hospitality group of Thai origin	<b>Vision</b> To be the Number one restaurant business in Thailand in the hearts of our consumers, leading with innovations and delivering value-for-money for all occasions
<b>Mission</b> To provide locally-relevant, Thai-inspired experiences in each of our global destinations, delighting guests through a blend of innovation, authentic family values and the unique passion of Centara's people, whilst maintaining a commitment to sustainability.	<b>Mission</b> To deliver delicious and affordable meals to all our customers and always providing our service warmly from our hearts. We strive to create product innovations and store experiences that respond to our customer's ever-evolving lifestyles in order to provide a truly memorable dining experience. All this in support of, and serving as CRG's long-term commitment to the community around us and our unwavering commitment to sustainable growth.

## Hotel Business Strategy

Develop a business growth strategy for Centara hotels and resorts to step up its role in the region under the business framework that involves a five-year operational plan (2019-2023), doubling the expansion of domestic and overseas portfolios, seeking new business opportunities, and improving key infrastructure.

## Food Business Strategy

The Central Restaurants Group focuses on revenue growth and operating results by developing new food menus, introducing new restaurant brands to provide a wider variety of choices to consumers, creating food innovation to reduce costs, expanding branches, increasing modern distribution channels continuously with new business models that respond to the lifestyles of the new generations, improving restaurant experience through digital technology and excellent food delivery services. Furthermore, the company places great emphasis on expanding branches overseas, particularly in Vietnam and ASEAN countries, which will bring about overall strong growth for the company.



### Corporate Values

The role of promoting sustainability in the organisation is embedded in the company's operations under the "**I • CARE**" concept because we care about conducting business in harmony with employees, customers, business partners, society, and community. The concept is instilled in the company's business practices to operate the responsible hotel and food businesses and to use as a framework for moving the organisation towards sustainability.

**Innovation** – *Creating and Implementing New Ideas* - CENTEL is ready for all opportunities and challenges for better quality and efficient work processes. The company embraces change, overcomes all limitations, explores new knowledge, and has the courage to initiate and further develop new ideas into action.

**Customer** – *Customer Care* - CENTEL is committed to developing service excellence by focusing on customers and readiness to serve customers at all time, to know the customers and products beyond expectations, to accept and be ready to fix the mistakes, and to keep in mind customers' viewpoints, even during difficult times.

**Alliance** – *Advancing Both Business Groups* - CENTEL encourages teamwork to advance the entire business group by focusing on working towards the same goal, creating choices that everyone is satisfied with, listening to and respecting different perspectives, uniting business groups, and building relationships to collectively enhance knowledge and experience.

**Relationship** – *Bond and Reliance* - CENTEL recognises the importance of its bond with and reliance on employees, business partners, and society for sustainable development and focuses on keeping promises to ensure trust and confidence, valuing and respecting people's diversity, flexible and fun work atmosphere to create a good work environment that is attentive, sincere, and caring and promotes a sense of social responsibility.

**Ethic** – *Aiming for Ethics* - CENTEL ensures that employees are proud of the organisation, that customers trust the products and services and will be happy to purchase them again in the future, that partners believe in doing and growing business together on a sustainable basis, and that the society accepts and supports the organisation in conducting its business, enabling the organisation to achieve sustainable growth.

### Sustainability Management

#### CENTEL VALUE CHAIN



Raw Materials • Local Product • Local Supplier • Local People • Local Community

### Sustainability Structure

CENTEL has established a sustainable operational structure with the Chief Executive Officer and the President as the leaders to drive integrated sustainable operations. The Working Group for Sustainable Development coordinates with various departments of the hotel and food business group to report operating results in the economic, social, and environmental dimensions to the Risk and Governance Committee which is responsible for supporting and overseeing sustainable operations. Meeting is held every three months to review and monitor the company's operations to achieve the goals in accordance with the company's business practices and sustainability policies which will lead to the achievement of sustainable development in economic, social, and environmental dimensions following the framework of the Sustainable Development Goals (SDGs) of the United Nations.



### Awareness on Sustainable Operations

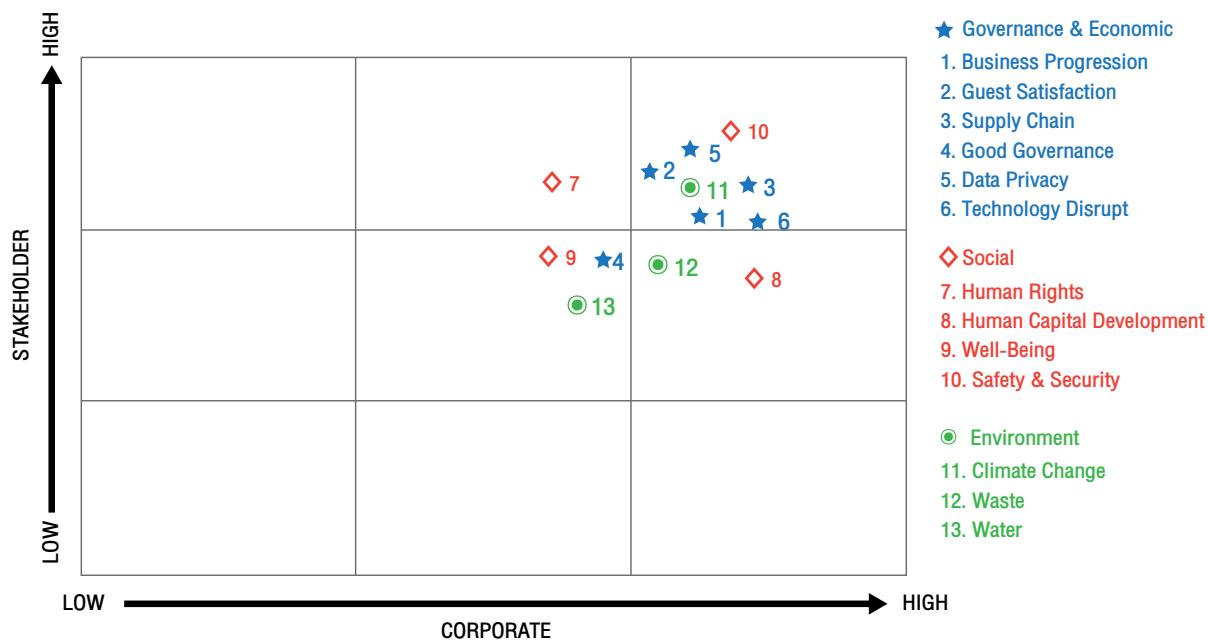
In 2019, the company focused on creating an understanding of sustainability among employees by providing trainings on sustainability to employees in the country and abroad along with creating a board showing operational information related to sustainability of each department to inform employees of the overall operations and a video called "Sustainability Starts with You" to communicate to employees, customers, business partners, and the general public on sustainable tourism to reduce environmental impact and make everyone realise that sustainability starts with us. Moreover, the company also provided a special training on organisational sustainability to high-level executives in the hotel and food business group by inviting sustainability experts from the Stock Exchange of Thailand to promote understanding of sustainability at the organisational level and ensure that management is aware of the issue and can apply the principle to management for organisational sustainability.

### Materiality Assessment of Sustainability Issues

1. The identification of sustainability issues in 2019 has taken important risk factors in business operations of the hotel and food business and important issues from stakeholder groups from the participation process of all groups to compare with the sustainability issues that the hotel and food businesses around the world realise as important. After that, all the issues that have been prioritised are presented to management of each business group.
2. Prioritisation Analysing and considering information regarding sustainability issues that are important to all stakeholders in collaboration with 13 issues and dividing the issues into three main groups including economic, social, and environmental dimensions and prioritised two aspects which are issues that are important to the organisation's operations and issues that are important to stakeholders.
3. Validation Examined significant issues and presented to the Risk and Monitoring Committee for approval as well as presented the operational plan which has been approved by the business group's executives.

### Prioritisation of Material Aspects

#### Sustainable Materiality Matrix

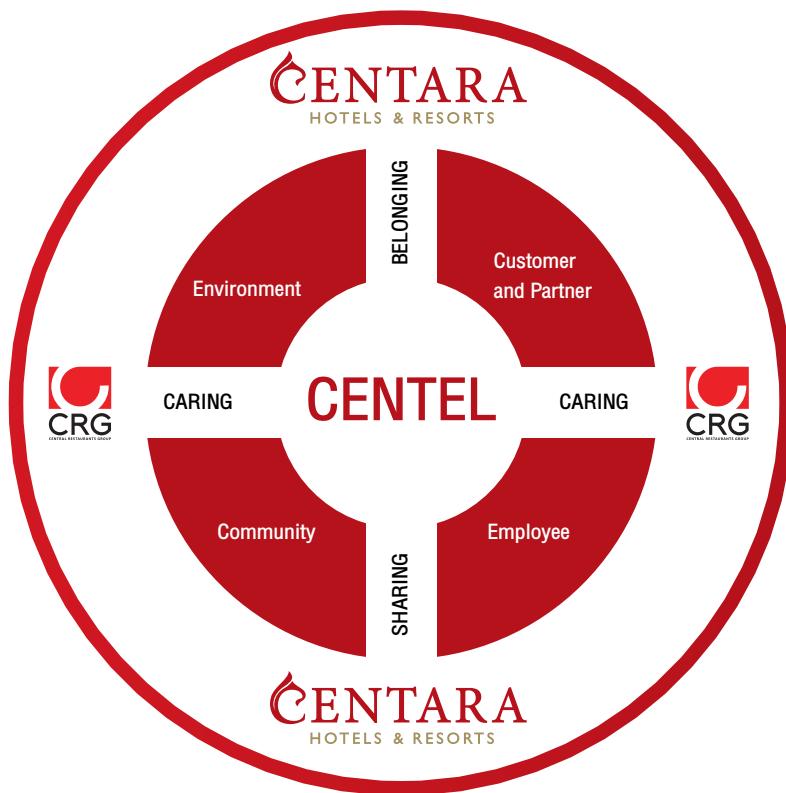


#### Material Issues

Material Issues	Boundary of the effect (Inside/Outside the Organisation)	Topics Presented in the Report
1. Business Progression	All Departments / Customers, Business Partners, Shareholders	Business Development
2. Customer Satisfaction	All Departments / Customers	Customer Relationship Management
3. Supply Chain Management	All Departments / Business Partners, Communities	Supply chain management
4. Corporate Governance	All Departments / Customers, Business Partners, Shareholders	Conducting Business based on Good Governance Principles
5. Data Privacy	All Departments / Customers	Personal Data Protection and Privacy
6. Technology Disruption	All Departments / Customers	Group Marketing
7. Human Rights	All Departments / Business Partners	Human Rights Operation
8. Human Capital Development	All Departments / Customers	Human Resource Development
9. Well-Being	All Departments / Communities	<ul style="list-style-type: none"> <li>Employee Well-Being and Employee Engagement</li> <li>Social Development and Community Support</li> </ul>
10. Safety & Security	All Departments / Customers, Communities	Safety and occupational health
11. Climate Change Management	All Departments / Customers, Communities	Environmental Dimension
12. Waste Management	All Departments / Customers, Communities	Environmental Dimension
13. Water Management	All Departments / Customers, Communities	Environmental Dimension

### Sustainability Goals and Performance

The company is committed to sustainable development throughout its supply chain right from the first step by creating stability for the business, meeting the needs of customers and business partners with excellent products and services to deliver impressive experiences. At the same time, it is committed to developing and creating skilled and competent personnel to build the foundation for business growth, supporting communities and society for better quality of life, and moving towards participation in environmental conservation which must be passed on to the next generations by conducting business in accordance with the Sustainable Development Goals (SDGs) of the United Nations



Project / Method of operation	Operating results	UN SDGs
<ul style="list-style-type: none"> <li>4Cs Project: Centara, Career, Creative for Children)</li> <li>CRG Bilateral Education Project</li> <li>Elder Workers Employment and People with Disabilities Employment</li> </ul>	<ul style="list-style-type: none"> <li>Developed 1,073 quality labour for the tourism and service industry</li> <li>Offered jobs to 434 disadvantaged people</li> <li>Improved the quality of life of the families of the disadvantaged</li> <li>Reduced the unemployment rate</li> </ul>	 Goal 4.3 / Indicator 4.3.1
Human rights and equality in employment and fair compensation and Non- discrimination against age, gender, nationality, language, and disability	<ul style="list-style-type: none"> <li>61% of employees are female</li> <li>417 female executives at the manager level</li> <li>296 disabled employees</li> <li>142 elder employees</li> <li>39 nationalities</li> </ul>	 Goal 5.1 / Indicator 5.1.1, Goal 5.5 / Indicator 5.5.2

Project / Method of operation	Operating results	UN SDGs
Establish policies to reduce greenhouse gas emissions in business processes and seek ways to improve operational methods for greater efficiency	<ul style="list-style-type: none"> <li>79.44 KT CO<sub>2</sub>-e greenhouse gas emission in business processes</li> <li>Improved operations that reduced greenhouse gas emissions by 451.22 KT CO<sub>2</sub>-e in total.</li> </ul>	  <p>Goal 9.4 / Indicator 9.4.1, Goal 13.3 / Indicator 13.3.1</p>
<ul style="list-style-type: none"> <li>Clearly specify the work processes of waste management</li> <li>Educate staff on how to properly dispose waste.</li> <li>Adopt technology and innovation</li> </ul>	<ul style="list-style-type: none"> <li>Created the POP-Plastic only Please project to encourage people to plastic waste segregation for recycling in 12 hotels with 400 kilograms of plastic</li> <li>7,831.91 cubic metres of landfill waste</li> <li>53.60% of recyclable, reused, and degradable waste</li> <li>Installed the COWTECH to convert organic waste into biogas (LPG) in the amount of 1,492.7 kilograms</li> </ul>	  <p>Goal 11.6 / Indicator 11.6.1, Goal 12.5 / Indicator 12.5.1</p>
Food donation programme for underprivileged people through Scholars of Sustenance Foundation (SOS)	<ul style="list-style-type: none"> <li>Reduced the amount of food waste 59,830.87 kg</li> <li>213,551.64 meals of quality food provided to the underprivileged.</li> </ul>	 <p>Goal 12.3 / Indicator 12.3.1</p>
Beach Cleaning projects of all hotels near the beach	Undertaken on a monthly basis to reduce the amount of plastic waste brought to the sea	 <p>Goal 14.1 / Indicator 14.1.1</p>
Sustainable Forest Planting Project by providing an opportunity for employees and business partners to create green spaces by planting large trees, restoring degraded forest, and increasing area of forestation and reforestation	<ul style="list-style-type: none"> <li>Joined the Central Group as part of the green space working group to plant 1,200 trees in Bang Krachao area</li> <li>Joining the Bangkok Metropolitan Administration to plant 120 trees in Bangkok</li> </ul>	 <p>Goal 15.2 / Indicator 15.2.1</p>
<ul style="list-style-type: none"> <li>To be a member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)</li> <li>Encourage business partners to participate in the project and provided trainings for the company's employees</li> </ul>	<ul style="list-style-type: none"> <li>Renewed the membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on 5 August 2019.</li> <li>Communicated the bribery policy to employees</li> <li>Notified and encouraged business partners to join Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)</li> </ul>	 <p>Goal 16.5 / Indicator 16.5.1</p>

### Stakeholder Engagement

CENTEL has identified various groups of stakeholders and offered communication channels to listen to their opinions and expectations which will lead to the development of processes to respond to stakeholders' opinions and expectations

Stakeholder group	Engagement and Communication Channels	Interests and Expectations	Response
Customers	<ul style="list-style-type: none"> <li>Survey of customer satisfaction after using the service</li> <li>Interaction with customers while providing service</li> <li>Complaints through various channels</li> <li>Online communication channels</li> </ul>	<ul style="list-style-type: none"> <li>Service quality</li> <li>Variety of services to meet customer needs</li> <li>Up-to-date, complete, and accurate information</li> </ul>	<ul style="list-style-type: none"> <li>Offer impressive Unique Thai services</li> <li>Deliver a variety of products to provide services that meet customer needs.</li> <li>Develop technology to provide customers with efficient services and quick and easy access to services</li> <li>Prioritise customers' safety and privacy</li> <li>Present accurate information and news about services and products</li> <li>Create a strict plan to support and manage customers' information security and privacy.</li> </ul>
Business partners	<ul style="list-style-type: none"> <li>Annual business partners meeting</li> <li>Channels for receiving complaints</li> <li>Customer needs surveys</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable joint business operations</li> <li>Jointly develop innovations for joint business operations</li> </ul>	<ul style="list-style-type: none"> <li>Organise a one-item-one-price ordering system</li> <li>Transparent, fair, and verifiable procurement process</li> <li>Create manuals and guidelines for business partners in accordance with the ESG Sustainability Principles</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Orientation for new employees</li> <li>Town halls to enable executives to keep employees closely informed</li> <li>Annual employee satisfaction survey</li> <li>Establishment of the employee welfare committee</li> <li>Relationship building activities to promote employee engagement</li> </ul>	<ul style="list-style-type: none"> <li>Career advancement</li> <li>Life balance</li> <li>Appropriate remuneration and welfare</li> <li>Opportunity for comments</li> </ul>	<ul style="list-style-type: none"> <li>Develop plans to enhance the skills, knowledge, and competency of staff</li> <li>Review the compensation and welfare of employees to ensure appropriateness and fairness</li> <li>Care about employees like family members to create loyalty to the organisation through various activities</li> <li>Improve the work environment according to the occupational health criteria</li> <li>Analyse the data from the employee satisfaction survey to create a plan to meet employee needs.</li> </ul>

Stakeholder group	Engagement and Communication Channels	Interests and Expectations	Response
Communities and society	<ul style="list-style-type: none"> <li>Community relations activities through volunteering activities</li> <li>Listen to the opinions of the communities and society through various channels</li> </ul>	<ul style="list-style-type: none"> <li>Create value for the community and society</li> <li>Enhance the communities for sustainable growth</li> <li>Care about and preserve the environment around the communities</li> <li>Support activities for the communities</li> </ul>	<ul style="list-style-type: none"> <li>Promote, develop, and build good relationships with the communities and society to be able to live together in a sustainable way</li> <li>Share knowledge to enable the communities to grow together with the company's business</li> <li>Generate income for the communities, both directly and indirectly, for the growth of the community's economy</li> </ul>
Environment	<ul style="list-style-type: none"> <li>Survey and evaluate the direct and indirect environmental impacts from business operations</li> </ul>	<ul style="list-style-type: none"> <li>Reduce both short-term and long-term environment impacts</li> <li>Care about and preserve the environment around the communities</li> </ul>	<ul style="list-style-type: none"> <li>Supervise and manage natural resource usage to maximise benefits</li> <li>Continue to improve business processes to reduce environmental impact</li> <li>Use innovation and technology to help in the operation processes</li> <li>Create and promote environmental knowledge among employees and the communities</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>Investor relations activities</li> <li>Annual General Meeting</li> <li>Company website, online media, and publications</li> <li>Channels for receiving notifications of investor relations information</li> </ul>	<ul style="list-style-type: none"> <li>Cost-effective business results with steady and sustainable growth</li> <li>Readiness to deal with crises affecting the business</li> </ul>	<ul style="list-style-type: none"> <li>Participate by expressing opinions regarding business operations.</li> <li>Regular activities to meet investors and shareholders</li> <li>Listen to suggestions from shareholders equally</li> <li>Present information on the organisation's operating results with directions and business plans</li> </ul>
Overall stakeholders	<ul style="list-style-type: none"> <li>Company website</li> <li>Complaints through various channels</li> </ul>	Conduct business transparently	Oversee business based on good governance in line with the law

#### Membership of Association

The company has become a member of organisations or agencies which work towards economic and social goals. Moreover, the company's management has joined as a committee of various organisations or agencies as follows:

1. Thai Hotel Association
2. Thai Chamber of Commerce
3. Thai Listed Companies Association
4. Thai-American Chamber of Commerce
5. Thai-English Chamber of Commerce
6. Pacific Asia Travel Association (PATA)

7. Thailand Incentive and Convention Association
8. The Federation of Tourism Industries of Thailand
9. Collective Action Coalition -Thailand's Private Sector Collective Action Coalition Against Corruption: CAC)
10. Sustainability Disclosure Community (SDC) by Thaipat Institute
11. Vibhavadi Zero Waste Project By Thailand Responsible Business Network (TRBN)

#### **Economic Dimension**

##### **Conducting business based on good governance principles**

The company puts a great emphasis on corporate governance to build trust and credibility among its stakeholders. As a result, the company is determined to manage the organisation by adhering to good corporate governance and recognising the importance of good corporate governance. The corporate governance structure consists of a board that oversees and operates with transparency according to the framework for good corporate governance policy. The board is also aware of the management of risks caused by internal and external factors to ensure that the organisation can continue to operate using risk identification and risk management process that covers sustainability issues throughout the supply chain and supports the risk culture so that all employees across the organisation have the knowledge and understanding of risk management. (More details in the Management Structure and Corporate Governance topic)

##### **Corporate Governance Report Assessment of Thai Listed Companies**

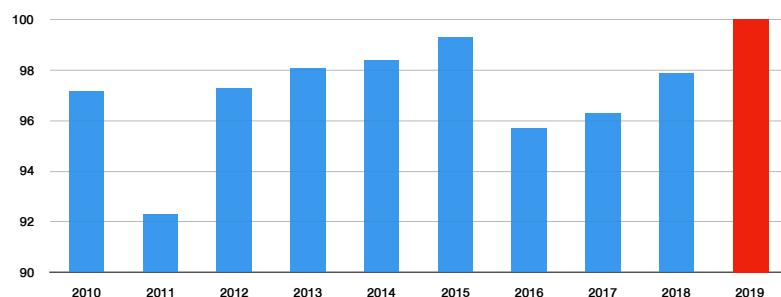
Long-term goal	"Excellent" result on corporate governance assessment every year
2019 goal	"Excellent" corporate governance from external agencies every year
2019 result	"Very good" assessment result from the Corporate Governance Report of Thai Listed Companies 2019 (CGR 2019) by the Thai Institute of Directors (IOD) sponsored by the Stock Exchange of Thailand.



##### **Quality Assessment of Annual General Meeting of Shareholders**

Long-term goal	100% assessment result every year
2019 goal	100% result from annual general meeting assessment
2019 result	100% result from 2019 annual general meeting assessment of companies listed on the Stock Exchange of Thailand by the Thai Investment Promotion Association

Quality Assessment of the Annual General Meeting



### Business Ethics

At the heart of business operations is adherence to ethics including fairness and morality in conducting business with all stakeholders. The Board of Directors has laid down the principles and guidelines for directors, executives, employees and all stakeholders as follows:

- The company operates with honesty, integrity, and ethics, and develops business for continuous and sustainable growth
- Realise the importance of customer satisfaction and develop services and products that effectively meet the needs of customers at all times.
- Treat business partners equally with regard to the company's best interest and based on fair compensation for both parties to avoid situations that may lead to conflicts of interest.
- Treat employees fairly, respect individuality and human dignity, avoid discrimination in terms of opportunities, rewards, promotion, and relocation as well as develop the potential and knowledge of employees
- Conduct business that is beneficial to the economy and society and focus on environmental conservation as well as the local traditions of the locations in which the company operates.
- Cooperate with the government to strictly comply with the rules and regulations regarding business operations.

### Anti-corruption

The company values and adheres to transparent and honest business operations that strictly comply with the law. The company realises that corruption not only affects its operations, reputation, and image, but is also an obstacle to its sustainable growth. As the company conducts business as a part of the society and hopes for Thailand to be free from corruption. The company, therefore, became a member of the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) which is a project under the Thai Institute of Directors (IOD), Thai Chamber of Commerce, Foreign Chamber of Commerce, Thai Listed Companies Association, Thai Bankers Association, Federation of Thai Capital Market Organizations, The Federation of Thai Industries, and the Tourism Council of Thailand on 1 September 2011 and passed the evaluation of the Committee of Thailand's Private Sector Collective Action Coalition Against Corruption to officially become a member of Thailand's Private Sector Collective Action Coalition Against Corruption on 22 April 2016 and the membership was renewed on 5 August 2019.

The company has established the "Anti-Corruption Measures" as a guideline for all employees to adhere to and to promote the company's commitment and business guidelines among related stakeholders. The company has published the anti-corruption policy on the company's website. <http://centel-en.listedcompany.com/cg.html> and sent letters to business partners so that business operations are conducted honestly and transparently under established measures. The company has invited business partners to participate in Thailand's Private Sector Collective Action Coalition Against Corruption.

The anti-corruption policies and measures are considered part of the disciplinary process. Directors, executives, and employees who fail to comply will be investigated and face disciplinary penalties in accordance with the company's regulations and relevant laws. At the same time, the company will not lower the position, punish or penalise directors, executives and employees who reject corruption even if that action causes the company to lose business opportunities. The company also carries out various activities as follows:

1. The company has assessed various risks regarding fraudulent conducts and set measures to be enforced with the aim of preventing and stopping fraud which is considered part of good internal control system.
2. The company has established operational guidelines consisting of operational procedures with sufficient details in accordance with the anti-corruption policy and that is able to prevent any fraud in business operations which includes charitable donations, corporate sponsorships, gift giving or receipt, hospitality (recreation), granting of money or benefits, and political support.
3. The company has established an internal control system to ensure that the anti-corruption policy is both efficient and effective, covering documentation for financial transactions, accounting processes, human resource system, and other systems related to the company's business.
4. The company has provided secure communication channels for whistleblowers, claimants, and collaborators in investigations to ask for confidential advice and submit requests, suggestions, data / reports or any complaints relating to actions that are alleged to be fraud as well as various relevant measures to protect those reporting the fraud, taking into account the safety of the whistleblower, claimant or collaborator in investigations.
5. The company has communicated about the anti-corruption policy internal and external the company to ensure successful implementations of the policy with wide impacts such as by publishing the anti-corruption policy on the company's website and creating public relations signage in order for directors, executives, and employees to learn about, understand, and follow regularly. Letters are also sent out to all business partners to ensure that each part of the business can be transparently carried out based on the anti-corruption measures that have been enforced.
6. The company has arranged orientations and trainings for employees to promote knowledge and understanding of the anti-corruption policy that have been enforced and has provided examples of several cases for employees.
7. Anti-corruption trainings are organised for executives and staff with the honour of having expert speakers offer knowledge about domestic and international situations as well as ways to create a society that helps strengthen the anti-corruption culture.

Long-term goal	All stakeholders have an understanding of various activities that are not involved in corruption.
2019 goal	Set up an online learning system for anti-corruption for all employees access to information about anti-corruption more conveniently and renew the membership of Thailand's Private Sector Collective Action Coalition Against Corruption
2019 result	The company organised anti-corruption trainings for all new employees and reviewed the knowledge of anti-corruption for all employees through an online system in the form of a video that employees can easily access with 90 percent of the total employees accessing the system. The company renewed the membership of Thailand's Private Sector Collective Action Coalition Against Corruption, and in 2019, the No Gift Policy was introduced as part of the anti-corruption policy and the anti-corruption measures of the company.

#### **Reporting and Receiving Complaints**

The company has set up the whistle-blowing policy and provided channels for all stakeholders to report clues, complaints, concerns, suspected conducts that violate or do not comply with the law, regulations or ethics, and malpractices and to submit evidence to relevant agencies. There will be an audit committee to investigate the facts and report to high-level management, the board of directors, and related parties, and consider the penalty in case of a violation of the law or the company's regulations. The company also established measures to protect the rights of the persons who report or submit complaints.

- **Office of the Secretary of the Audit Committee**

Tel: (02) 769-1234 ext. 6658 Email Address: [whistleblower\\_centel@chr.co.th](mailto:whistleblower_centel@chr.co.th)

Mailing Address: Audit Committee  
Central Plaza Hotel Public Company Limited 999/99, Rama 1, Pathumwan, Pathumwan district,  
Bangkok 10330

If you have any question regarding the policies and measures to fight corruption, please contact for answers and suggestions at:

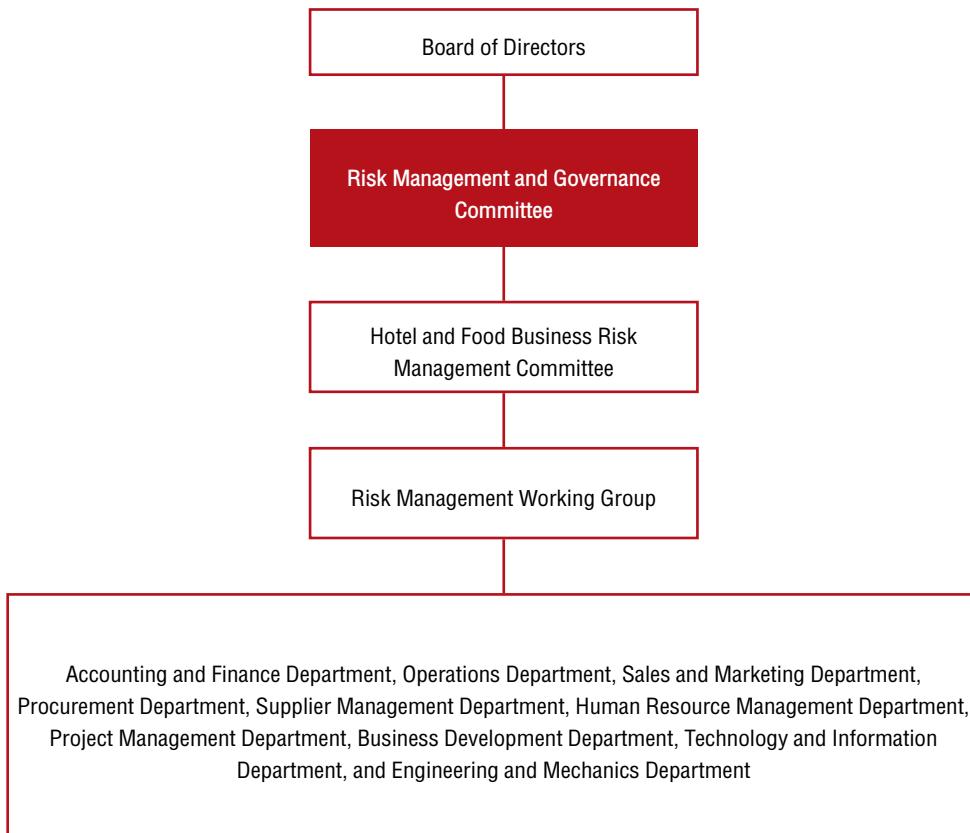
- **Office of the Secretary of the Company**

Tel: (02) 769-1234 ext. 6131 Email Address: [co.secretary\\_centel@chr.co.th](mailto:co.secretary_centel@chr.co.th)

Mailing Address: Office of the Secretary of the Company  
Central Plaza Hotel Public Company Limited 999/99, Rama 1, Pathumwan, Pathumwan district,  
Bangkok 10330

#### **Risk Management and Risk Management Structure**

The company focuses on risk management to ensure steady business operations and sustainable growth, and risk management is a tool to help executives identify and manage risks more efficiently and effectively. As a result, the board of directors has established the risk management policy in accordance with the principles of good corporate governance which allows the company to separate the risk management function from departments that cause the risk. To ensure efficient and effective risk management, the Risk Management Committee has been appointed and the risk management unit has been established to be responsible for evaluating the risk level both in terms of the probability of occurrence and the potential impact to present to the management and the board of directors in a timely manner which allows them to manage such risks by considering the costs and benefits of controlling the risks to be at an acceptable level, minimising the risks or crises that are likely to reduce operations or cause disruptions in business, and following up on risk management continuously to ensure that those risks are appropriately handled and performance is evaluated.



In addition, the Risk Management Committee and the risk management unit carefully review the risk policy and the scope of the risks associated with the hotel and food business on an annual basis to analyse the effects of changes in factors related to business operations including new risks that are expected to affect business operations and to establish guidelines for managing new risks that may arise.

Long-term goal	The company is committed to becoming an organisation with integrated risk management that allows the company to manage operating costs and to recognise relevant risks in business processes. Aside from this, the company aims to increase its market analysis capabilities, competitiveness, and sustainable business returns
2019 goal	The company is committed to cultivating learning culture for risks and uncertainties in various dimensions ranging from changing consumer behaviours and society and new technology and innovation that are emerging in the business world to other external factors such as natural disasters, global economic conditions, and political uncertainty among employees at all levels.
2019 result	The company required management to pay attention to meetings with employees at all levels in order to strengthen a good risk management culture and promote communication and consultation about risks within the organisation which can lead to timely decision-making at all risk levels. The company also focuses on making sure that employees are better aware of the risks and uncertainties that affect the organisation and are able to handle them more effectively. The company has improved its reports to ensure complete information that reflects all dimensions including risk indicators, mitigation strategies, and emerging risks, in order to enable management to better understand and make timely and more accurate decisions.

## Customer Relationship Management

### The Place To Be



In providing services, the company's top priority is to respond to customer needs through quality products and services and to create good experiences for customers. As a result, customers' opinions and service satisfaction surveys are considered an important channel to acquire information that can be analysed about the behaviour and needs of both Thai and foreign customers and to promote participation in the development of products and services that can meet completely and accurately the needs of customers. Customers are asked to fill out an online questionnaire after receiving the service and to make suggestions or report complaints. The company also listens to suggestions from customers directly while providing the service. Moreover, the company has various channels to receive customer comments such as Facebook, Instagram, YouTube, Twitter, Weibo, Wechat, LinkedIn, and Pinterest and uses these channels to communicate, make announcements, and provide product and service information to customers.

The company conducts customer satisfaction surveys and makes a report every three months to analyse the data and improve its service. In 2019, the overall satisfaction score was 87.8 percent for the hotel business, 92.9 percent for the food business, and 97.8 percent for the product quality standard rating.

In 2019, the company conducted a research on customer demand and behaviour and brand perception in the hotel business which led to the rebranding of Centara hotels and resorts and the formulation of the marketing strategy of the hotel business under the concept of "The Place To Be" which represents warmth, sincerity, and attentive service and promotes an atmosphere that gives customers peace of mind and a sense of belonging. The concept was also expanded to the food business in delivering value-for-money and impressive meals to customers, which will bring happiness, build relationships, and allow people to share their feelings with others at every opportunity and every meal that will be in their mind, allowing us to share every feeling with them.

The company conducts customer satisfaction surveys and makes a report every three months to analyse the data and improve its service. In 2019, the overall satisfaction score was 87.8 percent for the hotel business, 92.9 percent for the food business, and 97.8 percent for the product quality standard rating.

In 2019, the company conducted a research on customer demand and behaviour and brand perception in the hotel business which led to the rebranding of Centara hotels and resorts and the formulation of the marketing strategy of the hotel business under the concept of "The Place To Be" that

Allows Us to Share Every Feeling" which represents warmth, sincerity, and attentive service and promotes an atmosphere that gives customers peace of mind and a sense of belonging. The concept was also expanded to the food business in delivering value-for-money and impressive meals to customers, which will bring happiness, build relationships, and allow people to share their feelings with others at every opportunity and every meal that will be in their mind, allowing us to share every feeling with them.

#### **Personal Data protection and privacy**

Following the introduction of the General Data Protection Regulation (GDPR) on 25 May 2018, the company has announced the GDPR Standard Policy and Standard Operating Procedure to immediately comply with the GDPR. The company also provided trainings to all employees to ensure that they are informed about the details and correct procedures for requesting, using, and storing customers' information and that they notify customers for permission of data usage related to service provision. This was considered a change of the company's data collection system to be more standardised. In Thailand, the Personal Data Protection Act B.E. 2562 (2019) has been introduced to prevent the risks that affect the confidentiality, integrity, and availability of personal information which may bring about negative impact or damage to the individual or organisation. The company has established a personal data protection policy and guidelines to comply with the Act and provided trainings to all staff to ensure a good understanding of the law.

#### **Supply Chain Management**

The company emphasises the importance of doing business with its partners transparently, honestly, and fairly along with sustainable business operations in accordance with the company's supply chain management policy, covering economic, social and environmental dimensions. The company also focuses on safety and occupational health issues with the goal of directly and indirectly supporting, promoting, and enhancing suppliers and business partners who are directly or indirectly associated with the company to collectively create a long-term supply chain management that is socially responsible. The company has created the Code of Conduct & Guidelines for Business Partners and Suppliers which highlights business ethics and labour treatment in accordance with human rights principles, occupational health and safety, environmental sustainability, efficiency improvement, product and service innovation development in order for suppliers and business partners to follow the guidelines and apply the principles to their organisations. All suppliers and business partners are informed about the company's code of conduct and guidelines for suppliers and business partners.

In 2019, the company expanded its BEE SCM Procurement System for the hotel business from being used at three hotels in Bangkok to being used at 18 hotels under the One Product, One Price consolidated procurement system, making it possible to order products at a lower price and expanding trading opportunities for business partners. After changing the procurement system, the company was able to save up to 10 percent in its costs.

The number of business partners in the hotel and food business in 2019 was 19,644 in total. The company has prepared data and analysed business partners of the hotel and food business to classify partners into three groups which are very important business partners, important business partners, and general business partners using information from order value, supplier rating score, relationship as a good business partner, business conduct in accordance with good corporate governance, and being a business partner that continues to operate business in accordance with the socially and environmentally friendly policy on a continuous basis.

In 2019, the number of new business partners increased by 5 percent. New business partners must be screened with the following prerequisites: having a clear place of business, products or services certified as required by law, passing the test and complying with the requirements for receiving-delivering food and packaging that touches food in accordance with the Food Safety System, HACCP (Hazard Analysis Critical Control Point) standards, and ISO 22000: Food Safety Management System, and having certificates for raw materials that can touch food safely from the Institute such as SGS, Section 295, Ministry of Public Health, Intertek, ALS, including the standard of raw materials from environmentally friendly production such as paper produced from planted forest not natural forests, BRC, and FSC. The ESG data of key partners are also checked for compliance with social, and environmental aspects including basic practices of the business partners, for example, bringing packaging such as plastic bags, paper crates, and foam boxes back after every product delivery to reduce waste. Additionally, the company regularly checks the products for food safety, and the most drastic measure is to stop purchasing the product item or to cancel the purchases of all items.

Building relationships between the company and business partners is crucial. The company holds a meeting with key business partners every year. 224 hotel and food business partners attend the meeting to review the product delivery practices, product quality control, and new knowledge on food safety and sustainable environmental management which business partners can apply in their operations.

#### **Ordering products or items that are environmentally friendly**

After the hotel and food business has adopted a policy to procure products or items that are environmentally friendly, the company has purchased 6,190,000 plastic straws made from biodegradable material; 2,500,000 straws for the hotel business and 3,690,000 straws for the food business.

The company ordered tissue paper, paper boxes, and paper bags that are biodegradable from business partners that use raw materials from planted forest to support sustainable forest resource management through the selection of products with FSCTM standards. The food brands, particularly OTTOYA and Thai Terrace, have already started using paper bags instead of plastic bags.

### Social Dimension

In 2019, the company aims to operate for the society by enhancing employees' potential and providing good quality of life for them. The company is committed to helping and improving the society in many areas based on the "Sustainably Creating Job, Profession, Community, and Society" concept.

#### Human Resource Management

The company's personnel recruitment, both in the hotel and food business, focuses on compliance with the human rights principles in terms of equality and right to be treated equally without discrimination against race, skin colour, gender, age, religion, and belief. The company hires people from all races by considering their qualifications that are suitable for the positions applied. Employees in the organisation can rotate or transfer to work in other areas as appropriate to improve skills and increase opportunities for career advancement. All new employees will receive an orientation to ensure understanding of the vision, corporate values and culture, requirements, and employee benefits before work. Since the company operates in many locations around the world, treating workers in accordance with the laws and human rights principles is an issue that the management emphasises. The company recruits employees of more than 30 nationalities with diverse cultural backgrounds. The company adheres to the international labour law, determines compensation and benefits appropriately according to employees' experience and competency, and compares its compensation with other companies in the same business group so that male and female employees at all level are equally compensated.

#### Human Rights Operation

Human rights is an issue to which various organisations and businesses around the world pay attention since inappropriate operations or violations of human rights may have a negative effect on corporate image and public confidence in the organisation. Therefore, the company has created a human rights policy as a guideline for operations and practices based on the United Nations Guiding Principles on Business and Human Rights: Implementing the Protect, Respect, Remedy Framework (UNGPs) and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work without discrimination on race, religion, gender, colour, language, ethnicity or any other status.

In 2019, the company's employees participated in the Better Business for Children: Children's Rights Due Diligence workshop and analysed the impact of businesses on children's rights and human rights in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs) following the "Children Rights and Business Principles (CRBP)" by the United Nations Children's Fund (UNICEF) and found that the company has implemented the framework of the CRBP in relation to the principles on promoting children's access safe services. The service provided was based on the understanding of the needs of children and aimed to respond to the imagination that children can access. The company has promoted knowledge through activities such as the Kids' Club, Kids Spa, and Kids Menu that aimed to promote healthy, clean, and safe food menus for children and to design fun food decoration and delicious taste that children can enjoy.



#### Employee Well-Being and Employee Engagement

The company offers appropriate welfare and compensation to employees in accordance with the law such as remuneration, social security, health insurance, medical expenses, provident fund, staff uniform, staff cafeteria, nursing room in case of emergency during operation, and various facilities to meet employee needs. In 2019, the annual health examination programme and employee cafeteria were improved. The number of rest areas, employee residence buildings, and employee parking lot was increased. The office was also renovated to create a good work environment. Furthermore, the food business has improved staff allowances, travel expenses (low-cost airline ticket), accommodation, medical expenses, visiting gift value, ordination leave, and annual holidays.

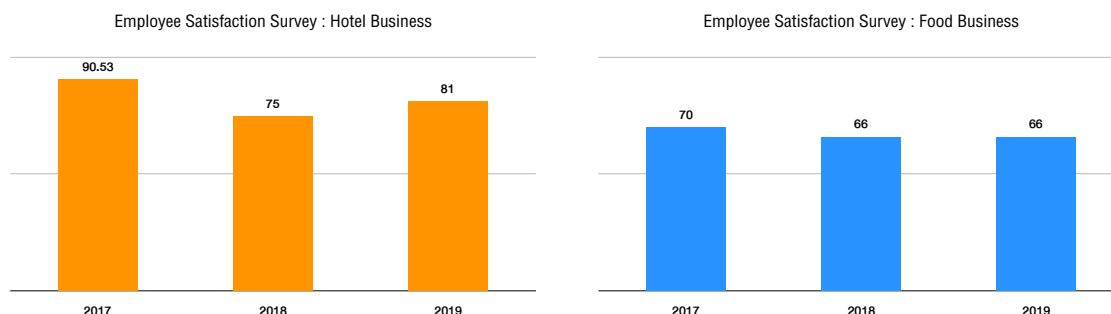
The company considers the remuneration of executives and employees in accordance with their responsibilities and competitive to the overall labour market. The company has surveyed and compared its compensation to leading organisations and companies in the same industry every year to review and adjust the criteria for compensation consideration, process of determining annual salary increases, and bonus payments in accordance with the criteria for evaluating employee performance in order to maintain quality personnel who have the ability to drive the organisation to sustainable growth. In this regard, gender, religion, or ethnicity does not affect the determination of employee compensation or promotion.

#### Safety and Occupational Health

The company puts a great emphasis on eliminating accidents, reducing the number of people injured from work, and minimising the risks that lead to loss of life, injury, and illness of employees which will affect the company's operations. The company has a procedure to promote good health among employees, identify causes of harm, assess risks in the company's operations, and continue to review its control and preventive measures. Additionally, the company provides annual health checks with a special health examination programme for staff who are in close contact with food for the safety of the employees and customers who receive the service. The company provides trainings on how to handle emergency situations which is considered an important issue for the hotel business. There is an annual fire training and fire evacuation drill every year to prepare for emergency. All employees who have passed the Basic Fire Fighting Course will receive a certificate. The company has reviewed the safety and occupational health guidance to develop the knowledge on safety, occupational health, and work environment in accordance with the laws, regulations and international standards with an aim of raising the safety, occupational health, and work environment standards with a plan for safety handling.

#### Employee Satisfaction Survey

The company conducts annual employee satisfaction surveys to obtain employees' comments and suggestions. The data gathered are analysed to create an all-round employee treatment plan to improve the quality of life of employees, leading to greater efficiency. The company has set up a welfare committee to listen to the opinions of employees and gather information for presentation to management in careful review and consideration to improve employee welfare to be appropriate for each business group. In 2019, the hotel business group had the employee satisfaction target of 80 percent and survey results were at 81 percent, an increase from 2018, and ranked second within the Central group whereas the food business group had the survey result of 66 percent which was equal to the previous year's, leading to the development of action plans for each food brand to increase employee satisfaction.



\* From 2018 to 2019, the employee satisfaction survey form was modified using the AON Hewitt system.

#### I•CARE Corporate Culture

The company aims to instill its corporate culture to all employees through various activities with an aim of promoting knowledge and understanding about the I•CARE corporate culture which emphasises the importance of cultivating culture of innovation within the organisation, promoting good relations with each other within the organisation through coaching, and promoting care and attention to fellow employees in every experience during the employment period (Relationship).

In 2019, the hotel business organised the "I•CARE Recognition Activity" to communicate and promote knowledge and understanding of the values and culture of the organisation by encouraging employees to submit works that exhibit the meaning of I•CARE that employees have applied in their daily life and lead to concrete results, and make a video test about the organisation's culture to evaluate employees' knowledge and understanding.

For the food business, the company has organised I•CARE Team Building activities to promote knowledge and understanding among agencies and brands. The company has organised I•CARE Board Game training to promote knowledge and understanding about the I•CARE corporate culture and allow employees to analyse various events and decide to behave appropriately in accordance with the corporate culture. The company created the Driving Innovation Project to promote the innovative organisational culture and the application of innovation in life and work. The company conducted

the well-being project to promote work and life balance as well as happy living with a focus on Happy Body, Happy Heart, Happy Society, Happy brain. The company carried out the Power of Recognition campaign to encourage employees to look up to good people and motivate good people to continue good deeds and be good role models for other employees, promoting a good work environment with good relationships, love, and bonds between employees, teams, and the organisation. On top of this, the company started the coaching culture project to encourage all employees to realise the importance of personnel development through coaching and assignment in order to develop talented people for the organisation. The company also organised the People Award / People Manager project to encourage all employees to realise the importance of the corporate culture on relationship by promoting care and attention to every fellow employee during the employment period.



#### Human Resource Development

In 2019, the training and human resource development department reviewed the Training Road Map for employees in the hotel business by analysing the potential and needs of employees at each level under the programme named Talent Development & Culture 2019 with the framework that involves three dimensions including Training, Career Development and Culture & Engagement. The department organised 4,439 Leadership & Functional trainings which equal 66,228 hours of training consisting of Tricks of Talk, Centara Spirit & Service Excellence, People Manager Programme, Problem Solving & Decision Making, and Turning Negativity into Positivity. The company also provided opportunities for employees to participate in trainings organised by other agencies and experts in their line of work to increase productivity in their work. 90 percent of employees participated in the skill trainings and the average number of training hours was 14 hours per person per year.

In 2019, technology was adopted for the development of online training and personnel development system on the topic of work ethics and corruption. 96 percent of employees have enrolled in the programme with tests of knowledge gained from the programme with the objective of promoting anti-corruption awareness among employees within the organisation. There are also plans to develop more online learning programmes in the coming years.

For employees in the food business, there were 44 training programmes including 15 management and leadership programmes, 11 compulsory programmes, four selective/self-need programmes, nine functional/by request programmes, two language programmes, two on-boarding programmes, and one centrality programme with 30.52 percent of employees participating in the programmes: 1,469 male employees or 37.64 percent and 2,434 female employee or 62.36 percent. The evaluation of satisfaction from the trainings is 93.6 percent or a 2.6-percent increase from the previous year.

#### Innovation Promotion in Operations

In 2019, the company conducted a project to promote innovation in the organisation's business operations called Best Practice Exchange (BPE) which allowed all departments to present innovations or new techniques that can generate income, reduce costs, create customers' or employees' satisfaction, and gain acceptance from external parties in accordance with the company's sustainability guidelines. The committee of the Best Practice Exchange (BPE) project evaluated 60 projects and selected only 29 projects which passed the "Best Practice" criteria, and five projects were put into practice in the hotel business with successful results. For example, the water saving project at Centara Ras Fushi Resort and Spa Maldives installed low flow strainers to adjust the water flow of showers, sink faucet, and toilet spray hoses. The project has been operating for four months and has saved 12,500 litres of water per day, an equivalent of 375,000 litres per month. In one year, it can save 4,562,500 litres of water or 28,000 baht per month or approximately 337,500 baht per year.

For the food business, the Omni Channel application was created to connect all distribution channels that reach customers including dining in, takeout, and home delivery. There is a CRM system, and the POS system was improved to facilitate and increase the accuracy of storefronts. The back-office database system was also enhanced to bring in customer information which will help with customer service and response to customer needs.

## Employee Information

### Hotel Business

#### • Total Employees (person)

Total employees	5,136
Male 2,745 (53%)	Female 2,391 (47%)
Full-time employees	5,005
Male 2,674 (53%)	Female 2,331 (47%)

Temporary employees	131
Male 71 (54%)	Female 60 (46%)

#### • Number of Employees Classified by Age (person)

Under 30 years old	1,634
Male 790 (48%)	Female 844 (52%)
Between 30-50 years old	2,991
Male 1,650 (55%)	Female 1,341 (45%)

Over 50 years old	511
Male 305 (60%)	Female 206 (40%)

#### • Number of Employees Classified by Job Level (person)

Higher than Director	12
Male 9 (75%)	Female 3 (25%)
Director Level	58
Male 43 (74%)	Female 15 (26%)
Manager Level	709
Male 352 (50%)	Female 357 (50%)
Supervisor Level	1,154
Male 567 (49%)	Female 587 (51%)
Operational Level	3,203
Male 1,774 (55%)	Female 1,429 (45%)

### Food Business

#### • Total Employees (person)

Total employees	13,144
Male 4,212 (32%)	Female 8,932 (68%)
Full-time employees	5,464
Male 1,717 (31%)	Female 3,747 (69%)

Temporary employees	7,680
Male 2,495 (32%)	Female 5,185 (68%)

#### • Number of Employees Classified by Age (person)

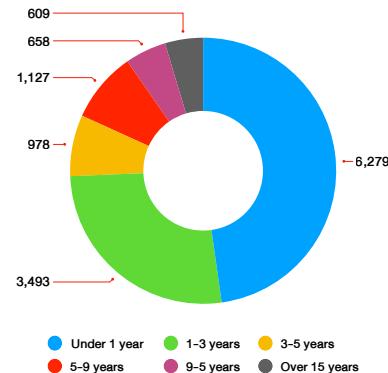
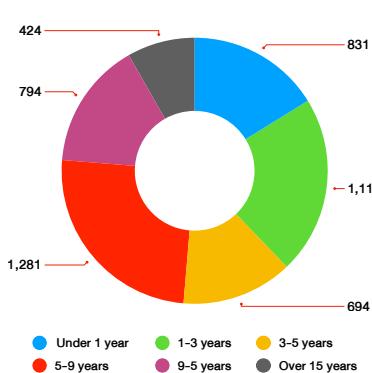
Under 30 years old	10,398
Male 3,340 (32%)	Female 7,058 (68%)
Between 30-50 years old	2,592
Male 830 (32%)	Female 1,762 (68%)

Over 50 years old	154
Male 42 (27%)	Female 112 (73%)

#### • Number of Employees Classified by Job Level (person)

Higher than Director	14
Male 9 (64%)	Female 5 (36%)
Director Level	40
Male 11 (28%)	Female 29 (72%)
Manager Level	88
Male 28 (32%)	Female 60 (68%)
Supervisor Level	768
Male 294 (38%)	Female 474 (62%)
Operational Level	12,234
Male 3,870 (32%)	Female 8,364 (68%)

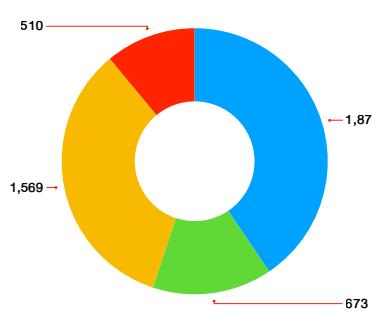
#### • Number of Employees Classified by Number of Years of Work Experience (person)



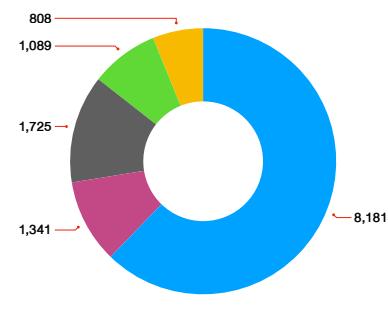
Hotel Business

Food Business

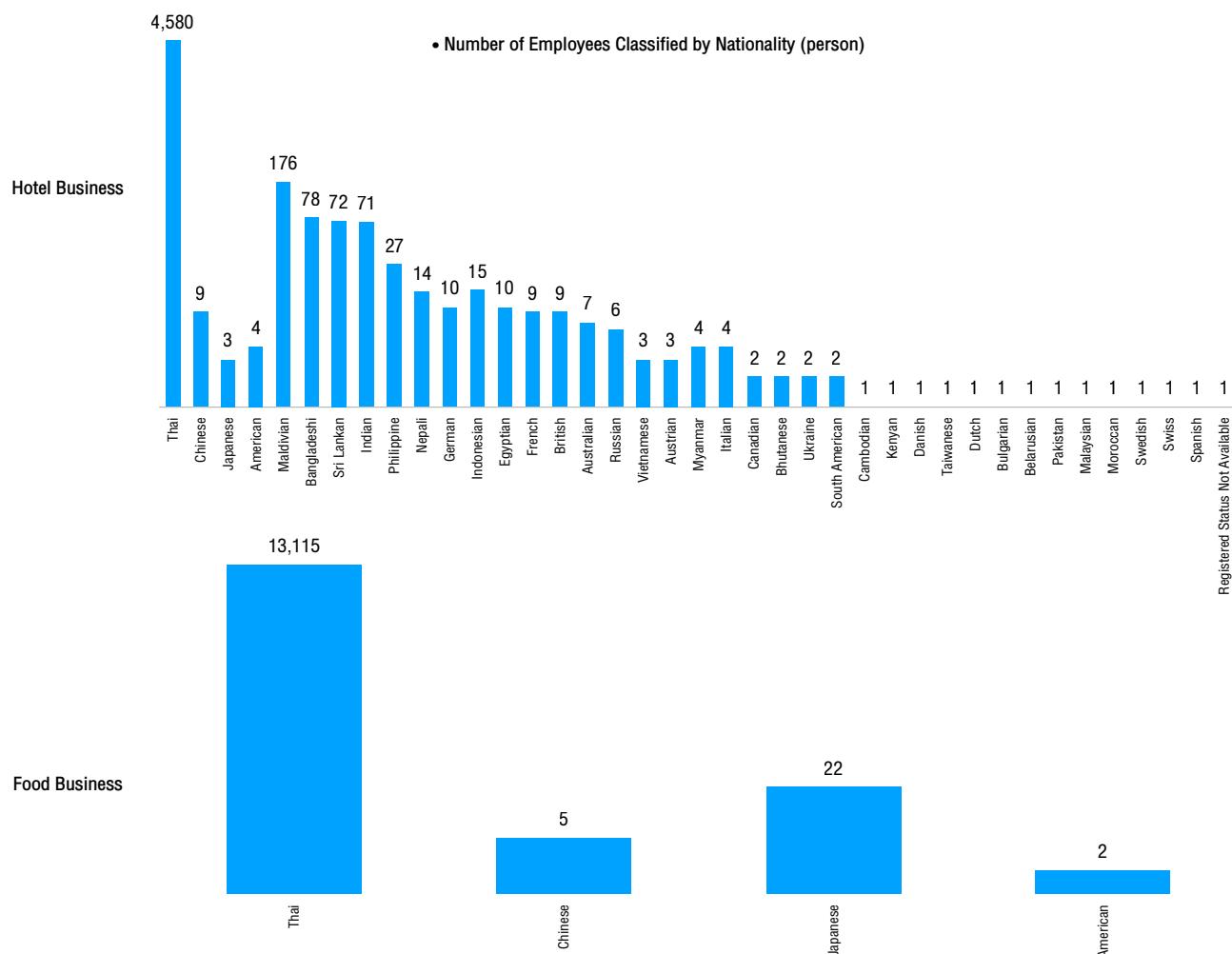
#### • Number of Employees Classified by Region (person)



Hotel Business



Food Business



• Basic Salary and Compensation Ratio between Male and Female Employees \*Only Hotel Business

Higher than Director-Level Executives	1.05:1
Middle-Level Executives	1.07:1
Operational-Level Employees	1.04:1

• Number of Employee Promotions

Total 240 persons in Hotel Business



Total 4,470 persons in Food Business



• Number of Turnover (person) \*Not including Part-time

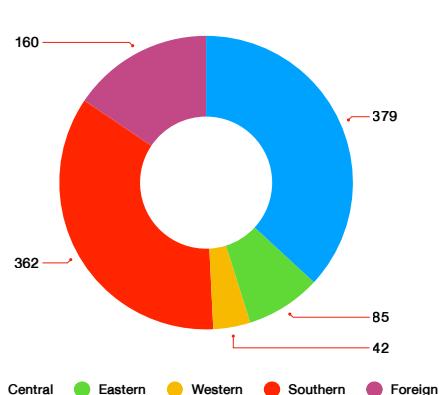
Total	1,028
Male 521 (51%)	Female 507 (49%)
Under 30 years old	406
Male 196 (48%)	Female 201 (52%)
Between 30-50 years old	583
Male 300 (51%)	Female 283 (49%)
Over 50 years old	39
Male 25 (64%)	Female 14 (36%)

Hotel Business

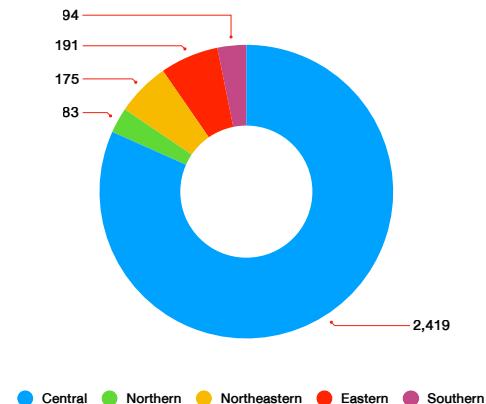
Total	2,962
Male 1,080 (36%)	Female 1,882 (64%)
Under 30 years old	2,280
Male 856 (38%)	Female 1,424 (62%)
Between 30-50 years old	634
Male 208 (33%)	Female 426 (67%)
Over 50 years old	48
Male 16 (33%)	Female 32 (67%)

Food Business

• Number of Turnover Classified by Region (person)  
\*Not including Part-time



Hotel Business



Food Business

## • Number of New Employees (person)

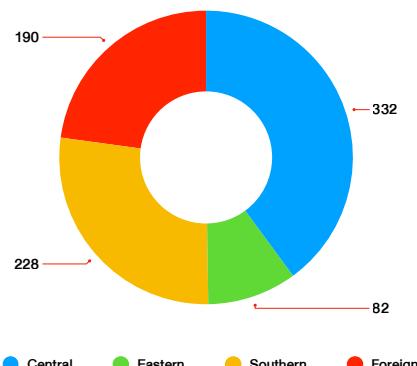
Total	869
Male 445 (51%)	Female 424 (49%)
Under 30 years old	469
Male 227 (48%)	Female 242 (52%)
Between 30-50 years old	379
Male 201 (53%)	Female 178 (47%)
Over 50 years old	21
Male 17 (81%)	Female 4 (19%)

Hotel Business

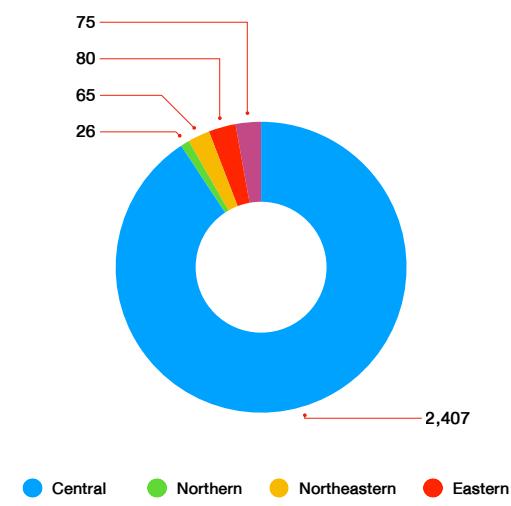
Total	2,653
Male 912 (34%)	Female 1,741 (66%)
Under 30 years old	2,132
Male 767 (36%)	Female 1,365 (64%)
Between 30-50 years old	509
Male 143 (28%)	Female 366 (72%)
Over 50 years old	12
Male 2 (17%)	Female 10 (83%)

Food Business

## • Number of New Employees Classified by Region (person)



Hotel Business



Food Business

- Number of Employees Who Took Maternity Leave

**Hotel Business**

64 employees or 1.2 % of the hotel employees  
Return to work after maternity leave 56 employees or 88 % of the employees who took maternity leave

**Food Business**

271 employees or 2% of the food business employees  
Return to work after maternity leave 210 employees or 77 % of the employees who took maternity leave

- Number of Employees Injured at Work

**Hotel Business**

Injured but able to work 30 persons  
Injured and took leave 28 persons  
Number of deaths from work 0 persons

**Food Business**

Injured but able to work 37 persons  
Injured and took leave 24 persons  
Number of deaths from work 0 persons

- Number of Employees Receiving Safety and Occupational Health Trainings

**Hotel Business** 50 % of total employees

**Food Business** 5.9 % of total employees

- Number of Volunteer Employees \*only hotel

Number of employees participating in volunteering activities 3,806 employees or 787,009 working hours

- Number of Employees' Complaints about Labour Practices

Number of complaints 3 complaints, all of which have been handled with corrective actions

- Older Workers Employment

**Hotel Business**

Total 131 persons



Male 73 persons



Female 58 persons

Operation 87 persons

Executive 44 persons

**Food Business**

Total 11 persons



Male 1 persons



Female 10 persons

Operation 11 persons

Total Expense

55 million baht per year

Total Expense

4.8 million baht per year

- People with Disabilities Employment

**Hotel Business**

Total 54 persons



Male 32 persons



Female 22 persons

Total Expense

7 million baht per year

**Food Business**

Total 242 persons



Male 101 persons



Female 14 persons

Total Expense

17.5 million baht per year

In 2019, Centara Grand Beach Resort Hua Hin and Central Restaurants Group Company Limited received the Award for Outstanding Employment of Persons with Disabilities from the Department of Empowerment of Persons with Disabilities, Ministry of Social Development and Human Security.

**Human Resource Development Programme**

The company aims to develop quality human resource who are skilled and knowledgeable about hotel and service in order to meet the needs of the labour market; therefore, many programmes have been continuously carried out to achieve that goal.

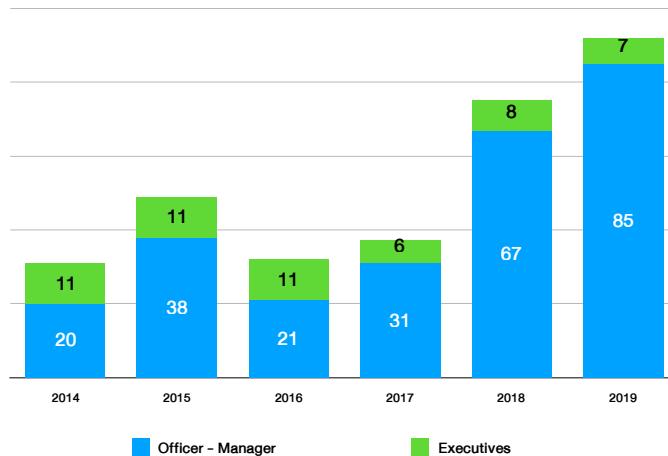
### Management Development Programme (MDP)

From 2005 to the present, the Management Development Programme has provided trainings to 16 classes of employees or 150 employees. In 2019, nine employees joined the programme and 53 employees who have completed the programme are still working at Centara hotels and resorts with job security and career advancement to the executive level, becoming the role models for the next generations of employees.

### Succession Plan

From 2014 to 2018, 224 employees joined the programme. In 2019, 92 employees joined the programme.

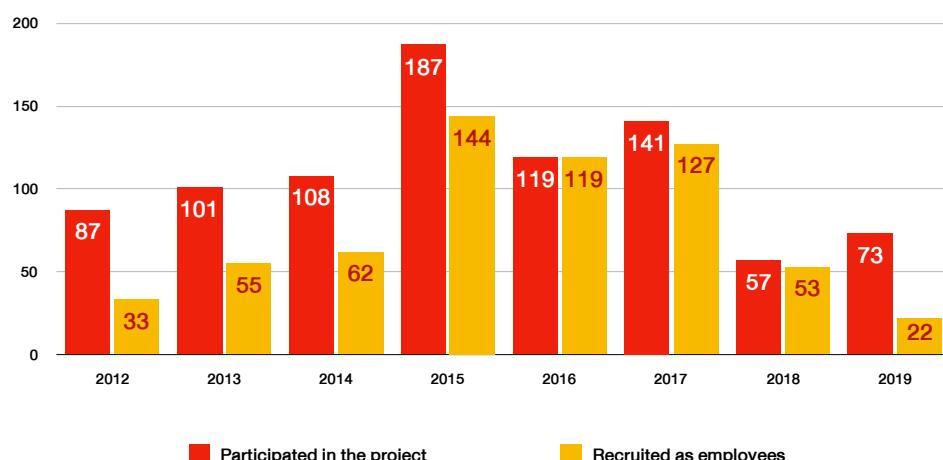
Potential Employee Development



### 4Cs: Centara, Career, Creative for Children

Centara Hotels and Resorts has implemented the 4Cs project to offer a five-month skill development programme to underprivileged youth who have graduated from high school at the Suksasongkroh and Rajaprajanukroh School Under Royal Patronage of His Majesty the King, Deaf School, and Schools for Visually Impaired Students. During the training, students received accommodation, food, uniforms, allowances, and health insurance. Students received certificates upon completion of the training and the opportunity to be hired as employees of Centara Hotels and Resorts in various provinces. Until 2019, 873 students have completed the training and 615 students have been recruited as employees at Centara hotels and resorts. The budget for this project was 2,583,563 million baht and the Department of Skill Development, Ministry of Labor partly supported the programme in the amount of 5,515,289 million baht. There are many students who have participated in the programme and are still working at Centara in many areas. This programme is a job creation program for young people to be able to earn at least 17,000 baht and a good starting point for career advancement in their field of interest.

4 Cs: Centara Career Creation for Child



### MOUs with Domestic Educational Institutions

The Restaurant and Service Business Group has signed a memorandum of understanding (MOU) for educational cooperation with the Office of Vocational Education and educational institutions, both public and private, nationwide to carry out bilateral programme for cooperative education and internship to prepare and offer vocational experience to students. The project started in 2004, there were more than 350 educational institutions for professional experience training in the country with up to 350 educational institutions sending students to join the vocational experience programme. In 2019, the company signed a memorandum of understanding (MOU) with 32 institutions and had a plan to continue to expand educational cooperation with educational institutions to support future business growth.

### CRG Bilateral Educational Programme

The Restaurant and Service Business Group has conducted a bilateral programme for cooperative education and internship since 2004 by collaborating with over 350 public and private vocational and higher-education institutions nationwide. Students will be under the supervision of the instructors at the places of business. The instructors must complete 30 hours of training with the Office of Vocational Education and 172 instructors have already completed the training programme. The programme aims to provide students with real experience from skilled instructors who have intensively been trained, allowing students to become quality and skilled supervisors in the near future.

Currently, there are 1,100 students joining the programme. The company has a policy to accept 1,700 new students every year and to increase the number continuously. There are a total of 12,000 students who have graduated including 13 vocational and vocational graduates who are encouraged to continue to the bachelor's degree level and six bachelor's degree graduates. The policy aims to expand educational opportunities to employees through the programme called "Tri-Party" which focuses on advancing the education of managing level employees at the operation department. There are 40 graduates who have advanced in their career path following the company's development plan each year to support business expansion and create quality personnel for the labour market as set out in the "more than the experience gained from internship is the opportunity for career advancement" goal.

### Social Development and Community Support

The company has promoted social development and community support with the goal of strengthening the communities for development and better living standards following the sustainable social development policy. The company has operated based on the 4 Central Tham projects which reflect the sustainable development goals in education and well-being (PEOPLE), community product development (Community), environmental quality (ENVIRONMENT), and peace and cultural art conservation (PEACE & CULTURES). The company has worked with the Central Group to implement various projects. In 2019, the company spent the budget of 10 million baht with details as follows:

#### Educational Development Project

Supported the improvement of the free-ranged egg packaging center for students at Yang Talat Wittayakhan School in order to sell the chicken eggs from the school at 130 branches of Tops Supermarket nationwide and renovated the music practice room and provided Pong Lang musical instruments and 10 computers to Nong Sor Witthayakhan School, Kalasin Province to enable the students to develop musical skills and accept band hiring offers which can provide students with more income. The project totaled 1,082,586 baht.



### Sustainable Educational Development Project

In 2019, Central Plaza Hotel Public Company Limited together with the Ministry of Education provided non-binding continuous scholarships to students with good behaviour, volunteering spirit, and good academic records, to encourage youth to study in the fields suitable for their skills, interests, and labor market needs. The scholarships were divided into the following levels: primary level - 3,000 baht per scholarship, junior high school level - 5,000 baht per scholarship, vocational school level - 10,000 baht per scholarship, and vocational school level - 20,000 baht per scholarship. 185 students from 142 educational institutions from 40 provinces have received scholarships in the total amount of 1,100,000 baht. These scholarship students also have the opportunity to intern with companies under the Central Group to increase their knowledge and skills in the professional fields of their interests.



### Second-and Third-Year School Education System Development Project

Supported the project for sustainable educational development under the Pracharat School Fund in the total amount of 1,773,570 baht in 16 schools as follows: 1. Ban Nong Khun Laow Lak Wittaya School, 2. Ban Dong Udom School, 3. Ban Khlong Mak School, 4. Ban Khuan Muang School, 5. Ban Thung Prue School, 6. Ban Thung Samed School, 7. Ban Na Pong School, 8. Ban Bang Khram School, 9. Ban Phru Din Na School 10. Ban Yan Udom School, 11. Ban Saphan Pon School, 12. Ban Nong Nam Daeng School, 13. Wittaya Prachakom School, 14. Ban Nong Na Kham School, 15. Sakae Ratchawithayakhom School, and 16. Ban Khuan Sawan School.

### Community Development Volunteering Project

1. Supported the construction of training buildings and shops for the Mae Tha Way of Life Project in Chiang Mai Province, with the cooperation of the Earth Net Foundation to create a learning center for organic agriculture and the role model for sustainable agriculture in the amount of 500,000 baht.



2. Supported the construction of the food processing building and indoor facilities of the Women's Fish Conservation Group in Ban Tra Chu, Singburi Province to increase the capacity to manufacture and process products to meet standards, leading to more income for the community, in the amount of 500,000 baht



### Community Product Development Project

1. Supported the Happy Society event organised by the Happy Society Foundation, Sampran District, Nakhon Pathom Province, to develop the potential of the organic farming community in selling agricultural products under the Central Tham Project in the amount of 500,000 baht.

2. Supported the 8<sup>th</sup> Community Products Fair 2019



### Role Model Community Development Project

Supported the Na Muen Si Woven Cloth exhibition at the Na Muen Si Cloth Weaving Museum in Trang Province to carry on the local wisdom and identity of the ancient Na Muen Si cloth weaving which has been passed on for over 200 years and has generated income for the community from the sales of the woven cloth to tourists in the amount of 749,000 baht.



The company has supported the operations of various foundations and organisations as follows:

1. Bhadra Maharajanusorn Foundation under Royal Patronage of Her Royal Highness Princess Chulabhorn Walailak Agrarajakumari, Krom Phra Srisavangavadhana Vorakhattiya Rajanari aimed to assist in medical treatment for the poor, especially cancer patients, and support the development and advancement of medical science.

2. The International Resources and Environmental Development Foundation which holistically applies the sufficiency economy principles under the “understand, access, and develop” philosophy together with the concept of “Bowon” (cooperation between households, companies, temples, government, and schools) as well as the principles of Buddhist economics in the foundation’s operations to transfer the knowledge on resource and environmental management.

3. Supported the work of the Anti-Corruption Organization of Thailand.

In addition, each hotel and food brand strives to create projects to support and develop communities in the surrounding area in order to build good relationships with the people in the nearby communities as follows:

Centara Grand Hotel at Central World continues to provide space of the hotel’s lobby for new artists’ art exhibitions. In 2019, proceeds from the sales of art works were donated to foundations or charities that need help such as the Prostheses Foundation of H.R.H. the Princess Mother, Children’s Hospital Foundation Heart Center, Dr. Kamchad-Pranee Mongkolkul Foundation, and the Priest Hospital, National Institute of Priest Health.

Centra by Centara Government Complex Hotel & Convention Centre Chaeng Watthana has provided an area for community shops to support the underprivileged, the disabled, the elderly, and groups that offer products that are environmentally friendly in having a place to sell their products to generate income for their family and to strengthen the communities.

Centra by Centara Hotel Mae Sot has begun ordering raw materials from the community every week for cooking to provide income for the community and upgrade the food menu by collaborating with the Central Group to create the “Chef’s Table by Executive Chef” project which used local ingredients

such as Chinese cabbage, kood, tomato, pumpkin, avocado, and iceberg lettuce, to create four Huai Pla Lod menus, adding value to raw materials in the community.

Centara Grand Mirage Beach Resort Pattaya organised the “Mirage Weekend Market” or an event to promote income generation for the surrounding community. This activity was well supported by the Social Welfare Division of Nong Prue Subdistrict Administrative Organisation and Bang Lamung Social Welfare Development Center that helped bring products in the community for sales at fair prices to provide more income and promote good quality products of the community. On top of this, Centara Grand Beach Resort Hua Hin has continued its Green Market project by allowing employees and surrounding communities to sell chemical-free agricultural products to employees and customers.



In terms of the food business, the Central Restaurants Group launched the “robe recycling, creative work from plastic bottles” project under the concept of “reducing garbage is simple by starting with you” to encourage employees to participate in an initiative to reduce the use of plastic waste by sorting plastic bottles and sending them to Chak Daeng Temple, Samut Prakan Province for the production of priest robes which contain approximately 37 percent of plastic mixed with one natural-fabric robe using a total of 15 plastic bottles. The project also received cooperation from staff of Central Pattana Public Company Limited. The number of plastic bottles sent to Chak Daeng Temple was 7,000 bottles, which were gathered in one month and could be used to produce 465 robes.

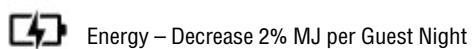


#### Environmental Dimension



Centara EarthCare is the Environmental Sustainability Programme of Centara Hotels & Resorts by which we integrate green activities and sustainable practices into our hotel operations. Our commitment to sustainability has put us on a path of long-term success where resources are respected and the communities in which we operate in receive opportunities for business growth and long-term sustainable employment. Our aim is to undertake responsible practices and honour the environment in which we live and operate.

## INTERIM ENVIRONMENTAL TARGETS IN 2019



Energy – Decrease 2% MJ per Guest Night



GHG Emissions - Decrease 5% KG CO2-e per Guest Night



Water – Decrease 2.5% Litre per Guest Night

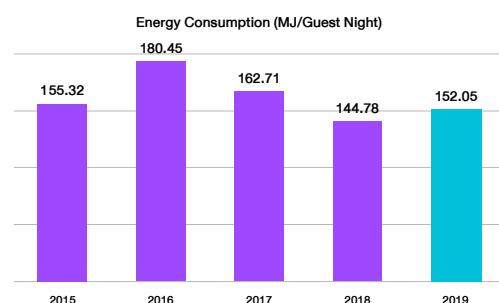
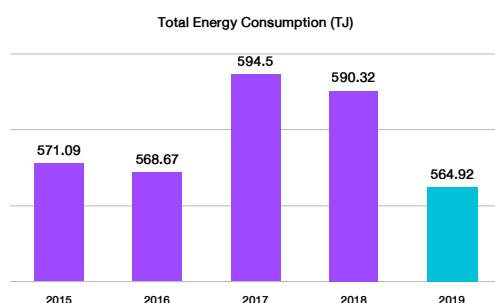


Recyclable Waste Rate – Increase 7.5%

## 2019 ENVIRONMENTAL SUSTAINABILITY PERFORMANCE

## ENERGY

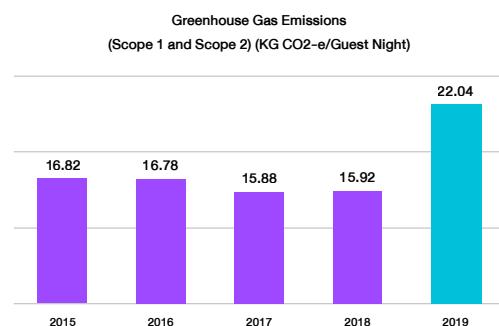
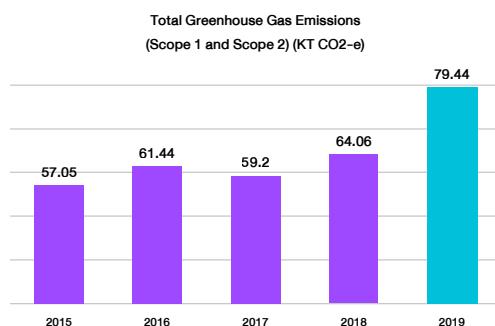
Our energy consumption depends on the size, components, and performance of each property that we operate. The main components of consumption are Purchased Electricity, Stationary Fuel, and Mobile Fuel. Based on the data collection online system\* that we used in 20 properties in 2019, total energy consumption reduced by 4.30% or 564.92 Terajoule (TJ) and energy consumption per guest night increased by 5.02% or 152.05 Megajoule (MJ) while the best practice was at 187.56 MJ per guest night.



Note: \*EarthCheck Programme

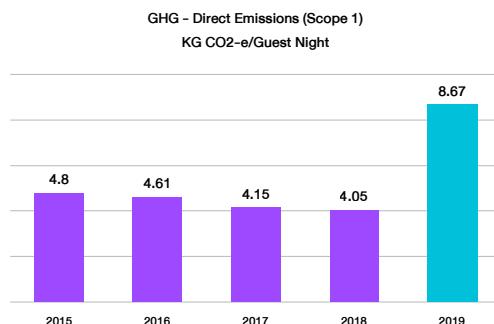
## GREENHOUSE GAS EMISSIONS (Scope 1 and Scope 2)

In 2019, total greenhouse gas emissions (scope 1 and scope 2) was 79.44 KT CO<sub>2</sub>-e \* or on average 22.04 KG CO<sub>2</sub>-e per guest night while the best practice based on the data of 20 properties from the data collection online system globally reported on average 27.90 KG CO<sub>2</sub>-e per guest night.

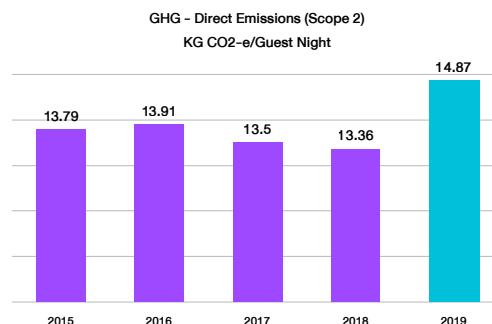


Note: \*KT = Kilotone, CO<sub>2</sub>-e = Carbon Dioxide Equivalent

## Scope 1 Direct Emissions\*:



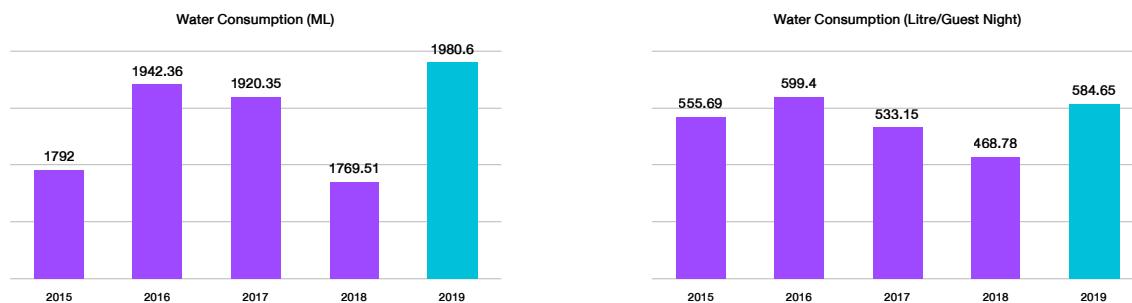
## Scope 2 Indirect Emissions\*:



Note: \*We modified the calculation method of GHG Emissions (Scope 1 & Scope 2) from total sum (KG CO<sub>2</sub>-e /Guest Night) in the previous years to average number (KG CO<sub>2</sub>-e /Guest Night) in 2019

## WATER

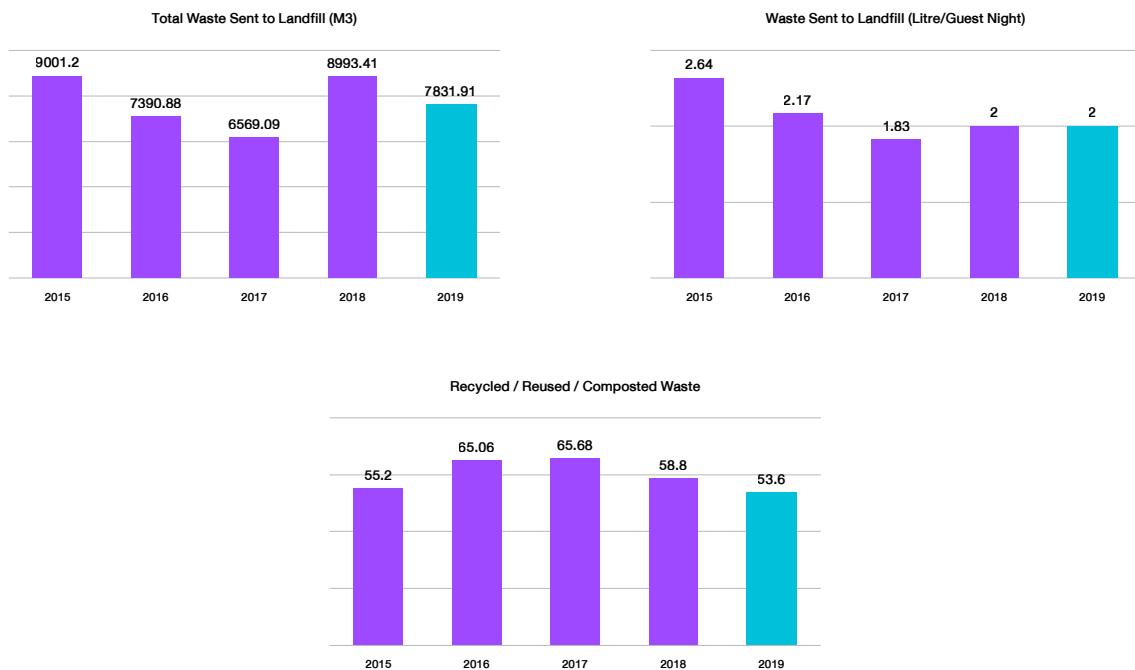
Based on the data collection online system that was used for 20 properties, the total water consumption increased by 11.93% or 1,980.60 Megalitre (ML) in 2019, which on average equates to 584.65 litres per guest night. Even though the water consumption significantly increased in 2019, our water performance was still in the between baseline and best practice at 758.24 and 540.20 litres per guest night respectively from the global data collection online system.



## WASTE

The team members from each department of the individual properties take reasonable steps to minimize the waste that they produce. They follow the waste management policy and recycling in general. All segregated waste is centralised at the property's garbage room or designated area that includes appropriate separation zones of each type of waste including; Organic Waste, Recyclable Materials, General Waste, Hazardous Waste and Electronics Waste with clear designations. Waste are disposed by authorised/licensed waste service providers only.

In 2019, the total volume of waste sent to landfills was 7,831.91 cubic meters or on average 2 liters per guest night. This number excludes waste that was recycled, reused, composted or incinerated, which was on average 53.60% of total waste.



## THE MANAGEMENT OF HARMFUL SUBSTANCES

Centara Hotels & Resorts is committed to reducing its impact on the environment. One way that we do this is through an effective chemical management programme to improve workplace safety, reduce workplace accidents and minimise the severity of any breaches. The hotels and resorts identify, store, distribute, transport, dispose of and use harmful substances in a manner that minimises the risks of ecological harm and is in accordance with local regulations or international standards. We do our best to ensure procurement of environmentally preferable products and services whenever possible.

## ENERGY CONSERVATION AND INNOVATION

### LED Lighting

LED technology provides many advantages when compared to traditional lighting, such as LEDs consume less power, can operate effectively on low-voltage electrical systems and have higher safety as they almost emit zero heat. In 2019, more than 75% of our total operating properties replaced their lighting system with the LED lighting at both Front-of-House and Back-of-House areas totaling 70% or above. More LED installations are scheduled for 2020 and this replacement schedule will continue until all properties reach 100% LED.



### Intelligent Electronic Capacitor Bank

Centara Grand Mirage Beach Resort Pattaya installed an electrical backup capacitor called “Intelligent Electronic Capacitor Bank,” that receives data from sensors, and power equipment and can issue control commands if it senses voltage, current, or frequency anomalies, or raise/lower voltage levels in order to maintain the desired level. By installing the Intelligent Electronic Capacitor Bank, the hotel saved energy approximately 1.53% of electricity after turning on the Capacitor Bank in 1 Day.

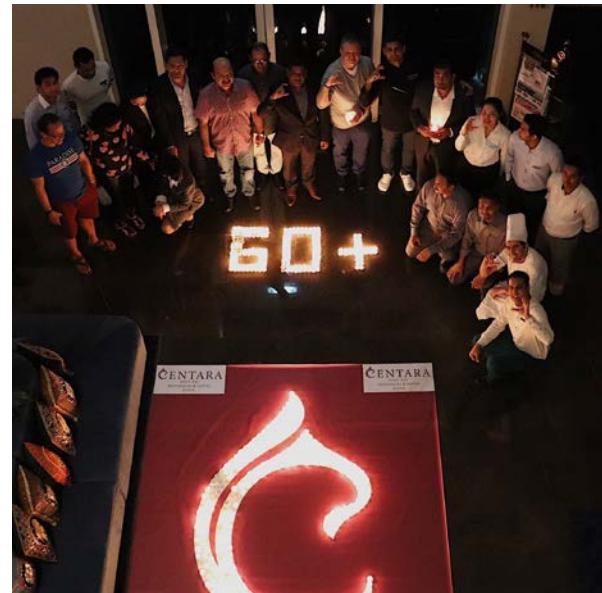
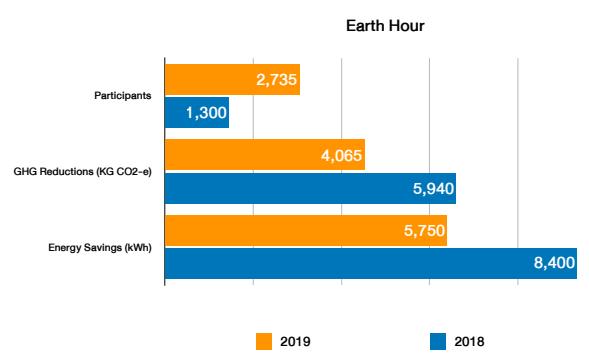
### Once Through Boiler

This technology has been introduced into three of our hotels and resorts as it helps reduce the energy consumption by 20% at each property. In 2019, Centara Hotel & Convention Centre Udon Thani was one of the private sectors that was selected for a government subsidy project to install Once Through Boiler with the capacity of one ton for operating the laundry system. By using this machine to make steam for the hotel laundry system instead of a fire tube boiler, the hotel reduced the number of gas tanks used from 418.17 kg to 347.19 kg per day or a 17% saving.



### Earth Hour

In 2019, 2,735 staff and the hotel guests celebrated Earth Hour. We took the symbolic action of switching off the lights across our group of properties in Thailand and overseas. During Earth Hour, we saved over 5,750 kWh of energy and 4,065 KG CO<sub>2</sub>-e in Greenhouse Gas Emissions. The energy that we saved is equivalent to the amount of energy that it takes to charge 518,480 smartphones.



### RENEWABLE ENERGY

#### Rooftop Solar Panel

The rooftop solar conversion is one of Centara's most ambitious sustainability projects undertaken by a single property. The benefits to the environment make it a compelling choice, and we are continuously looking for opportunities to expand our solar programme at other properties in the future.

Centara Ras Fushi Resort & Spa Maldives ceased harmful gas emission after the adoption of a rooftop solar panel system that began producing electricity in December 2019. Following the completion of solar panel installation atop the roofs of all of the resort's main structures, Centara Ras Fushi Resort & Spa Maldives will generate enough pollution free power to supply close to 40% of its energy needs, resulting in an annual energy savings equivalent to 307,000 kilowatt hours (kWh) or about 83,000 litres of diesel fuel.



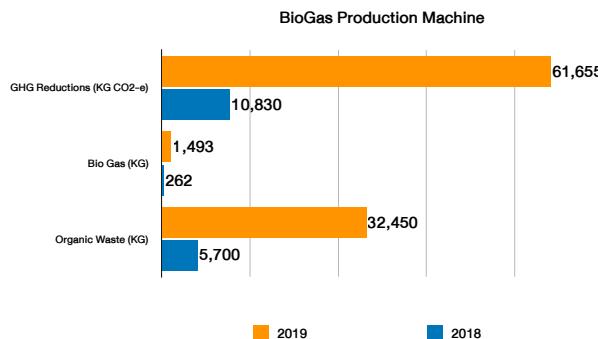
### Heat Recovery System

Centara Grand Mirage Beach Resort Pattaya installed the heat recovery system to recovery waste heat from the compressor from the walk-in refrigerator and the exhaust pipe of steam boiler to reuse and reduce the total energy usage in the hotel. The waste heat recovered from the heat recovery system was 7.39 kilowatt hours (kWh) or 74.6% according to the full compressor load. From this energy saving project, Centara Grand Mirage Beach Resort Pattaya will save approximately 373,540 kWh per year of energy, which equates to 291 tons of Green House Gas emissions or  $\text{CO}_2$  equivalent of 44.7 homes' electricity use for one year.



### Biogas Production Machine

Food waste or organic waste without proper handling causes Green House Gas emissions that have a big impact on climate. The composting biogas production machines are used at Centara Grand Beach Resort Phuket and Centra by Centara Maris Resort Jomtien for converting organic waste into cooking fuel and fertilizer, helping to reduce Green House Gas emissions. In 2019, we reduced 61,655 KG  $\text{CO}_2\text{-e}$  of Greenhouse Gas Emissions from using the composting biogas machines. We diverted 32,450 kg of organic waste from landfills and produced 1,492.7 kg of BioGas equivalent LPG.



### EV Charger

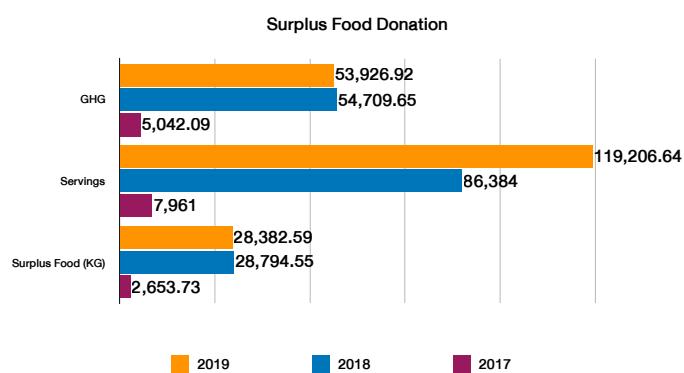
Centara Grand at CentralWorld and Centara Hotel & Convention Centre Udon Thani strive to be more sustainable and innovative than other hotels in their respective geographical areas. Electric Vehicle Charging Stations are available for guests to charge their electric or hybrid vehicle batteries at both of these properties.



### WASTE MANAGEMENT INITIATIVES

#### Surplus Food Donation

It is an ongoing programme to eliminate hunger and food waste, operated by Scholars of Sustenance Foundation (SOS) – Thailand. Our properties in Bangkok have been active partners since 2017. In 2019, the foundation expanded their charitable service to Phuket area and as of the end of 2019, our three properties in Bangkok together with another three Phuket properties donated 59,830.87 kg of good quality cooked food, bakery and fruits which provided over 213,551.64 servings to the orphanages, refugees, disabilities and low-income people. By reducing this amount of food waste, we have successfully saved 113,678.66 kg of GHG equivalent emissions ( $\text{CO}_2\text{-e}$  (kg)).



#### Food Waste Donation Through Compost Programme

The Compost Programme initiated by Scholars of Sustenance Foundation (SOS) – Thailand has an aim to tackle food waste management issues in the long term and the potential of turning food waste into valuable resources for agricultural industries by developing capacity to receive food waste from the food waste producing partners and deliver to farm partners who turned food waste into compost and animal feeds.

From participating in this programme, Centara Grand & Bangkok Convention Centre at CentralWorld and Centara Grand at Central Plaza Ladprao Bangkok have diverted 143,064.11 kg of food waste from landfills, which is equivalent to 271,821.81 kg of  $\text{CO}_2\text{-e}$  Emissions.



### Food Wrapping Film Donation

Centara Grand & Bangkok Convention Centre at CentralWorld and Centara Grand at Central Plaza Ladprao Bangkok worked together with their food wrapping film supplier on a project 'Circulife by M Wrap' to repurpose the food wrapping film into new objects. The food wrapping film is a recyclable plastic No. 3 PVC (Poly Vinyl Chloride). Donating this item that our hotels use in their kitchens in daily operation helps reduce environmental impact from diverting waste to landfill, totaling approximately 160 – 180 kg. per month.

### Elimination of Single-Use Plastic

Following the launch of elimination of plastic straws, plastic laundry bags and plastic take-away containers, in 2019, the amenities provided in the guest rooms were also replaced by the bulk-size dispensers with proper safeguarding locks for hygiene purposes. Over 2,248 room-keys in 14 properties have successfully eliminated the single bottles by offering these refillable amenities. In the future, all properties of Centara Hotels & Resorts will eliminate single use amenities from the guest rooms and suites.



### Food Waste Prevention

Centara Grand & Bangkok Convention Center at CentralWorld has been created initiative project named Food Waste Prevention to reduce food waste in preparation process. Executive Chef and kitchen staffs attended Food Waste Prevention training to understand how to reduce food waste in operation, operation cost and get the most benefit from our raw material. This project kicked off with raw material preparation at Butcher and Seafood section for six months. It can reduce food waste in preparation process from 40 % to 15 %.

### ENVIRONMENTAL AWARENESS AND INITIATIVES

#### World Environment Day and Ocean Day

Both the World Environment Day and Ocean Day events are part of the growing worldwide plastic reduction movement that has gained significant traction in recent years. Eliminating single-use plastic items is a key priority of the 2019 Centara Earth Care programme, a company-wide initiative aimed at encouraging hotel guests and tourists to be proactive about energy saving and to promote sustainable environmental tourism.

In 2019, we marked the World Environment Day (5th June) and Ocean Day (8th June) events with a month-long campaign to raise awareness of the scourge of plastic waste, encouraging guests and staff to join the effort to rid beaches of discarded plastic trash.

The initiative features sculpted sea creature-cum-trash-bins named POP — short for "Plastic Only Please" where guests can "feed" the plastic waste they pick up in and around the beach. Our 'POP' popped up at 12 Centara properties on the coastline around Thailand and The Maldives.

Each time the plastic-hungry sea life creature filled up with collected plastic trash, Centara's waste management teams removed the contents, weighed the trash, and prepared it for sorting and delivery to local recycling facilities. These plastic eating creatures provided a first-line waste management filter collecting reusable plastic materials so they could be recycled into new items instead of going straight to the landfills. At these events, we gained public attention as pictures and contents of 'POP' Fish were shared and written across social media channels by various press and influencers. Over 400 kg of recyclable plastic waste were collected and sent for proper management.



#### Ecosystem Management and Conservation: The Coral Restoration Project

It has been over 4 years since Centara Ras Fushi Resort & Spa Maldives, together with Best Dives Maldives, initiated a coral restoration project. Besides providing an opportunity for guests to witness the growth of a new coral garden and learn the process of recovering the damaged corals, they also provide information about the threats to coral reefs and marine life and how to help to minimize the threats to the guests.

Under this project, the hotel staff received training on coral restoration in order to help nursing the coral farm in the lagoon correctly. New corals have been planting every month. Over 150 bases of corals are already planted for this long-term project and now the property has extended the coral planting participation to local school students.

In 2019, there was coral bleaching all over Maldives that affected the project. The coral planting was suspended for a few months due to high temperature of the seawater. During this time, Centara Ras Fushi Resort & Spa Maldives focused on taking care of the coral farm by monitoring the condition of the existing corals closely and moved them, when necessary, to deeper and colder waters. At the resort, a marine life presentation by an expert also organised weekly talks for all guests to gain knowledge about marine life in the Maldives and how they can contribute in conserving it.



#### Centara EarthCare Corner

The initiative was introduced at 'Something to Remember' retail shops located within Centara's hotels and resorts. They offer various sustainable products that cause minimal harm to people and to the environment as well as enhance guests' shopping experience while also helping sustain the planet for future generations. Ranges of product available include:

1. Centara Signature Products: Reusing things is one of the most sustainable ways to combat plastic pollution. Centara Signature Products are designed to be reusable. They help preserve the environment by significantly reducing single-use plastic waste.
2. Community Products: Supporting local businesses matter, especially when you consider the carbon footprint of transporting goods long distances. Our Community Products are handcrafted from natural materials and produced in Thailand. Not only will purchasing these products help save the environment, your purchase also helps retain local culture and craftsmanship.
3. Products from Recycled Materials: Recycling is another effective way to protect our environment. At Centara EarthCare Corner, we are supportive of converting waste into new objects and highlight interesting products that are made from recycled materials.



#### Waste Segregation Bin

The waste segregation bins are provided throughout outdoor public area. They are made from recycled materials including recycled plastic beads and powdered scrap wood. Centara is dedicated to sustainable living and committed to the reduction of our carbon footprint. By using this substitute material, we are helping reduce the rate of deforestation around the world.



#### Beach Bag

This beach bag is inspired by traditional Thai patterns and materials. They are entirely made from recycled plastic and were first available at Centara Ras Fushi Resort & Spa Maldives for our guests to enjoy during their stay. This OS&E item will be progressively introduced to other resort properties across the group in the coming years.

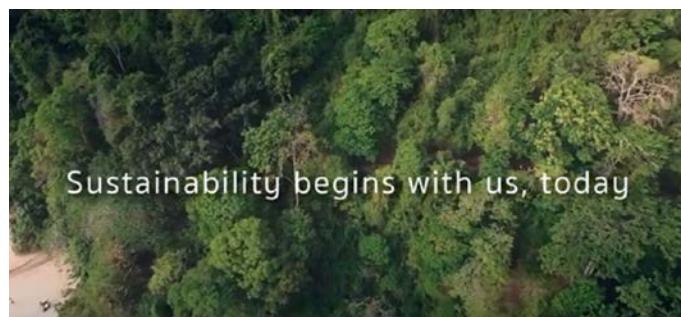
#### Living the Greener Life at COSI

'Living the Greener Life' is energy saving tips and environmentally related practices. It is presented on TV at each guest room to create awareness and encourage guest's participation. At COSI Samui Chaweng Beach, they also provide 'Going Greener Map' with an embedded google map that shows the low-carbon activities and other green recommendations at COSI and around the island. Guests can simply download the map on their phones from the QR code provided. Both initiatives are paperless communication material and they are planned to implement at other new COSI hotels as well.



### Centara Sustainability Story Video

In 2019, Centara presented a very first professionally developed sustainability short film to showcase our consciousness about being sustainable through the practices that we implemented at each property. Our intention is to use this video as a tool to communicate our efforts to stakeholders and to other people, and to help create more awareness about sustainability.



### Sustainability Training

It is our dedication to embed sustainability and educate members of the management and executive team to help develop, implement, lead and maintain an organisation's sustainability programmes, ensuring there is an appropriate level of governance and buy-in as they are the key people who enable to motivate and solicit support from staff whilst creating an informal environment to share daily challenges and opportunities for continual improvement. The sustainability training provided by the corporate office across Centara Hotels & Resorts, covered topics including Global Challenges, Concept of Sustainability, Tourism Impact and Response and Responsible Operation. In 2019, the management team of twenty-four hotels and resorts received the training with more than three-hundred head of departments including the general managers attending.



### HOTELS & RESORTS GREEN ACTIVITIES

Centara Hotels & Resort in Pattaya and Centara Watergate Pavillion Hotel donated clean plastic waste to Jak Daeng Temple, Phra Pradaeng District, Samut Prakan as a contribution to the project "nano-robe". The yarn, made from a mixture of used plastic, cotton, zinc oxide nanoparticles, is turned into monk robes. The hotels have to make sure the bottles are thoroughly washed with the caps and brand labels removed in order to make a fine, high quality fabric and reduce workload of the temple and the local community who helps run the project.

Centara Watergate Pavillion Hotel donated aluminum materials from beverage caps and cans for use in making of prosthetics for the disabled, under a project initiated by Thailand Post and the Pollution Control Department.

Centara Grand Beach Resort & Villas Hua Hin together with Hua Hin Municipality joined forces to boost Hua Hin's environmental sustainability efforts and raise awareness about waste segregation, especially plastic waste to the hotel guests and tourists in Hua Hin.



### Beach Cleaning and Lagoon Cleaning

Beach Cleaning is an important component of our process and is undertaken on a daily basis by properties that have direct ocean access. On the Earth Day 22 April 2019, Centara Ras Fushi Resort & Spa Maldives arranged a lagoon cleaning. Twenty-five snorkelers and divers (including resort guests) participated and they collected 176 kg of garbage from the lagoon.



### AWARD AND RECOGNITION

#### EarthCheck Certifications

A well-known and acclaimed environmental certification and benchmarking programme for the travel and tourism industry. In 2019, we achieved Gold level certification at 11 properties, Silver level certification at 4 properties and 5 properties are under the Evaluate Plus programme of EarthCheck.

#### Certified Programme

1	Centara Grand Beach Resort & Villas Krabi	Certified Gold 2019
2	Centara Grand Beach Resort and Villas Hua Hin	Certified Gold 2019
3	Centara Grand Beach Resort Samui	Certified Gold 2019
4	Centara Grand & Bangkok Convention Centre At Central World	Certified Gold 2019
5	Centara Karon Resort Phuket	Certified Gold 2019
6	Centara Grand at Central Plaza Ladprao Bangkok	Certified Gold 2019
7	Centara Grand Beach Resort Phuket	Certified Gold 2019
8	Centara Grand Island Resort and Spa Maldives	Certified Gold 2019
9	Centara Grand Mirage Beach Resort Pattaya	Certified Gold 2019
10	Centara Kata Resort Phuket	Certified Gold 2019
11	Centara Ras Fushi Resort and Spa Maldives	Certified Gold 2019
12	Centara Villa Phuket	Certified Silver 2019
13	Centara Villa Samui	Certified Silver 2019
14	Centara Hotel Hat Yai	Certified Silver 2019
15	Centara Anda Dhevi Resort & Spa Krabi	Certified Silver 2019

#### Evaluate Plus Programme

1	Centara Koh Chang Tropicana Resort	Evaluate Plus 2019
2	Centara Watergate Pavillion Hotel Bangkok	Evaluate Plus 2019
3	Centara Hotel & Convention Centre Udon Thani	Evaluate Plus 2019
4	Centara by Centara Maris Resort Jomtien	Evaluate Plus 2019
5	Centara Muscat Hotel	Evaluate Plus 2019

### ASEAN Green Hotel Award

This award is given to hotel industry players whose operations are based on environmentally – friendly principles and adopt energy conservation measures to achieve sustainable tourism. Centara Grand at Central Plaza Ladprao Bangkok and Centara Grand Beach Resort & Villas Hua Hin were among the five winning hotels in Thailand to receive this prestigious award.

### Green Hotel Award (G Mark)

Centara Hotels & Resorts has been actively enrolling in this three-year award that hosted by Department of Environment Quality Promotion, Ministry of Natural Resources and Environment since 2015. In 2019, we received the G Mark Award – Silver Level for four properties in Thailand and we are holding the valid G Mark Awards for eight properties in total, namely; Centara Grand at Central world, Centara Grand Beach Resort & Villas Hua Hin, Centara Hotel Hat Yai, Centara Villas Samui, Centara Anda Dhevi Resort & Spa Krabi, Centara Hotel & Convention Centre Udon Thani, Centra by Centara Government Complex Hotels & Convention Centre Cheang Watthana and Centra by Centara Maris Resort Jomtien.



### Thailand Sustainable Event Management Standard: TSEMS

Centara Grand at Central world, Centara Grand at Central Plaza Ladprao Bangkok achieved standard certificates of Thailand Sustainable Event Management standard or TSEMS that is developed by Thailand Convention and Exhibition Bureau in order to provide framework for MICE entrepreneurs throughout the value chain to compile various services related to sustainability and present to public.

### Thai Hotel Plastic Free Certificate by Thai Hotel Association

This one year project was initiated by Thai Hotel Association in collaboration with the Tourism Authority of Thailand and allied agencies, under the concept “Every journey begins with a single step” with the aim to encourage and inspire all hotels to reduce and eliminate single-use plastics in their daily operations, thus enhance the image of Thailand's tourism and hospitality industries by promoting this effort through TAT's offices worldwide.

Centara Grand at Central world, Centara Grand at Central Plaza Ladprao Bangkok, Centara Grand Beach Resort & Villas Krabi, Centara Karon Resort Phuket, Centara Kata Resot Phuket, Centara Villas Samui, Centara Anda Dhevi Resort & Spa Krabi, and Centara Koh Chang Tropicana Resort received certificates of participating hotels in recognition of the efforts in improving waste reduction and reducing plastic pollution.



## **Guidelines for Sustainable Development Reporting**

### **About This Report**

Central Plaza Hotel Co., Ltd. has prepared the sustainable development report as part of the annual report for the fourth year to present operating results in terms of sustainable development to stakeholders which cover all dimensions of sustainability including economic, social, environmental, and governance dimensions. The Sustainable Development Report 2019 was prepared using the Global Reporting Initiatives (GRI Standards) reporting framework at the core level, presented guidelines for the implementation of the United Nations Global Compact (UNGC), Environmental Check for Sustainable Tourism Management (Earth Check), and connected the organisation's sustainability operations to the Sustainable Development Goals (SDGs).

### **Scope of the Report**

The Sustainable Development Report presents operating results of 2019 from 1 January 2019 to 31 December 2019 covering the hotel business and food business under Central Plaza Hotel Public Company Limited and Central Restaurants Group Company Limited which operate in Thailand and overseas. The storage of the environmental data of 20 hotels and 16 food brands uses the database that meets EarthCheck's requirements.

### **Quality Control of the Report**

The Sustainable Development Unit is the central unit for coordinating and controlling the preparation of the report to ensure accuracy and completeness. The unit reviews the key content, and top management of each business group and the senior vice president of finance and administration confirm the publication of the information.

If you have any questions or suggestions regarding this report, please contact the Sustainable Development Department, Central Plaza Hotel Public Company Limited, Tel. 0 2769 1234.

## GRI Content Index

GRI Standard	Disclosure	Page Number and/or URL	Relation to SDGs	External Verification
GRI 102: General Disclosure 2016	Organization profile			
• 102-1 Name of organization		Cover page, Annual Report 280		
• 102-2 Activities, brands, products, and services		Annual Report 6-7, 28-29, 38-39, Back Cover page		
• 102-3 Location of headquarters		Annual Report 280, Back Cover page		
• 102-4 Location of operations		Annual Report 276-279, 286-287		
• 102-5 Ownership and legal form		Annual Report 249, 276-279		
• 102-6 Markets served		Annual Report 6-7, 28-29, 38-39, 276-279		
• 102-7 Scale of the organization		67		
• 102-8 Information on employees and other workers		67-70	SDG 8	
• 102-9 Supply chain		63		
• 102-10 Significant changes to the organization and its supply chain		63		
• 102-11 Precautionary Principle or approach		Annual Report 101, 222-225		
• 102-12 External initiatives		54		
• 102-13 Membership of associations		57-58		
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• 102-14 Statement from senior decision-maker		Annual Report 18-21, 101		
102-15 Key impacts, risks, and opportunities		52-53		
<b>ETHICS AND INTEGRITY</b>				
• 102-16 Values, principles, standards, and norms of behavior		51	SDG 16	
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### UN Global Compact Principles

Currently, CENTEL has not yet signed a pledge to comply with the Ten Principle of the UN Global Compact (UNGC). However, CENTEL has studied and implemented it as a guideline in its operations for the company's sustainable development as follows:

Main Issues	Principle	Page
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights	59, 63-64
	2. Make sure that they are not complicit in human rights abuses	63
Labour	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	65
	4. The elimination of all forms of forced and compulsory labour	63
	5. The effective abolition of child labour	63
	6. The elimination of discrimination in respect of employment and occupation	64
Environment	7. Businesses should support a precautionary approach to environmental challenges	75-86
	8. Undertake initiatives to promote greater environmental responsibility	85-86
	9. Encourage the development and diffusion of environmentally friendly technologies	66, 78-86
Anti-Corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery.	59-60

