



# **CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE DEVELOPMENT**



### 3. CENTEL SUSTAINABLE DEVELOPMENT

“Operating a sustainable business is a challenging task which requires co-operation from all parties including our executives and employees. We intend to operate ethically and sustainably across our entire portfolio. We are committed to sustainable practices throughout our operations, whilst delivering an exceptional level of Thai hospitality for our customers. Companies that respond effectively to the challenges of sustainability can gain a competitive advantage and increase share value. We strive to develop sustainable hospitality strategies and encourage sustainability wherever we operate.”

Mr. Thirayuth Chirathivat

Chief Executive Officer

#### 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

The company has developed a business growth strategy to step up its role in the region under a business framework which involves a next five-year plan (2019-2023), doubling the expansion of domestic and overseas investment portfolios, pursuing new business opportunities outside its historic hotel and resort core, and improving key infrastructure to become a top 100 global hotel operator.

#### Food Business Strategy

The strategy to make Central Restaurant Group's restaurant business the industry leader is to deliver delicious and affordable meals through heartwarming services of CRG and commitment to create innovations that meet consumer lifestyles to provide truly memorable dining experience and ensure sustainable business growth in order to achieve business goals. The company plans to expand its existing brand's branches throughout Thailand to expand the customer base and alternatives for customers in Bangkok and other provinces with a focus on maintaining high product standards and constantly developing new products. Apart from that, the company plans to add new brands to its portfolios to meet the increasingly diverse needs of consumers. Furthermore, the company plans to expand its sales channels to broaden the customer base and create opportunities to generate higher income and profits in the future.

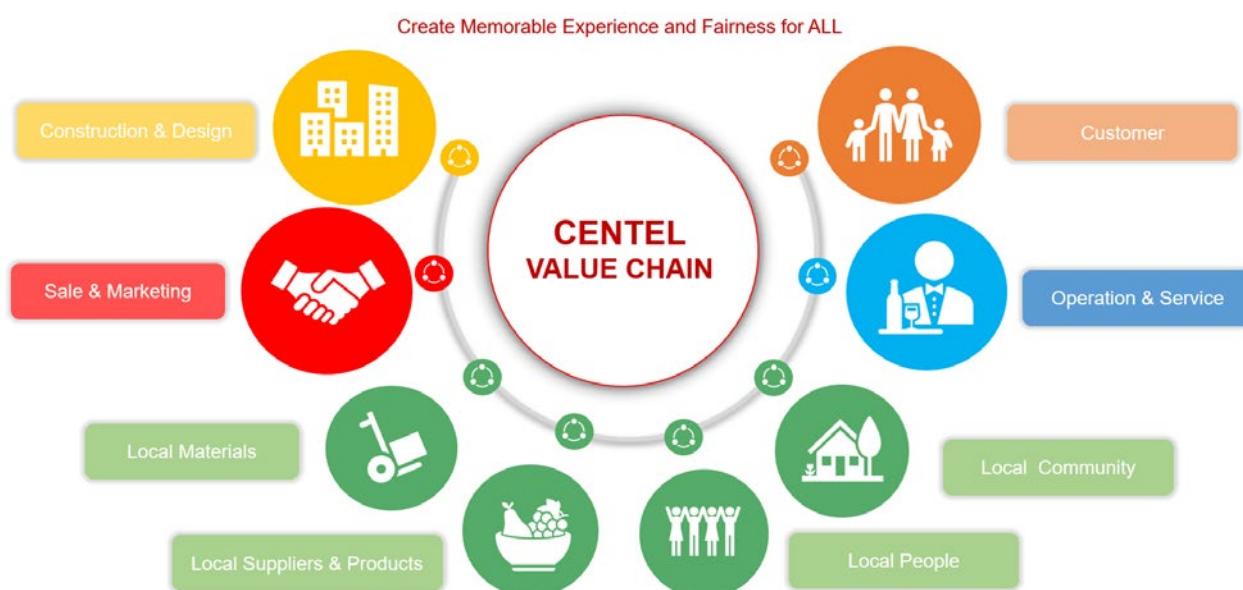
## Core Values

The role of promoting sustainability in the organization is embedded in the company's operations under the "**I • CARE**" concept as we care about conducting business in harmony with employees, customers, business partners, society, and community. The concept is incorporated in the company's business practices operating our hotel and food businesses responsibly and to serve as a framework for moving the organization towards sustainability.

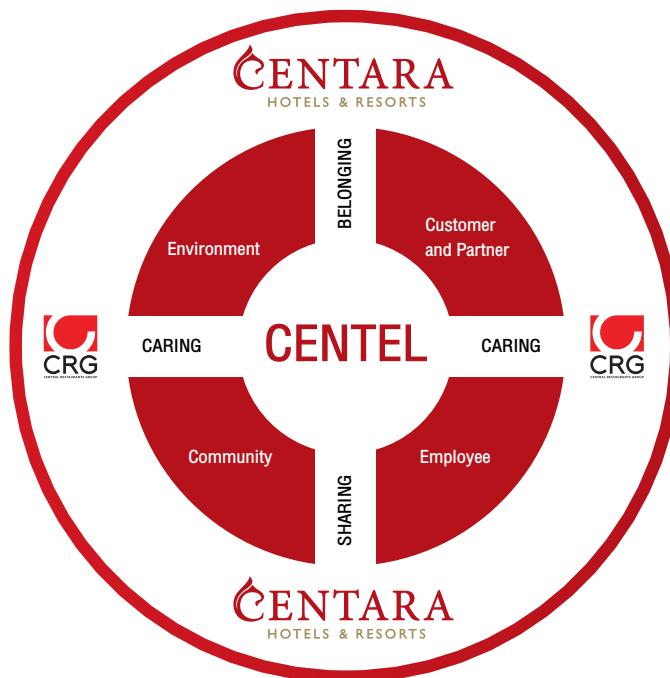


Innovation	Customer	Alliance	Relationship	Ethic
to create new ideas	to provide excellence in customer service	to progress together across all business groups	to have a bond and to support each other	to possess work ethics

## Sustainability Management



## Sustainability Policies and Management Goals



CENTEL has established a sustainability development policy as a guideline for sustainable business growth covering economic, social, and environmental dimensions using the sustainability development concept as the pillar for all our operating processes, instilled in our operational lines and operational plans to ensure connectedness, create a balance in economic, social and environmental dimensions throughout the supply chain, and achieve the goals of sustainability development, bringing the greatest benefits to all stakeholders. The company has set up the Working Team on Sustainability Development consisting of working members from both the hotel and food businesses to transform executives' policies into sustainable operation guidelines for all divisions, promoting sustainability approaches at the employee level across the organization. The working team has established the framework and goals for sustainability in the three following dimensions:

Economic Dimension	Social Dimension	Environmental Dimension
<ul style="list-style-type: none"> <li>Operate business based on corporate governance</li> <li>Improve the quality of services and products to meet the needs of all customer groups</li> <li>Manage risks efficiently</li> <li>Manage supply chain</li> <li>Create quality personnel for the tourism industry</li> </ul>	<ul style="list-style-type: none"> <li>Treat all employees fairly and equally</li> <li>Enhance employees' competencies</li> <li>Create jobs and career to distribute income to the community</li> <li>Improve the quality of life of the community in the society</li> </ul>	<ul style="list-style-type: none"> <li>Conduct business in an environmentally friendly way and reduce the impact on the environment</li> <li>Use resources efficiently</li> <li>Systematically manage waste</li> <li>Focus on climate change and reduce greenhouse gas emissions</li> </ul>

For more information on the company's sustainability policy:

<https://investor.centarahotelsresorts.com/th/sustainability/corporate-governances-document>

## Sustainability Structure

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



## Awareness of Sustainable Operations

In 2020, the company continues to strive to create an understanding of sustainability among employees in the organization by providing training on corporate sustainability for high-level executives with instructors who are experts from the Sustainable Business Development Institute (SBDI) working with the Stock Exchange of Thailand to talk about sustainability in order to enable the management of the organization to apply the principles in management to ensure sustainability in the organization. The company also provides basic sustainability knowledge training for operational personnel at each hotel. Aside from that, the company has developed the Centara Sustainability Management Program to manage all hotels' environmental and social data collection and is preparing to expand the data collection to the food business.

## Stakeholders Engagement in Corporate Value Chain

CENTEL has identified various groups of stakeholders and provided communication channels to listen to their feedback and expectations which will help improve processes in response to stakeholders' feedback and expectations.

Stakeholder group	Engagement and Communication Channels	Interests and Expectations	Responses and Actions
Customers	<ul style="list-style-type: none"> <li>Customer satisfaction survey after using the service</li> <li>Customer interaction while providing the service</li> <li>Customer complaints through various complaint channels</li> <li>Online customer communication</li> </ul>	<ul style="list-style-type: none"> <li>Service quality during the COVID-19 pandemic</li> <li>Service variety to meet customer needs</li> <li>Up-to-date, complete, and accurate information</li> </ul>	<ul style="list-style-type: none"> <li>Offer satisfying services with the unique Thai hospitality</li> <li>Deliver a variety of products to provide customized services to customers</li> <li>Organize the Centara Complete Care program to ensure trust in our cleanliness and safety during the COVID-19 pandemic</li> <li>Provides accurate information about our services and products</li> <li>Develop technology to provide customers with efficient services and quick and easy access to services</li> <li>Prioritise customers' security and privacy</li> <li>Create a strict plan to support and manage the security and privacy of customers' information</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Annual business partners meeting</li> <li>Channels for receiving complaints</li> <li>Business partner needs survey</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable business partnership</li> <li>Joint development of innovation for business partnership</li> <li>Business partner relationship during the COVID-19 pandemic</li> </ul>	<ul style="list-style-type: none"> <li>Implement the one-item-one-price ordering system</li> <li>Transparent, fair, and verifiable procurement process</li> <li>Create manuals and guidelines on business partnership based on the ESG sustainability concept</li> <li>Provide support to suppliers and business partners within the support framework for the COVID-19 pandemic</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Orientation for new employees</li> <li>Townhalls to allow executives to closely interact with employees</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>Work-life balance</li> <li>Appropriate compensation and welfare</li> <li>Opportunities to provide feedback</li> <li>Measures to support employees during the COVID-19 pandemic</li> </ul>	<ul style="list-style-type: none"> <li>Develop a plan to enhance the skills, knowledge and competency of employees</li> <li>Review the compensation and welfare of employees to ensure appropriateness and fairness</li> <li>Treat employees as family to build loyalty to the organization through various activities</li> <li>Determine measures to support employees affected by the COVID-19 pandemic</li> <li>Improve the work environment according to the occupational health criteria</li> <li>Analyze the data from the employee satisfaction survey to create a plan to meet employee needs</li> <li>Adjust the operational system to be in line with measures to prevent the spread of COVID-19.</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 volunteer 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 jobs, career, and value for the communities and society</li> <li>Develop the community for sustainable growth</li> <li>Support activities for the communities</li> </ul>	<ul style="list-style-type: none"> <li>Promote, enhance, and build good relationships with the communities and society to be able to live together in a sustainable way</li> <li>Share knowledge to allow 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 assess the direct and indirect environmental impacts from business operations</li> </ul>	<ul style="list-style-type: none"> <li>Reduce environmental impact both in the short and long terms</li> <li>Take care and preserve the environment around the community</li> </ul>	<ul style="list-style-type: none"> <li>Monitor and manage natural resource use for maximum benefits</li> <li>Improve business processes to reduce environmental impact on a regular basis</li> <li>Adopt innovation and technology to help in operation processes</li> <li>Promote and create environmental knowledge for employees and communities</li> <li>Support actions to reduce greenhouse gas emissions</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 performance with steady and sustainable growth</li> <li>Readiness for dealing with crises that affect business</li> <li>Business recovery plan after being affected by the COVID-19 pandemic</li> </ul>	<ul style="list-style-type: none"> <li>Participate in providing feedback on business operations</li> <li>Organize activities to meet investors and shareholders regularly</li> <li>Listen to suggestions from shareholders equally</li> <li>Present the organization's information on operational results as well as direction and business plans</li> </ul>
Overall stakeholders	<ul style="list-style-type: none"> <li>Company website</li> <li>Complaints through various complaint channels</li> </ul>	Transparent and accountable business operations	<ul style="list-style-type: none"> <li>Oversee business based on good governance according to the requirements and laws</li> <li>Disclose business information regularly</li> </ul>

## Materiality Assessment Processes



### 1. Identifying material aspects

CENTEL analyzed and compared significant risks in the hotel and food businesses and important issues from stakeholder groups from the engagement process with sustainability issues of the hotel and food businesses around the world. All the issues identified as important are presented to the group's executives.

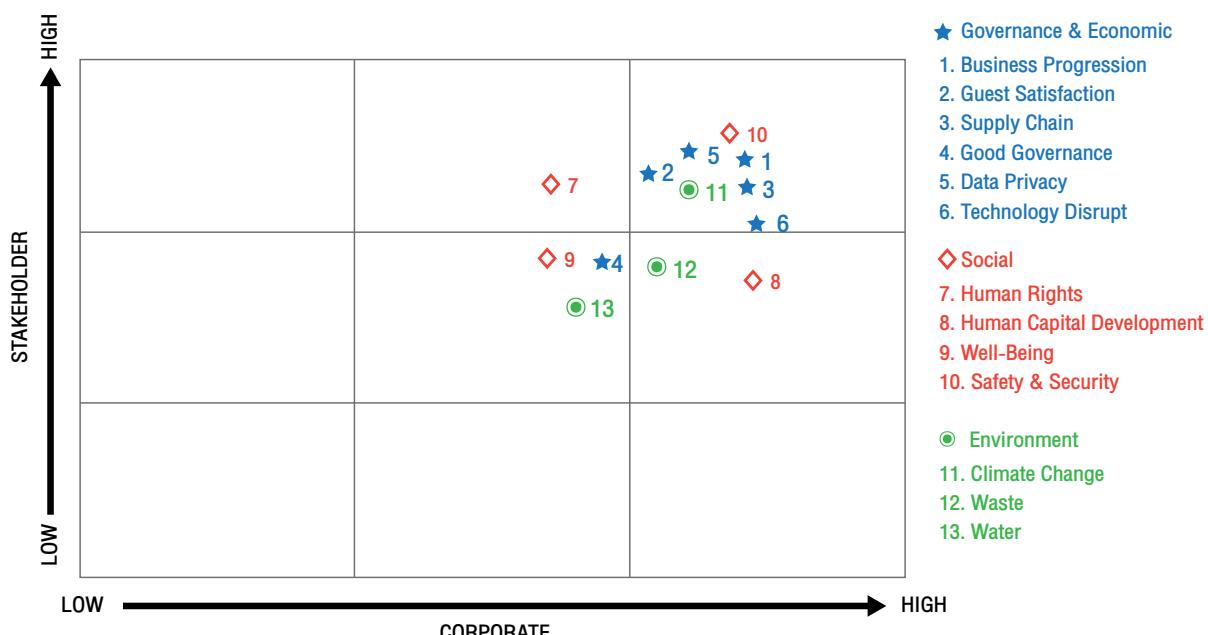
### 2. Prioritization

The company together with relevant agencies analyzed and examined information about the key sustainability issues identified by stakeholders as well as key issues for the company's operations, totaling 13 issues which can be divided into three main groups comprising economic, social, and environmental aspects, and prioritized those into two areas: issues that are important to the organization's business operations and issues that stakeholders view as important.

### 3. Reviewing significant issues and following up and reporting the operating results

In 2020, CENTEL reviewed the significant sustainability issues by considering the priority of the sustainability issues on business progression. The working group proposed to raise the importance level of the issue since during the COVID-19 epidemic in 2020, the hotel and food businesses were greatly affected. Business operation plans to cope with the situation new business opportunities to respond to the new ways of living were presented to the Risk and Governance and Sustainability Development Committee for approval as well as the operational plan, which was approved by the group's executives and has been regularly monitored on performance.

## Sustainable Materiality Matrix



## Material Issues

Material Issues	Scope of Impact (In/Outside Organization)	Aspects Stated in the Report
1. Business Progression	All departments / Customers, Business partners, Shareholders	Market and competition
2. Guest 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	Corporate Governance
5. Data Privacy	All departments / Customers	Personal data protection and privacy
6. Technology disruption	All departments / Customers	Market and competition
7. Human Rights	All departments / Business partners	Human resource management
8. Human Capital Development	All departments / Customers	Competency and skill enhancement for employees
9. Well-Being	All Departments / Communities	<ul style="list-style-type: none"> <li>Human resource management</li> <li>Social and community development</li> </ul>
10. Safety and Security	All departments / Customers, Communities	Occupational health and safety
11. Climate Change Management	All departments / Customers, Communities	Environment Dimension
12. Waste Management	All departments / Customers, Communities	Environment Dimension
13. Water Management	All departments / Customers, Communities	Environment Dimension

## Sustainability Performance

CENTEL is committed to sustainable development throughout its supply chain to create business stability, meet customers' and business partners' needs with excellent products and services, develop and build the organization's personnel to have skills, the ability to work efficiently, support and strengthen communities and society in improving the quality of life, and contribute to environmental stewardship by conducting business in connection with the United Nations' Sustainable Development Goals (SDGs).

Project / Method of operation	Operating results	UN SDGs
CRG bilateral education project, internship programs, and program to develop training program on hotel business for people with disabilities	<ul style="list-style-type: none"> <li>Developed 2,354 quality person for the service industry</li> </ul>	 Target 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>59 % female employees</li> <li>535 female executives in middle management level, 6 % of the total</li> <li>193 employees who are people with disabilities or senior people</li> <li>35 nationalities employees</li> </ul>	 Target 5.1 / Indicator 5.1.1, Target 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>60.66 KT CO<sub>2</sub>-e greenhouse gas emission in business processes</li> <li>reduce greenhouse gas emissions by 3,292 KT CO<sub>2</sub>-e in total</li> <li>up to 80 % of all light bulbs to LED light bulbs</li> <li>Install automatic lighting system in hotel rooms</li> <li>Install solar heating system in 11 hotels for energy saving</li> </ul>	  <p>Target 9.4 / Indicator 9.4.1, Target 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>348,612.5 kilograms of landfill waste</li> <li>43.11% of recyclable waste</li> <li>2,000 kilograms of organic waste were turned to fertilizers and bio-fermented water</li> </ul>	  <p>Target 11.6 / Indicator 11.6.1, Target 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 69,318 kilograms of food waste</li> <li>253,482 quality meals distributed to underprivileged people</li> <li>Organized a project to reduce food waste from the “Champion 12.3” preparation process</li> </ul>	 <p>Target 12.3 / Indicator 12.3.1</p>
Beach Cleaning projects of all hotels that located near the beach	Undertaken every month to reduce the amount of plastic waste brought to the sea	 <p>Target 14.1 / Indicator 14.1.1</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 provide trainings on anti-corruption for the company's employees</li> </ul>	<ul style="list-style-type: none"> <li>Renewed the membership on 25<sup>th</sup> August 2019</li> <li>95.85 % of all employees received the training</li> </ul>	 <p>Target 16.5 / Indicator 16.5.1</p>

## Economic Dimension

### Corporate Governance 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 committed to managing the organization based on good corporate governance and recognizing 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 also focuses on the management of risks caused by internal and external factors to ensure that the organization 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 organization have the knowledge and understanding of risk management.

(More details in the Management Structure and Corporate Governance topic in One Report)

### Corporate Governance Report Assessment of Thai Listed Companies

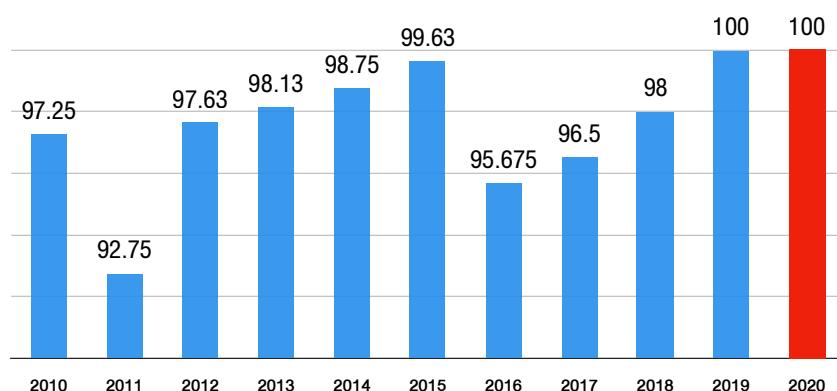
Long-term goal	“Excellent” corporate governance every year
2020 Goal	“Excellent” corporate governance from the assessment
2020 Results	“Excellent” result from the Corporate Governance Report of Thai Listed Companies (CGR) 2020 of the Thai Institute of Directors (IOD) supported by the Stock Exchange of Thailand (SET)



### Quality Assessment of Annual General Meeting of Shareholders

Long-term goal	100% assessment result every year
2020 Goal	100% result from annual general meeting assessment from the quality assessment of annual general meeting of shareholders
2020 Results	100% result consecutively for the second year from the 2020 annual general meeting assessment of companies listed on the Stock Exchange of Thailand by the Thai Investment Promotion Association

### Quality Assessment of Annual General Meeting of Shareholders



**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 established the principles and guidelines for directors, executives, employees and all stakeholders as follows:

- The company operates with honesty, integrity, and ethics, and enhances its business for continuous and sustainable growth
- Realize 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 enhance 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 communities in which the company operates
- Co-operate with the government to strictly comply with the rules and regulations regarding business operations

**Membership of Associations**

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

1. Thai Hotels Association
2. Thai Spa Association
2. Thai Chamber of Commerce
3. Thai Listed Companies Association
4. The American Chamber of Commerce in Thailand (AMCHAM)
5. British Chamber of Commerce Thailand (BCCT)
6. Pacific Asia Travel Association Thailand Chapter (PATA)
7. Thailand Incentive and Convention Association (TICA)
8. The Tourism Council of Thailand (TCT)
9. The Thai Institute of Directors Association (IOD)
10. Collective Action Coalition -Thailand's Private Sector Collective Action Coalition Against Corruption: (CAC)
11. Sustainability Disclosure Community (SDC)
12. Thailand Responsible Business Network (TRBN)

## Anti-corruption



The company values and adheres to transparent and honest business operations that strictly comply with the law. The company Realizes that corruption not only affects its operations, reputation, and image, but is also an obstacle to its sustainable growth. Therefore, the company has established the anti-corruption policies and measures as a code of conduct. Directors, executives, and employees who fail to comply are subject to internal investigation and consideration following the company's regulations and relevant laws. Additionally, the company will not demote, punish, or take any adverse actions against the directors, executives, and employees who refuse to involve with corruption even though the company will lose business opportunities. The company has performed the following actions:

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 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, information/reports or any complaints relating to actions that are alleged to be fraud as well as various relevant measures to protect those reporting fraud, taking into account the safety of the whistleblower, claimant or collaborator in investigations.
5. The company has communicated about the anti-corruption policy, both internally and externally, to ensure successful implementations of the policy with wide impacts such as by publishing the anti-corruption policy on the company's website and by 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 several examples for employees to apply.

As we conduct our business as part of the society with a commitment to make Thailand corruption-free, the company joined Thailand's Private Sector Collective Action Coalition Against Corruption (CAC), a project co-created by the Thai Institute of Directors (IOD), the Thai Chamber of Commerce, foreign chambers of commerce, Thai Listed Companies Association, the Thai Bankers Association, the Federation of Thai Capital Market Organizations, the Federation of Thai Industries, and the Tourism Council of Thailand on 1st September 2011 and was certified as a member on 22 April 2016 and renewed its membership 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 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 the established measures. The company has invited business partners to participate in Thailand's Private Sector Collective Action Coalition Against Corruption.

Long-term goal	All stakeholders have an understanding of various activities that are not associated with corruption.
2020 goal	Review the understanding of anti-corruption using an online approach to allow all employees convenient access to anti-corruption information
2020 Result	The company organized anti-corruption trainings for 205 new employees and reviewed the knowledge of anti-corruption for all employees who have received the trainings through an online system which is accessible via computers, smartphones, and tablets to allow easy access anywhere anytime. In 2020, 95.85 % of all employees participated in the review and the no gift policy was introduced as part of the anti-corruption policy and the anti-corruption measures of the company. The company also provided corporate ethics training for high-level executives for the year 2020 and conducted an evaluation with 64 executives from the hotel business and 57 executives from the food business passing the evaluation, resulting in a 100% completion.

### 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.

In 2020, the number of significant complaints received via the whistle-blowing channel for both the hotel and food businesses was 0.

Complaint Channels At <https://investor.centarahotelsresorts.com/en/sustainability/whistleblowing> or contact the following channels:

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

Tel: (02) 769-1234 ext. 6658 Email Address: 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 policies and measures to fight corruption, please contact:

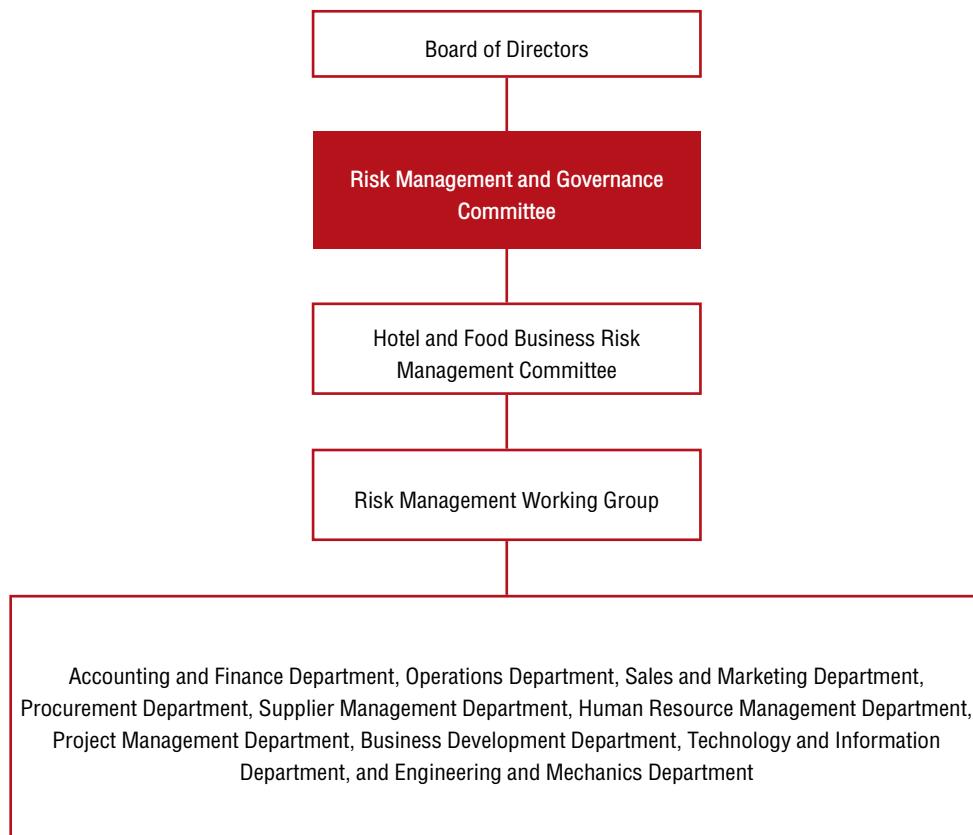
- **Office of the Secretary of the Company**

Tel: (02) 769-1234 ext. 6131 Email Address: 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 business and food business on an annual basis to analyze 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 organization with integrated risk management that allows the company to manage operating costs and to recognize relevant risks in business processes. Aside from this, the company aims to increase its market analysis capabilities, competitiveness, and sustainable business returns
2020 goal	The company is committed to cultivating learning culture for risks and uncertainties in various dimensions ranging from changing consumer behaviors, society, new technology, and innovation that are emerging in the business world to other external factors, especially new changes resulting from the COVID-19 pandemic.
2020 result	The company promotes the risk management culture in all departments to ensure effective and timely decision making at all risk levels. The company's personnel are more aware of the risks and uncertainties that affect the organization and are able to deal with them more effectively. During the COVID-19 pandemic, the management has established the Emergency Responsible Team (ERT) or an emergency team consisting of the Chief Executive Officer, Deputy Chief Executive Officer, Senior Vice President for Administration and Finance, Vice President of Marketing, Sales Department, Human Resources Department, Operational Department, Project Department, and Procurement Department who participate in meetings every morning including on weekends to assess the situation, follow up on action plans from the public sector, and request each agency to co-operate in complying with the announcements and regulations as well as consider the financial plan, cost reduction, work plan of each department, and the summary report for the Board of Directors.

The operational strategy from risk management under the COVID-19 pandemic is the “6R” strategy which consists of:

Reduce	Relay	Renovate	Recovery	Restructure	Resilient
Reduce and control costs for maximum efficiency	Establish a plan to delay spending on long-term contracts	Implement a plan to renovate during the closure	Plan the recovery of each business to return to normal as soon as possible and ways to generate additional income	Conduct business restructuring, develop AI systems, and increase access to customers	Establish a flexible strategy to achieve business sustainability

### Supply Chain Management

The company emphasizes the importance of doing business with its partners transparently, honestly, and 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 supply chain management that is socially responsible in the long term. The company has created the code of conduct and guidelines for business partners and suppliers which highlights business ethics and Labor 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 organizations. All suppliers and business partners are informed about the company's code of conduct and guidelines for suppliers and business partners. The company has developed a sustainable procurement policy which will be introduced in 2021.

The company has created a suppliers registration to analyze and classify suppliers as follows:

Number of Business Partners	Hotel Business	Food Business
Total suppliers	1,046	1,426
Key suppliers	131	150
Other suppliers	120	300
New suppliers (%)	1.5	18
Ratio between domestic procurement and overseas procurement (%)	99:1	93:3

In 2020, the hotel business held meetings on BEE SCM Procurement System (Bee Portal), which is a system for one-item-one-price ordering, for suppliers in the Bangkok area with 97 suppliers attending. Moreover, the company held 2 additional meetings with suppliers to create understanding about food safety and cleanliness of delivered products and inform about the hotel's preventive measures for COVID-19 with 29 key suppliers attending.

The food business held meetings with the suppliers to listen to their opinions and strengthen trade co-operation. The meetings were held 50 times with the main and other suppliers, both online and offline with important issues covering business idea exchange, innovation development, and negotiations of price or conditions.

In 2020, the company expanded the BEE SCM Procurement System to be used in 17 hotels. 33.5% of the suppliers signed and acknowledged the code of conduct for suppliers. The company plans to have 100% of all suppliers sign and acknowledge the code of conduct. In 2020, the food business began meeting with suppliers and had 17 suppliers sign and acknowledge the code of conduct.

## Suppliers Evaluation

The company has determined the 5 aspects for suppliers evaluation which includes:

1. Price potential – offer price that allows the company to gain maximum benefit, reduce cost, support the company's promotion to cut prices, and negotiate on credit terms.
2. Quality and reliability – make products that meet the quality or standards as well as the market demand, deliver products on time and in full, and have satisfying after-sales service and reliable logistics system
3. Potential and production hygiene – reliable production process and management, sufficient production capacity to meet demand, good production hygiene flexible production, standard certifications (GMP, HACCP, ISO), and potential for solving production issues
4. Potential for development – frequency of introducing new quality products at better price, adoption of information system for customer service, potential for developing personnel to increase efficiency, and creativity in enhancing product value
5. Business relationship status – responsibility and responsiveness to requests and problems, response to urgent matters or emergencies, effort and commitment in reducing risks for the company, honesty and integrity for conducting business, effort in maintaining good relationship, and ability to work as a team with the company

In 2020, only eight suppliers were examined and 11 suppliers passed the questionnaire evaluation due to the COVID-19 pandemic. Reviews of key suppliers' ESG were also conducted to ensure the economic, social, and environmental requirements were fulfilled. Additionally, the basic practices for suppliers were reviewed, for example whether packaging such as plastic bags, cardboard boxes, and foam boxes are brought back every time the products are delivered to reduce the amount of waste. Moreover, the company conducts random safety inspections of food products on a regular basis and imposes a high level of punishments which include suspending specific orders or cancel the entire purchases.

## Ordering environmentally friendly products

In 2020, the hotel business adopted the policy to purchase and support products or items that are environmentally friendly with up to 12 million Baht worth of purchases or 2.7 percent of total purchases.

The food business implemented the policy that requires suppliers to use paper that comes from planted forest (FSC-certified) for producing paper containers. In 2020, the company increased its support for environmentally friendly packaging from the previous year in four types of packaging totaling 230 million Baht including 50% of plastic bags mixed with recyclable plastic pellets which accounted for 4.3 million Baht, FSC-certified paper packaging which accounted for 104 million Baht, PLA (biodegradable plastics) packaging which accounted for 1.5 million Baht, and RSPO palm oil which accounted for 120 million Baht.

During the COVID-19 pandemic in 2020, the company introduced measures to assist suppliers including:

1. The company informed suppliers of the impacts of the COVID-19 pandemic which resulted in closures of hotels and restaurants in April and onwards to allow suppliers to prepare, adjusted the payment system for suppliers, negotiated to extend the payment period or ask for discounts from certain suppliers. For small suppliers who must be paid in full, the company has paid the amount on time to assist the suppliers.
2. For customers who are representatives or agents, the company has negotiated on the payment, and for customers who stayed at the hotel, the company has allowed for installments or delays of payment on a case-by-case basis.
3. The company negotiated with all suppliers to create understanding about the payment terms, delayed payment for certain suppliers, and asked for special discounts during the crisis.
4. The company over ordered products and offered promotions to help suppliers in clearing their inventory and reducing possible raw material wastage in case products are not released in time for the shelf life of the raw materials.

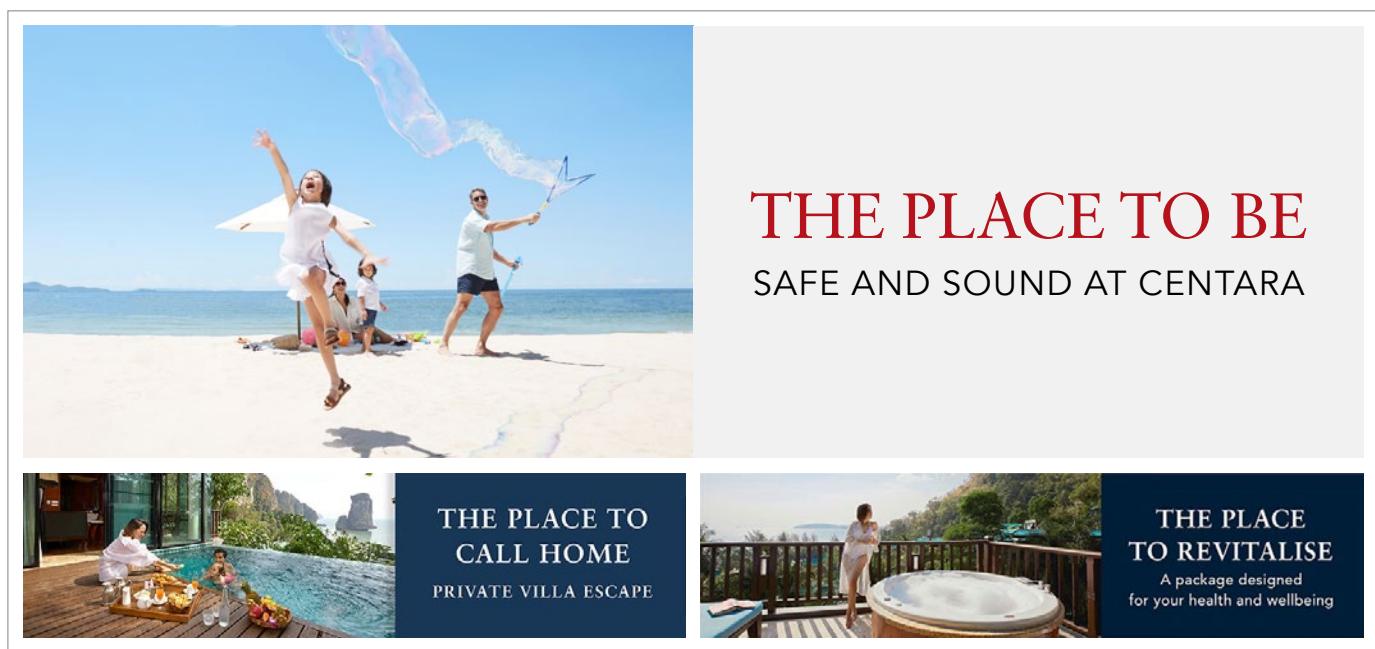
### Customer Relationship Management

Long-term goal      Create products and services that meet the needs of customers to create the highest customer satisfaction.

2020 goal      87.8% overall customer satisfaction level

2020 result      88.07% overall customer satisfaction level

The company focuses on customer service by striving to create enriched and memorable experience in the unique Centara way full of the Thai warmth which is reflected in the services that can meet the lifestyle needs of travelers in every generation under the concept of "The Place to Be" to share all feelings". The concept is 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 feelings in every occasion and meal which will be in their mind, allowing us to share all feelings with them.



**THE PLACE TO BE**  
SAFE AND SOUND AT CENTARA

**THE PLACE TO CALL HOME**  
PRIVATE VILLA ESCAPE

**THE PLACE TO REVITALISE**  
A package designed  
for your health and wellbeing

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 analyzed about the behavior 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 and through the customer review systems of online travel agencies (OTA). Moreover, the company has various channels to receive customer comments such as Facebook, Instagram, YouTube, Twitter, Weibo, WeChat, LinkedIn, Pinterest, and Line and uses these channels to communicate, make announcements, and provide product and service information to customers.

The company makes a summary of customer satisfaction surveys and makes a report every three months to analyze the data and improve its services to create highest customer satisfaction. In 2020, the overall satisfaction score for the hotel business was 88.07% which was higher than the target of 87.8% and 90.4% which was higher than the target of 90% for the food business, and the product quality standard score was 98.4 percent which was higher than the target of 95%.

## Personal Data Protection and Privacy

In 2018, the company began creating the policy for personal data protection for citizens in the European Union (GDPR Standard Policy) and the standard operating procedure to comply with the General Data Protection Regulation (EU-GDPR) and reviewed the policy every year. In March 2020, the company created the privacy policy to inform customers, business partners, and employees and published it on the company's website, hotel business's website, and food business's website as well as created a procedure in line with policy.

The company has provided trainings to employees in various departments that need to implement the data privacy policy to ensure understanding with a focus on the rights of the personal data owners, methods of keeping for personal data documents, responding to customers' and business partners' questions, penalties for people who violate the policy, and other related issues. The training course covers requirements and regulations regarding the Personal Data Protection Act with 4,719 employees attending it. The company also informed customers about the practice and created the guest records and new health questionnaires which covered the essence of the Act. The company only collects personal data for the benefits of the guests and all personal data must receive written consent of the customers and must not be published for commercial purposes. In terms of business partners, the company has ensured understanding with the business partners on the requirements for personal data collection to strictly comply with the policy such as entering into confidentiality agreements and sending out questionnaires on data collection to business partners.

## Customer satisfaction and safety in the New Normal

# CENTARA COMPLETE CARE

A certified health, hygiene and safety programme offering total care and protection

**SOCIAL DISTANCING**

- Appropriate spacing will be maintained to avoid close interactions between guests, and between staff and guests.
- The reconfiguration of seating in public areas
- The delivery of in-room dining and luggage to guest room doors only

**SANITISATION OF HIGH TOUCH POINT AREAS**

- The increased sanitisation frequency of high-touch point areas, including washrooms, lifts and all public areas
- An EPA-approved electrostatic disinfection spray ensures guest rooms, corridors, restaurants, and other areas are sanitised regularly

**ROOMS**

- Housekeeping staff, wearing protective face mask and disposable plastic gloves, will ventilate and clean rooms when guests have vacated the space
- All drinking glasses will be sanitised with a cleaning machine
- Sanitising gel will be placed in the room or available on request

**FITNESS & POOL**

- Chlorine levels at the pool will be periodically monitored for maximum efficacy
- Sun loungers and fitness equipment will be spaced at least 1.5 metres apart and sanitised after every use

**SPA**

- Only single guest spa treatments will be permitted, with steam, saunas and Hammams off limits for the time being
- Treatment rooms and all equipment are carefully sanitised after each session

**KIDS' CLUB**

- Toys and equipment will be sanitised every 15 minutes
- Ball pits and other high-touch amenities in the Kids' Club will be removed

**CHECK-IN**

- All front desk staff will sit at least 1.5 metres apart, and wherever possible, privacy screens will be installed
- The registration process includes health check forms, and cashless payment options will be offered

**DINING**

- Seating in restaurants will be reduced and re-arranged
- All tabletop items will be sanitised before each sitting. Service will be limited, instead, buffet offerings at the restaurant and Club Lounge will be served at the table

**EVENTS**

- Seating arrangements will be made to respect safe distancing. After every event, meeting rooms will be sprayed with specialised electrostatic disinfection
- All event attendees will be required to wear face masks

**TRAINING & PERSONNEL**

- All staff will be trained in Centara's updated cleaning and sanitisation protocols
- Hotel staff teams will also be required to minimise cross-contamination

**ACCREDITATION & MONITORING**

- A team of dedicated hygiene managers has been appointed to monitor, record and implement all changes
- All health and hygiene procedures are prepared in collaboration with **ECOLAB**, the global leader in hygiene technologies, and **SGS**, the world's leading inspection, verification, testing, and certification specialists

In partnership with **ECOLAB** **SGS**

**CENTARA RESERVE** **CENTARA GRAND** **CENTARA** **centra** **COSI** **CENTARA HOTELS & RESORTS**

The hotel business has vigorously raised the level of its hygiene standards to ensure the safety of customers and employees through the Centara Complete Care – Travel with total peace of mind with Centara's certified and enhanced health, hygiene and safety programme <https://www.centarahotelsresorts.com/th/centara-complete-care/> in collaborate with Ecolab, a global leader in water and hygiene technologies, and Swiss firm SGS, the world's leading inspection, verification, testing and certification company from Switzerland. All Centara hotels and resorts have established hygiene teams to be in charge of safety and hygiene and directed operations in all hotels in its chain in compliance with the 12-pronged action plan, which follows the guidelines set by the World Health Organization (WHO), the World Travel and Tourism Council (WTCC), and local health authorities in the six countries where Centara conducts its business. The 12-pronged action plan includes:

**1. Social Distancing** – Appropriate spacing will be maintained to avoid close gatherings between guests, and between staff and guests. This includes the reconfiguration of seating in public areas and the delivery of in-room dining and luggage to guest room doors only..

**2. Health & Hygiene Practices** – The temperature of all staff, visitors and guests arriving at the hotel via all entrances and entering the spa, will be checked. Face masks will be worn by all service staff, and sanitising hand gel dispensers will be made readily available.

**3. Enhanced Sanitization** – The enhanced cleaning protocols will include the increased sanitation frequency of all public areas, including washrooms, lifts, and other high-touch point areas. All cleaning agents are EPA-approved and a hi-tech electrostatic disinfection spray ensures guest rooms, corridors, restaurants, and other areas are sanitised regularly.

**4. Check-In and -Out** – All front desk staff will sit at least 1.5 metres apart, and wherever possible, privacy screens will be installed. The registration process includes health check forms, and cashless payment options will be offered.

**5. Rooms** – Housekeeping staff, wearing protective face masks and disposable plastic gloves, will ventilate and clean rooms when guests have vacated the space, paying particular attention to high-touch points such as remote controls and door handles. All drinking glasses will be sanitised with a cleaning machine. Sanitising will be placed in the room or available on request.

**6. Dining** – In order to respect social distancing, seating in restaurants will be reduced and re-arranged. All tabletop items will be sanitised between each sitting. Self-service will be restricted; instead, buffet offerings at the restaurant and Club Lounge will be served at the table.

**7. Fitness & Pool** – Chlorine levels at the pool will be periodically monitored for maximum efficacy. Sun loungers and fitness equipment will be rearranged and spaced at least 1.5 metres apart. Sports and fitness centre equipment, as well as sun loungers, will be sanitised after every use.

**8. Spa** – Only single guest spa treatments will be permitted, with steams, saunas and Hammams off limits for the time being. Treatment rooms and all equipment are carefully sanitised after each session.

**9. Kids' Club** – Playroom staff will be thoroughly trained to follow enhanced cleaning protocols, with toys and equipment sanitised every 15 minutes. Ball pits and other high-touch amenities in the Kids' Club will be removed.

**10. Event** – Seating arrangements will be made to respect safe distancing, and after every event, meeting rooms will be sprayed with specialised electrostatic disinfection solution, using cutting-edge technology to sanitise all surfaces. All event attendees will be required to wear face masks.

**11. Training & Personnel** – All staff will be trained in Centara's updated cleaning and sanitisation protocols. The same vigorous standards will apply to back of house and any other third-party concessionaries such as the tour desk. Hotel staff teams will also be re-organised to minimise cross-contamination.

**12. Accreditation & Monitoring** - Dedicated Hygiene Managers have been appointed to monitor, record and implement all changes across all hotels. All health and hygiene procedures are prepared in collaboration with ECOLAB, the global leader in hygiene technologies, and certified by SGS, the world's leading inspection, verification, testing, and certification specialists.

Centara Hotels and Resorts have passed the assessment of the Amazing Thailand Safety and Health Administration (SHA), a project with collaboration from the Tourism Authority of Thailand (TAT), Ministry of Tourism and Sports, Department of Disease Control, Department of Health, Department of Health Service Support, and the Ministry of Public Health, by implementing health safety measures and quality service standards for business to create confidence that every tourist will have a happy and safe experience from the products and services of Thailand.

For the food business, it has placed a great emphasis on hygiene and safety of customers and employees by introducing the Three Principles and 17 Proactive Measures for the New Normal (<https://www.facebook.com/watch/?v=86903453593013>) to ensure that employees are able to work properly, reduce the risk of infection or spread of the virus, and build confidence. The three principles and 17 measures include:

**1. Cleanliness Procedure**– Strict screening and frequent cleaning

- 1) Measure employees' temperature before work and every four hours.
- 2) Measure customers' temperature before receiving service (only at branches with dine-in service and standalone branches).
- 3) Kindly ask customers to wear face masks.
- 4) Provide hand sanitizers at stores' entrance
- 5) Require employees to wash their hands according to the standards and sanitize by spraying alcohol at least once every hour.
- 6) Increase the frequency of cleaning and sanitizing surfaces every time after customers use the service
- 7) Require employees in customer service to wear face masks, face shield, and gloves during service
- 8) Strictly require employees in cooking stations and those who touch food to always wear gloves and face masks to ensure that all dishes are cooked by stores that meet the standards and safety requirements.

**2. Consideration of Social Distancing Measures** – Emphasize social distancing measures by providing proper and safe service areas in the stores.

- 1) Provide table shields for dine-in areas and counter shields for restaurant with counter services.
- 2) Maintain a minimum distance of one meter in the counter areas
- 3) Maintain a minimum distance of 1.5 meters for tables and seats with clear seating signs
- 4) Provide sufficient space and seating for delivery men
- 5) Provide clear marking lines for social distancing at the ordering points
3. Contactless Service – Contactless service from food preparation to payment
  - 1) Always deliver food using food trays
  - 2) Provide a tray for change or determine a spot to place money or deliver money using credit card holders
  - 3) Allow for cashless payment
  - 4) Provide new services such as Order & Collect and QR Code menus

To take care of customers affected by hotel reservations during the COVID-19 pandemic at the beginning of 2020, the company provided flexible cancellation and change of stay terms at Centara hotels and resorts for new and existing reservations by allowing customers to alter their stay at the same hotel without additional cost for the same room type and food package under the specified conditions. If customers wish to cancel, a full refund will be provided. The change or cancellation must be completed within the specified period and the reservations must be through Centara's websites only. The company also provides promotions for customers such as the Stronger Together campaign and the Thai Chuay Thai Kue Thai Tae campaign with special offers for CentaraThe1 members including rooms with special price and change fee or cancellation fee waivers.



## EVEN STRONGER TOGETHER

THE ULTIMATE STAYCATION

The company organized a campaign to deliver freshly cooked food from Centara hotels and resorts with a special focus on safety and hygiene of all customers and employees. The company measure the temperature of all staff, chefs, and delivery staff on a daily basis and they must receive rigorous trainings on infection prevention. Additionally, the company carefully clean all cooking equipment, kitchens, and tools and ensure that our hotel staff are well-trained for food delivery to allow for contactless delivery to our customers as the safety of customers is our priority. For the food business, the company has opened service points for ready-to-eat and take-away meals for the well-known CRG brands including Mister Donut, KFC, Auntie Anne's, Pepper Lunch, Chabuton Ramen, Thai Terrace, Yoshinoya, Ootoya, Tenya, and Katsuya and offered lunch boxes to be delivered to your home with a variety of selections from CRG's six famous restaurants.



In addition, when the government encouraged everyone to stay at home to stop the spread of the virus, the hotel business created cooking instruction videos on our hotels' famous dishes, how to make several kinds of drinks, and exercise by our fitness teams. Moreover, the spa department launched an online video on basic health techniques that can easily be performed at home or the CENTARAatHOME through Facebook, Instagram, and YouTube, which have received numerous feedback from customers.



### Innovation for Customer

In 2020, the food business developed a customer service innovation to meet customers' needs and ensure highest customer satisfaction by collaborating with Nasket to adjust strategies in response to the New Normal using PropTech, a property-related innovation, to strengthen delivery channels providing condo residents with convenient meals at their fingertips on Nasket screen installed in guest rooms through a platform for goods and services for condo living. The company also offers a new service, Fast Click, No Touch, through a "Zero-Touch Dine in Experience" and three contactless services including cashless payment, QR Code menu, and Order & Collect that are convenient, from food preparation until payment.

In addition, the KFC brand has developed new services such as KFC Cashless which connects the POS system with EDC machines allowing customers to pay through credit cards or Rabbit Line Pay application and Dolfin and offered KFC Self Pick-up which adds an order function in the KFC application that enables customers to pick up orders at their desired branch in October 2020 or make an appointment to pick up at their desired spot such as at a parking lot without customers having to walk into the stores. The services are offered at 16 branches at the end of December 2020. The brand also offered KFC ATO. In the traditional home delivery, orders are printed on paper and the branch staff need to re-key the information. Through KFC ATO, orders are linked to the POS and the branch staff need not re-key the information to reduce work time. Robotics for Restaurants are also developed and began testing at Katsuya at Central World in October 2020.



A cloud kitchen under the name "Every Food" was developed as a central kitchen that compile various restaurants and cafes to expand the direct delivery channels in place of dining at the restaurants with a focus on locations near delivery spots to reduce costs and to broaden the restaurant brands to attract every customer group. In 2020, the company introduced the new model "Delco" which is a mobile store led by two big brands, Mister Donut and Auntie Anne's by offering menus that are completely suitable for take away and delivery. For example, Mister Donut has focused more on breakfast menus such as sandwiches, croissant, and appetizers while Auntie Anne's has focused more on menus for the afternoon and evening offering bucket party sets in a mix & match way that are suitable for sharing with family and friends.

In 2020, the company emphasized innovation by providing a design thinking training for staff in the food business to learn about innovation and customer needs. The training was offered to staff in Operations and Support Center, resulting in 20 projects. All projects competed at the company's Innovation Convention and led to higher sales, lower costs, higher efficiency, or higher speed at work.

## Social Dimension

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, Career, Community, and Society" concept.

### Human Resource Management

CENTEL is committed to building a corporate culture that fosters the unity of employees in creating sustainable growth for the organization by focusing on taking care of our employees like family and treating them fairly in recruitment, appointment, relocation, and promotion taking into account morality and human rights to bring out employees' potential for the greatest benefit of the organization.

In the service business, employees are the driving force of the business as technology is unable to replace the sincerity expressed through voices, eyes, and gestures as well as the attentive care and understanding of the needs of customers. As a result, employee retention and career development is what the company's executives have regularly discussed and reviewed to ensure that the framework and operational plan are suitable for the current situation as well as supported the establishment of the Employee Welfare Committee to present the needs and guidelines for employee care to the executives and to discuss to find a solution that meets the needs of employees.

### Employee Recruitment

The company's 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 35 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.

### Compensation and Welfare

The company considers employees' compensation based on the specified principles which offer employees appropriate compensation compared to the industry's benchmark without discrimination on gender, race, religion, and belief and adheres to the principle of equality in considering their performance. The company also focuses on ensuring that the salaries and basic compensations between male and female employees are as equal as possible. For regular salary raise, the company has set the guidelines and procedures for performance evaluation and compensation management according to the criteria.

The company has provided various welfare to its employees according to the law as well as additional welfare such as uniform, food, life and health insurance, annual health checkup, hotel accommodation with special discount for employees, dormitory (for some branches), transportation (for some branches), outpatient and dental expenses (for some branches), welfare compensation fund (for some branches), provident fund, financial aid, credit union, and cremation welfare association. In 2020, the company added employee welfare for welfare loans and increased the amount of various financial aids.

During the COVID-19 pandemic, the company has considered special benefits for employees by adding health insurance for COVID-19 treatment in case of infection, providing COVID-19 insurance for all employees, providing face masks for employees during shortages, and providing hand sanitizers for employees. The company has also changed the conditions for contributions to the provident fund to reduce costs of living for employees during the pandemic. For hotels that were closed as a result of the Emergency Decree, the company has provided additional financial aid for employees who had fewer jobs and insufficient financial means for living during the hotel closure from April to June 2020. The hotel employees were able to receive social support for 62 percent and the company provided special credit to employees for 38 percent in order to ensure that employees earn sufficient living income.

### I•CARE Corporate Culture

The company has set a goal to promote its corporate culture among employees through trainings and activities to ensure understanding of the I•CARE culture which focuses on innovation, customer, alliance, relationship, and ethics. All employees must participate in the I•CARE Interactive Online Learning to review and understand the corporate culture as well as the I•CARE Board Game that aims to provide knowledge and create awareness about the corporate culture through a board game, which is the basic training for all employees.

## Employee Satisfaction

The company conducts annual employee satisfaction surveys to obtain employees' comments and suggestions. The data gathered are analyzed to create an all-round employee treatment plan, present to executives for solution finding, summarize the solutions and communicate with employees, and follow up and inform employees about progress on a regular basis. The goal of the process is 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 2020, the hotel business group had the employee satisfaction target of 81.4% and survey results were at 85% whereas the food business group had the employee satisfaction target of 87% and survey results were 63%.



The issues that employees love the most are adaptability and responsiveness to customers and new investments and the issues that employees want the company to improve are infrastructure, resources for work, and additional compensation and welfare.

## Human Rights

The company places a great emphasis on human rights and strives to conduct its businesses that do not involve any forms of human rights violations. The company established a human rights policy in 2019 as a guideline for operations and treatment that is based on equal respect and dignity in accordance with the law and the United Nations Guiding Principles on Business and Human Rights (UNGPs): Implementing the Protect, Respect, and Remedy Framework as well as the International Labor Organization's Declaration on Fundamental Principles and Rights at Work without discrimination on race, religion, gender, skin, language, ethnicity, and other status. The company has published the policy on its website <https://investor.centarahotelsresorts.com/th/sustainability/corporate-governances-document> and established the child protection policy and guidelines.

In 2020, the company's employees participated in the Better Business for Children advanced course organized by the UNICEF Thailand to gain knowledge, develop understanding and enhance skills in activity design and evaluation for children's rights support including social benefit evaluation from investing in the activities which will help support the improvement of management following the Children's Rights and Business Principles (CRBP) of UNICEF. The company has adopted the CRBP which relates to promoting children's access to safe services by providing Kids Areas such as Kids club, Kids spa, and Kids menu to provide children access to services that meet their needs similar to adults.



## Employee Development

In 2020, the hotel business reviewed and further developed the Employee Training and Competency Development Road Map 2019 under the name "Talent Development & Culture 2020". The company provided employee trainings according to business needs and set the goals for the trainings including training on excellent customer service for operational staff to raise the level of service standards to meet the needs of all customer groups and training on human management skill and attitude towards work and life for supervising staff.

Due to the COVID-19 pandemic, the company has allowed certain employees to work from home and strictly followed the standards for COVID-19 prevention, resulting in disruptions of the personnel development plan and certain projects. Some courses were offered online instead of in classroom such as the Be Proactive – The Power of Effectiveness course, Coaching & Smart Feedback course, and Personal Data Protection Act course. Additionally, the Personnel Development Department has added free online courses from other sources such as platforms, websites, and live classroom and required each employee to attend online courses for at least 10 hours.

In 2020, the hotel business's employees received the following trainings:

1. Management & Leadership training with total training hours of 10,504 hours
2. Functional training with total training hours of 63,175 hours
3. E-Learning with total training hours of 90,443 hours

The average number of training hours of hotel business employees was 14.6 hours / person / year while the cost of developing capacity and skills for employees was 8.5 million Baht.

For the food business, the company has established a framework for employee development by taking into account the needs of employees, the organization's benefits, and trends in the food business's personnel development and determined the goals of personnel development and training for 2020 which include:

1. Focus on developing executives and employees who are flexible and able to better adjust their work to the relevant context (Resilience & Agility).
2. Add new courses that provide knowledge and skills necessary to work today and prepare for the future.
3. Develop both the Hard and Heart Skills to achieve both work and life goals.
4. Design a curriculum that promotes learning beyond the classroom and focus on real-life applications

The training courses were divided into four groups including: 1) BE CRG which focuses on combining the CRG identity with the employee's identity as one by recognizing the business pathway, culture, and core values of the organization; 2) Be Professional which focuses on developing professionalism through trainings that aim at building specialized expertise in managing the restaurant business; 3) Be Leader which focuses on developing the competency and attitude of employees to prepare for leadership role at all levels based on the concept of Lead Self, Lead Team, and Lead Business; and 4) Be Smarter which focuses on meeting the needs of employees and developing important skills for work today and in the future and was divided into 26 sub-training courses for 91 classes including 1) five management and leadership trainings; 2) five compulsory trainings; 3) eight selective trainings; 4) four functional trainings; 5) one language training; and 6) three on-boarding programs. The number of employees receiving the trainings was 56.31% of the total employees of which 56 were executives and 2,608 were operational staff. During the COVID-19 pandemic, the company shifted entirely to online employee training and development method (virtual learning) from April to June. After the outbreak situation improved, the company adopted a hybrid training method using both the traditional classroom learning and online training. There were 36 online training courses offered during the year or 40 percent of all the courses offered.

The average number of training hours of food business employees was 4.5 hours / person / year while the cost of developing capacity and skills for employees was 9.6 million Baht.

## Talent Development & Succession Plan

In 2020, the company recruited talented employees from hotel business following the set criteria and created individual career development plans, which determine the goals and personal development plan. Trainings and career development are provided according to the plan, and information are updated every three to four months to ensure that employees are able to develop according to the plan.

In addition, the company offers leadership development training to create employees at the management level for the food business. The training focuses on developing employees' competency, resilience, and agility and was studied and developed in collaboration with external institutions who have the expertise. The company offered the leadership agility training with an aim of creating awareness, enhancing knowledge and skills, and developing leaders who can move the team quickly forward amidst certainties and uncertainties. The training begins with analyzing one-selves by measuring leadership agility which can reflect strengths and weaknesses in various aspects associated with agility such as thinking agility, result agility, relationship agility, and change agility, leading to a learning path which meets the needs of employees. Employees are responsible for their online development training and the training lasts for three months.

Furthermore, the company has a succession plan which determines the key positions and critical positions that affect the organization and selects the successors. The succession plan is implemented through the individual career development plan.

### Occupational Health and Safety

The company is committed to ensuring occupational health, safety, and good environment for employees. The company has established management and operational guidelines in accordance with international standards and created awareness about occupational health and safety among employees and related parties to eliminate accidents, reduce the number of injured workers, minimize the risk 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, assess risks in the company's operations, and continue to review its control and preventive measures. Moreover, the company provides knowledge about occupational health and safety for employees involved in the operations. Additionally, the company provides annual health checkups with a special health examination program 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. An annual fire training and fire evacuation drill is conducted every year to prepare for emergency. All employees who have passed the Basic Fire Fighting Course will receive a certificate. The company set up a medical room with doctors and professional nurses to provide first aid assistance before sending patients to hospitals in case specialized medical equipment is required. The company has reviewed the safety and occupational health guidance to develop the knowledge on safety, occupational health, and work environment following 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.

The company regularly provides trainings on occupational health and safety to employees and has adjusted the training method in response to the COVID-19 outbreak to allow employees to receive more than one training. 3,039 employees received the Basic Fire & Fire Evacuation Drill Training. 2,354 employees received the Centara Complete Care training. 840 employees received the Food Hygiene training. 2,902 employees received COVID-19 training. 2,294 employees received trainings on first aid, flooding prevention, and security awareness.

In 2020, during the COVID-19 pandemic, the company prioritized the health safety of employees and provided training on occupational health and how to prevent the spread of the coronavirus. The company arranged the work schedule in response to the pandemic situation and split teams for work to prevent cross-contamination. The company continued to inform employees about the work-from-home guidelines to reduce the risk of infection from travelling. The company cleaned its office with disinfectants on a weekly basis to ensure cleanliness of the workplace. The company also provided a one-year COVID-19 insurance for all employees and distributed face masks to operational staff and employees across the organization during the time of shortages.



**Employee Information****Hotel Business****• Total Employees (person)**

Total employees	3,785
Male 2,032 (54%)	Female 1,753 (46%)
Full-time employees	3,728
Male 1,998 (54%)	Female 1,730 (46%)
Temporary employees	57
Male 34 (60%)	Female 23 (40%)

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

Between 18- 30 years old	975
Male 464 (48%)	Female 511 (52%)
Between 30-50 years old	2,464
Male 1,349 (55%)	Female 1,115 (45%)
More than 50 years old	346
Male 219 (63%)	Female 127 (37%)

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

Higher than Director	20
Male 16 (80%)	Female 4 (20%)
Director Level	48
Male 34 (71%)	Female 14 (29%)
Manager Level	558
Male 277 (47%)	Female 311 (53%)
Supervisor Level	959
Male 478 (50%)	Female 481 (50%)
Operational Level	2,170
Male 1,227 (57%)	Female 943 (43%)

**Food Business****• Total Employees (person)**

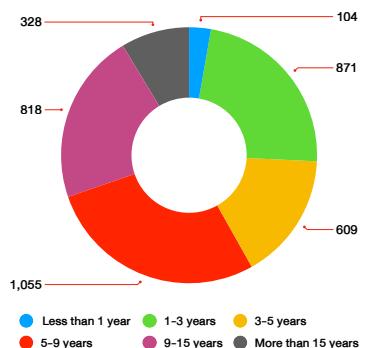
Total employees	4,806
Male 1,478 (31%)	Female 3,328 (69%)
Full-time employees	4,777
Male 1,466 (31%)	Female 3,311 (69%)

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

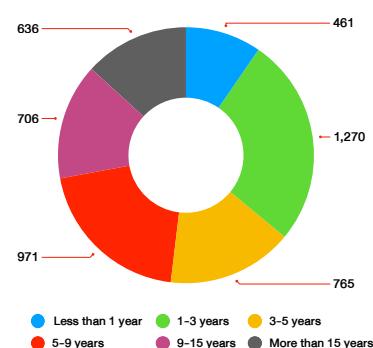
Between 18- 30 years old	2,401
Male 732 (30%)	Female 1,669 (70%)
Between 30-50 years old	2,216
Male 683 (31%)	Female 1,533 (69%)

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

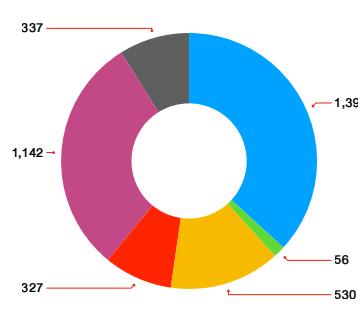
Higher than Director	16
Male 11 (69%)	Female 5 (31%)
Director Level	44
Male 11 (25%)	Female 33 (75%)
Manager Level	286
Male 100 (35%)	Female 186 (65%)
Supervisor Level	2,769
Male 805 (29%)	Female 1,964 (71%)
Operational Level	1,691
Male 551 (33%)	Female 1,140 (67%)

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

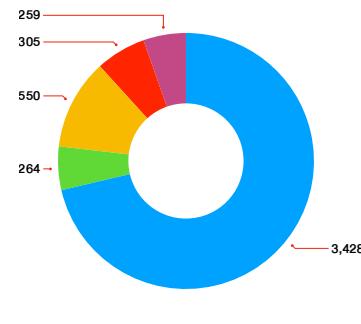
Hotel Business



Food Business

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

Hotel Business



Food Business

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

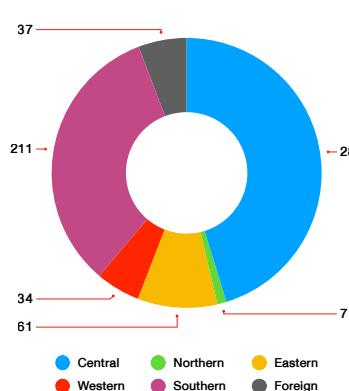
Total	639
Male 307 (48%)	Female 332 (52%)
Between 18- 30 years old	271
Male 112 (41%)	Female 159 (59%)
Between 30-50 years old	334
Male 174 (52%)	Female 160 (48%)
More than 50 years old	34
Male 21 (62%)	Female 13 (38%)

Hotel Business

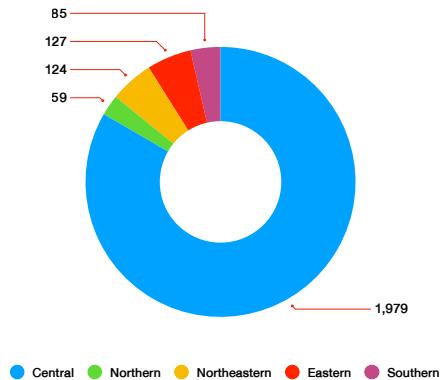
Total	2,374
Male 867 (37%)	Female 1,507 (63%)
Between 18- 30 years old	1,686
Male 637 (38%)	Female 1,049 (62%)
Between 30-50 years old	651
Male 222 (34%)	Female 429 (66%)
Over 50 years old	37
Male 8 (22%)	Female 29 (78%)

Food Business

• Number of Turnover Classified by Region (person)



Hotel Business



Food Business

• Number of New Employees (person)

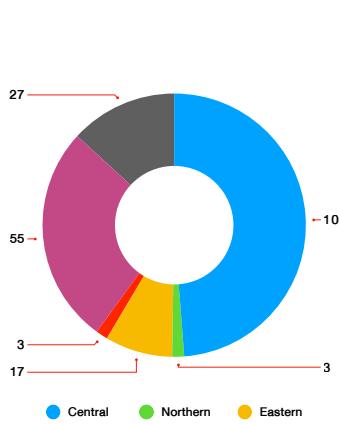
Total	205
Male 101 (49%)	Female 104 (51%)
Between 18- 30 years old	99
Male 43 (43%)	Female 56 (57%)
Between 30-50 years old	95
Male 50 (53%)	Female 45 (47%)
More than 50 years old	11
Male 8 (73%)	Female 3 (27%)

Hotel Business

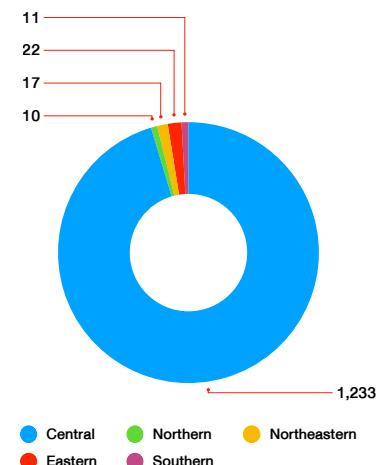
Total	1,299
Male 484 (38%)	Female 815 (63%)
Between 18- 30 years old	1,006
Male 392 (39%)	Female 614 (61%)
Between 30-50 years old	284
Male 89 (31%)	Female 195 (69%)
More than 50 years old	9
Male 3 (33%)	Female 6 (67%)

Food Business

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

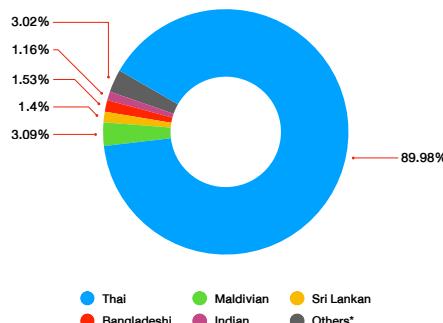


Hotel Business

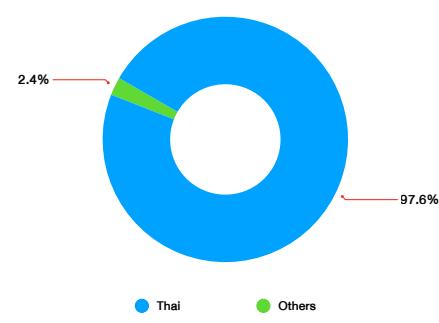


Food Business

## • Number of Employees Classified by Nationality (person) : Total 35 Nationalities



Hotel Business



Food Business

Thai Director Level up Hotel Business 11 employees / Food Business 17 employees

Other\*: American, Australian, Austria, Bhutanese, Brazilian, British, Bulgarian, Canadian, Cambodian, Chinese, Egyptian, French, German, Indonesian, Italian, Japanese, Karen, Kenyan, Lao, Nepali, Malaysian, Myanmar, Moroccan, Pakistani, Phillipine, Russian, Spanish, Swedish, Taiwanese and Vietnamese

## • Number of Employee Promotions

Total 83 persons in Hotel Business



Male 53 persons (64%)



Female 30 persons (36%)

Thai 69 employees or 83%

Foreigner 14 employees or 17%

Total 550 persons in Food Business



Male 253 persons (46%)



Female 297 persons (54%)

Thai 550 employees or 100%

- Number of Employees Who Took Maternity Leave

**Hotel Business**

67 employees or 2 % of the hotel employees

Return to work after maternity leave 56 employees or 84 % of the employees who took maternity leave

- Rate of Employees Injured at Work (\*1,000,000 MH)

**Hotel Business**

Rate of fatalities as a result of work-related injury

: 0 Rate of fatalities as a result of work-related injury : 0

Rate of recordable work-related injuries

: 7.2 Rate of recordable work-related injuries : 0.4

Rate of high-consequence work-related injuries/ LTIFR

: 3.8 Rate of high-consequence work-related injuries/ LTIFR : 0.4

Lost Day Rate: LDR

: 16.4 Lost Day Rate: LDR : 1.7

- Number of Sick Leave Days (Total)

**Hotel Business** 3,037 days

**Food Business** 4,892 Days

- Basic Salary and Compensation Ratio between Male and Female Employees

**Hotel Business**

Higher than Director 1.36:1

**Food Business**

Higher than Director 1.16:1

Middle- Management Level 1.01:1

Middle- Management Level 1.07:1

Operational-Leve 1.01:1

Operational-Leve 1.07:1

- Number of Volunteer Employees

Number of employees participating in volunteering activities 1,110 employees or 16,299 working hours

- Number of Employees' Complaints about Labour Practices

1 complaints and has been handled with corrective actions

- Older Workers Employment

Hotel Business

Total 131 persons

Food Business

Total 11 persons

 Male **73** persons

 Female **58** persons

 Male **1** person

 Female **10** persons

Operation 87 persons

Executive 44 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

Food Business

Total 242 persons

 Male **32** persons

 Female **22** persons

 Male **101** persons

 Female **14** persons

Total Expense

7 million baht per year

Total Expense

17.5 million baht per year

With a commitment to provide opportunities to people with disabilities in order to allow them to live happily with dignity and equality in the society, the company has continued to support employment of people with disabilities. Regarding the hotel business, Centara Grand Beach Resort Hua Hin received the Award for Outstanding Employment of People with Disabilities for six consecutive years from the Ministry of Social Development and Human Security. In terms of the food business, Central Restaurants Group Company Limited received the Award for Outstanding Employment of People with Disabilities for seven consecutive years and the CRG International Food Company Limited received the Award for Excellent Employment of People with Disabilities. The company ensures equal treatment between employees with disabilities and other employees, organizes a project to send employees to learn sign language, and provides an online sign language teaching video, allowing for better understanding and effective communication during the COVID-19 pandemic. The food business has invited sign language interpreters from the National Association of the Deaf in Thailand to attend the meeting of the HR department to communicate policies, news, and operating results of the organization in sign language to employees with disabilities through an online meeting as a result of the New Normal, supporting equal opportunities in the workplace.



#### Community and Social Development for Better Quality of Life

In conducting the company's business, community and social development issue is what the company focuses on following the commitment to helping and developing the society based on the Sustainably Creating Job, Career, Community, and Society concept which is in line with the framework of the Central Tam project with four focuses that aim at sustainable development covering education and well-being of people, community product development, environmental quality, and peace and cultures with a total budget of more than five million Baht in 2020.

#### Internship for Students

In 2020, the hotel business signed a memorandum of understanding (MOU) with one additional educational institution as part of the collaborative project between Centara hotels and resorts and Ratchasuda College, Mahidol University, Mahidol University Development and Support for Employment of People with Disabilities through Hotel Internship for the Disabled. The MOU involves a three-year co-operation with the first year having 22 people for internship, accounting for 616 hours. During the internship, student interns from Rangsit University, Suan Dusit Rajabhat University, and Panyapiwat Institute of Management were invited to joined as the disabled interns' coaches to create a common learning experience between general students and students with disabilities. In terms of the general internship, Centara hotels and resorts recruited 1,032 student interns from local educational institutions and 94 student interns who studied abroad.



The food business has conducted a bilateral program or a bilateral vocational education management system by collaborating with 338 businesses and educational institutions nationwide to develop quality student. Theoretical knowledge and hands-on experience on skill trainings were offered to provide opportunities in education for 1,300 students in 2020, 675 of whom were new students pursuing vocational education, bachelor's degree, or master's degree, and scholarships were provided throughout the course. Students gain knowledge, experience, and skills through professional experience and receive a vocational certificate after completion. Additionally, students are able to immediately advance in their career path by becoming CRG's employees with continuous work experience, effectively creating a new generation of quality and skilled managers for the Labor market.

**สวัสดิการและสิทธิประโยชน์ของนักศึกษาฝึกงาน ระบบปั๊กตี้**

เงินเดือน 300 บาท/วัน	บินช่วงเที่ยงค่ำที่ฟิน 2,000 บาท (ตลอดระยะเวลาฝึก)	ส่วนแบ่งรายเดือน 400 บาท/เดือน	รายได้เดือนสุดท้าย 10,400 บาท/เดือน			

\*ในรอบ ๐๔, ค่ากินในบ้านชุดบักชั่ดทุกชั่วโมง  
\*\* โอกาสปรับอัตราค่าเหมือนกันตามสถานะ

**สวัสดิการรับเข้า**

- ▶ ค่ารถโดยสารเดินทางเข้ากรุงเทพฯ
- ▶ เศรษฐกิจเดินทาง
- ▶ ค่าที่พักและอาหาร 5,000 บาท/วัน
- ▶ หนังสือรับรองการเข้าอบรม (กรณีมีเงิน)
- ▶ ทุนการศึกษาและค่าห้องพัก (สำหรับนักเรียน)
- ▶ ผู้ปกครองเข้าร่วมงานพัฒนาทักษะ (พบปะคุณครู)

Despite the COVID-19 pandemic which may have changed its operations, the company has maintained its commitment to offer professional experience to students by providing online internship and continuously evaluating the internship in collaboration with the educational institutions, taking all stakeholders into consideration. The company was the only company not impacted by the internship suspension since CRG places a great emphasis on education and professional experience. The company strives to ensure that students are able to complete the course and gain important skills and expertise, which enhance their professional experience and lead to true sustainability in line with the motto, "More than internship experience is the opportunity for career advancement." Additionally, the company has participated in the project to develop educational personnel and provide critique on professional tools in collaboration with the Office of the Vocational Education Commission by being the model for evaluating results of vocational training in educational institutions under the vocational education offices nationwide using the knowledge and business practices of the business to develop the course and assessment tools for vocational education institutions.

#### Harvest & Colonel's Kitchen

Harvest is a program in which KFC delivers quality fried chicken that can be cooked using the standard delivery procedures to underprivileged people to provide sufficient and quality nutrients and proteins to disadvantaged people in the society. The program first started in July 2017 with an aim of improving the quality of life for the disadvantaged using KFC Thailand's strength in developing standard kitchens which have been used in KFC stores for decades and applied to the kitchens of foster homes and protection shelters that participated in the program.

#### Blood donation

The company organized an activity to invite employees to participate in the blood donation under the Plus 1, More times, More Blood, More Lives, Overcoming Blood Shortages campaign in co-operation with the Central Group, Blood Drive. The goal for 2020 was 600,000 cc, but only 456,312 cc was achieved due to the COVID-19 pandemic with 4,260 employees participating.

#### Helping Communities and Society During the COVID-19 Pandemic

1. Help the Heroes campaign with the main objective of supporting healthcare workers and the vulnerable communities affected by COVID-19. When customers purchased a cash voucher worth at least 1,000 Baht, the customers would receive an additional 50 percent of the total purchase value. 25 percent of those was given to the foundation of the customer's choice, the Chaipattana Foundation or the Thai Red Cross Society and the other 25 percent would be added to the customer's cash voucher. The voucher can be redeemed for hotel stays or spending in the hotel whilst staying (except services provided by external parties) at all Centara hotels and resorts in Thailand and overseas until 31 October 2021. The amount of the donations was 2.3 million Baht.

2. Provided a special discount of 25 percent across the Centara's website to all medical professionals and healthcare workers. The discount can be used at all Centara hotels and resorts in 18 destinations in Thailand and overseas from 1 July 2020 to 30 December 2020 with no restrictions on travel period.

3. Centara Grand @ Central World provided complimentary hotel accommodation for executives and medical school professors who took care of general patients at the Police Hospital with full facilities to boost morale and ensure that they have the physical strength to fight this pandemic.

4. Launched the 10,000 Thanks campaign as a token of heartfelt gratitude for doctors and nurses who have worked tirelessly to stop the spread of COVID-19 by providing complimentary hotel accommodation at Centara hotels and resorts from 1 July 2020 to 30 December 2020 for medical professionals and nurses at Centara hotels and resorts in Thailand or overseas. The offer was reserved for doctors and nurses who are registered with the Medical Council of Thailand and have Thai nationality or residence in Thailand.

5. Provided financial support of one million Baht for the purchase of medical equipment related to COVID-19 of Srinakarin Hospital (Khon Kaen University), Khon Kaen Province as well as one million Baht of financial aid for the Medical Association of Thailand in supporting the work of healthcare workers under the Central Tam, Tam Puer Mhor Su COVID-19 project.

6. Provided 10,000 pieces of Mister Donut packaging for keeping medical supplies used in the disinfection process to the Faculty of Medicine, Ramathibodi Hospital, Mahidol University.

7. Provided 2,481 sets of KFC the Box to support staff at hospitals in the rural areas and wildfire suppression teams in Chiangmai and delivered Mister Donut to doctors, nurses, and patient screening staff at Vachira Phuket Hospital to support their work in fighting COVID-19.

8. Participated in the All for Heroes, Happy Meals for Doctors and Healthcare Workers project in collaboration with Central Pattana Public Company Limited by delivering meals from Pepper Lunch, Chabuton, Yoshinoya, and Tenya to support frontline healthcare workers fighting against COVID-19.

9. CRG x Hospital, This Meal for the Medical Team project delivered 4,050 special meals from Pepper Lunch, Chabuton, Yoshinoya, Ootoya, Tenya, Katsuya, Thai Terrace, and Aroi Dee to four hospitals comprising Chulalongkorn University, the Thai Red Cross Society, Bamrasnaradura Infectious Diseases Institute, Ramathibodi Hospital, and Rajavithi Hospital worth 481,775 Baht.

10. CRG in collaboration with Dolphin invited people to send messages of support to medical professionals who are the white-coat knights fighting against COVID-19 and enabled people to order freshly cooked food to be delivered to the hands of doctors, nurses, and healthcare workers in various hospitals.



In addition, the company has collaborated with the Central Group to conduct social activities under the Central Tam project including: provided money and medical supplies essential to treating COVID-19 patients worth 30 million Baht to hospitals in Bangkok, Parimonthon, or other provinces that faced shortages, bought life insurance worth 1 million Baht for medical workers nationwide, gave iPads to Rajavithi Hospital as an alternative way for providing medical advice and follow-up with patients through the hospital's application allowing doctors to talk to patients online, reducing travel, contact, and infection, and provided survival bags for people affected by any natural disaster.



## Environmental Dimension



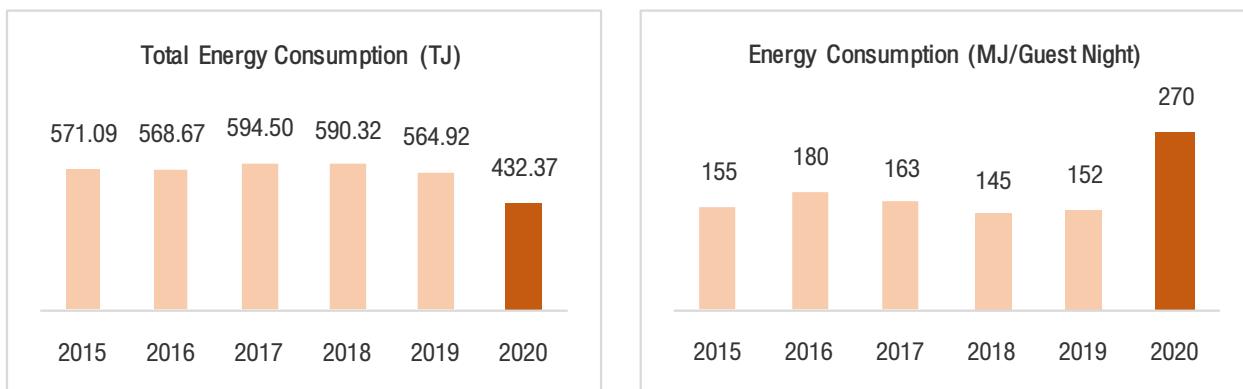
CENTEL incorporates its environmental sustainability policy and practices across all of its brands. The company is committed to conducting business in an environmentally friendly manner, taking into consideration all possible impacts on the environment that its operations may have, either directly or indirectly. The company; (1) manages resources to achieve maximum effectiveness; (2) manages waste products systematically and in accordance with all rules and regulations; (3) encourages all individuals to recognise the impact that climate change is having on our world and why it is important to take action to reduce the earth's temperature; and, (4) makes use of technology to develop various ways to measure and manage its progress over the course of a month, a quarter, and a calendar year.

Despite the pandemic which was a significant challenge in 2020, the company stayed focused and kept its annual targets and implemented a Sustainability Management System across the portfolio to help it track, monitor, report, and improve various aspects of environmental and social performances and benchmark our data against past performance and peers. It is important for CENTEL to make its data reliable and accurate for itself and for the industry as we all have the same goal, which is to better the environment in which we work and live.

### ENERGY

#### Annual Target in 2020: 5% Energy Reduction per Guest Night

The number of guests reduced significantly from the impact of the ongoing COVID-19 pandemic. The Energy Consumption per Guest Night was 270 Megajoules and the Total Energy Consumption was 432.37 Terajoules. Fixed and variable energy usage combined with fewer guest nights resulted in a higher use per guest night across the hotels and resorts.



Remark: The number of properties included in the calculation in 2019 and 2020 were 19 and 39, respectively

We implemented many low-energy saving projects during the low occupancy period. We leveraged the downtime to focus on room preventive maintenance and improving hotel's systems and facilities efficiencies such as the air conditioning, plumbing, heating, and lighting. Even with the challenging circumstances, we achieved almost 96% of the room preventive maintenance target in 2020. We also managed to gather the room arrangement on the same floor and/or building and kept unoccupied floors closed, as well as scheduled each pool pump to work alternately and reduced the operating hours of each pump by 50%. Centara Grand Mirage Beach Resort Pattaya disabled two transformers and transferred the load to the other two transformers to reduce overall energy consumption. Centara Karon Phuket Resort installed single A/C units at the chilled food storage in order to shut down the main chillers during the hotel closure period.

Around 80% of lighting was converted to energy-efficient LED lighting both in front-of-house and back-of-house areas. Apart from this initiative, we continue making improvement to our instruments and are conscious of the energy efficiency in our day-to-day operations, such as;

Centara Grand at Central Plaza Ladprao Bangkok replaced an old transformer that had been operating since the hotel's inception with new electric transformers in April 2020. The new electric transformer is a super-low loss model that can save energy loss 3-5% of total consumption. From the calculation of the transformer specification and the hotel average electricity consumption, the average saving electricity consumption is at 4.35% or 26,101 kWh per month.

Centra by Centara Government Complex Hotel & Convention Centre Chaeng Watthana installed the automatic on-off light control sensor at staff lockers.

Centara Karon Resort Phuket replaced the new heat pump at its main guest room building. The old heat pump was able to work only 50-60% of its capacity and the replacement can reduce the electricity use for heating by approximately 40%.

Centara Grand & Bangkok Convention Centre at CentralWorld upgraded its guest rooms by installing motion sensors to control lighting. 83% installation was done in 2020 and this new device will reach 100% installation at all guest rooms in 2021.

### Green Innovation and Renewable Energy

Centara Hotel Hat Yai in collaboration with the Prince of Songkla University invested in a Solar Heat Installation Project to be in line with and respond to the up-coming enforced policy by the Ministry of Energy that every controlled building must use at least 1% of renewable energy in the building system from 2022 onwards. By installing the Solar Heat, Centara Hotel Hat Yai improved its hot water production system and will save 166,330 kWh per year of energy usage.

Besides Centara Hotel Hat Yai, there were ten other hotels & resorts within the group namely; Centara Grand Beach Resort Phuket, Centara Grand Beach Resort & Villas Hua Hin, Centara Grand Beach Resort & Villas Krabi, Centara Kata Resort Phuket, Centra by Centara Government Complex Hotel & Convention Centre Chaeng Watthana, Centara Grand Island Resort & Spa Maldives, Centra by Centara Avenue Hotel Pattaya, Centara Pattaya Hotel, Maikhao Dream Villa Resort & Spa, Centara Boutique Collection that also installed the Solar Heat system, which helps them save approximately 150,000 - 200,000 kWh of energy per property per year.

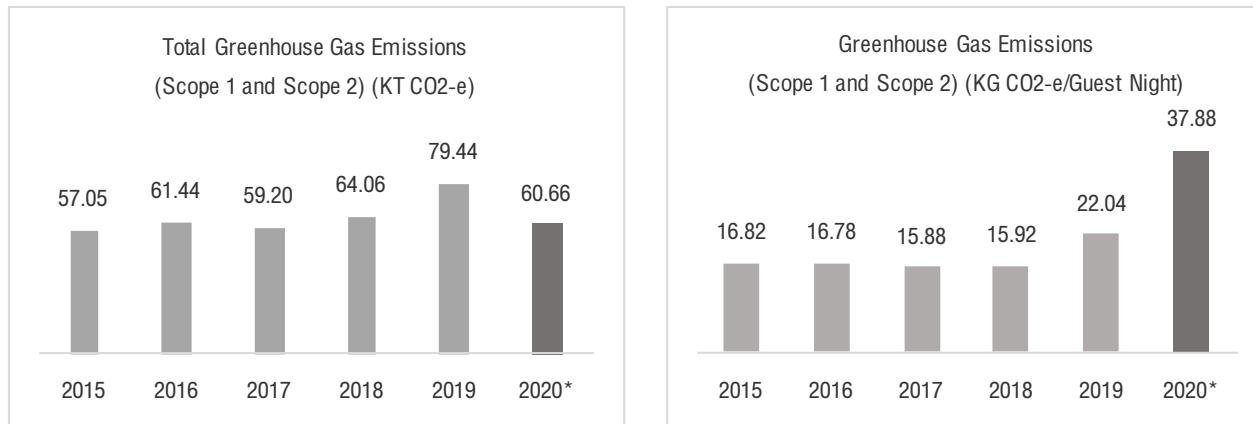
Centara Grand Beach Resort and Villas Hua Hin replaced the hot water production system from using LPG to the heat pump system, which saves about 468,281.8 kWh of energy per year. Moreover, the property itself reuses air-waste from the heat pump system, which is the cool air to use in the laundry room. It helps reduce the temperature instead of using electricity to cool down the laundry room.

Centara Grand Beach Resort Phuket installed outdoor solar LED lights on the terrace of COAST restaurant.

### CARBON

#### Annual Target in 2020: 5% Greenhouse Gas Emissions Reduction per Guest Night

Alongside the preventive maintenance on energy-consuming machines, we also conducted the same practice with the refrigeration system to reduce fugitive emissions. We started to record refrigerants in 2020, one of the ozone-depleting substances together with energy consumptions used for facilities and vehicles, so that we can measure and reduce them. Total Greenhouse Gas Emissions (scope 1 and scope 2) was 37.66 KT Co2-e or on average 37.88 KG Co2-e per Guest Night. Similar to energy consumption, overall, emissions were down, but on a per guest night basis, they were up.



Remark: (1) The number of properties included in the calculation in 2019 and 2020 were 19 and 39, respectively.

(2) \*GHG Emissions (Facility + Vehicles + Refrigerants) (kgCO2e)

Centara Grand at Central Plaza Ladprao Bangkok and Centara Grand & Bangkok Convention Centre at CentralWorld received the LESS Award Letter of Recognition 2020 from the Ministry of Natural Resources and Environment to recognize their contribution to Thailand Greenhouse Gas Management Organization (TGO)'s Low Emission Support Scheme (LESS). The greenhouse gas reduction activities include, back-of-house system and equipment upgrades, LED lighting replacements, and waste segregation for recycling. In 2020, the two properties reduced greenhouse gas emissions by 3,273,181 kilograms of carbon dioxide equivalents.

The company also increased the number of electric vehicle charging stations at city hotels in Bangkok and Udon Thani to support emissions reduction that is attributable to gas-powered vehicles.

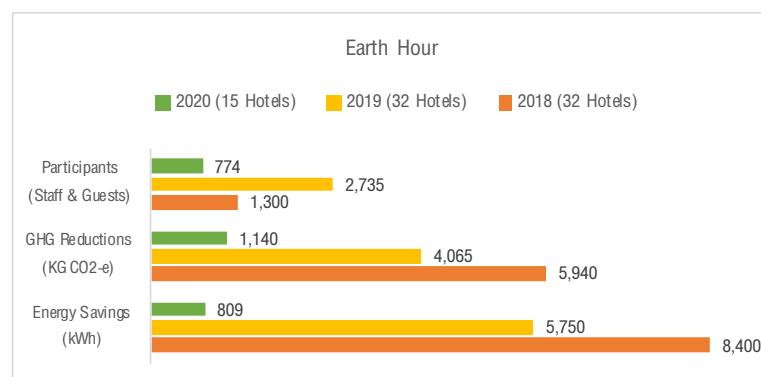
In spite of the climate challenge where the hotel is situated (hot desert climate), Centara West Bay Hotel & Residences Doha managed to grow its own organic herbs and vegetables in their garden at the beginning of 2020. Those organic herbs and vegetables were used for cooking at the Thai-kitchen in the hotel. Growing their own ingredients, particularly for cooking Thai food helps reduce the long-distance transportation that relies heavily on fossil fuels. Also, the hotel guests get to experience home-grown food without the use of chemicals or pesticides that can harm the environment, as well as in its freshest form and most nutritional value from not having to go through a long process of being harvested, shipped and distributed to the destination. By the end of 2020, Centara West Bay Hotel & Residences Doha produced 2,077 kilograms of organic herbs and vegetables and saved over 10,000 US dollars' worth of imported products from growing its own food.



## Earth Hour



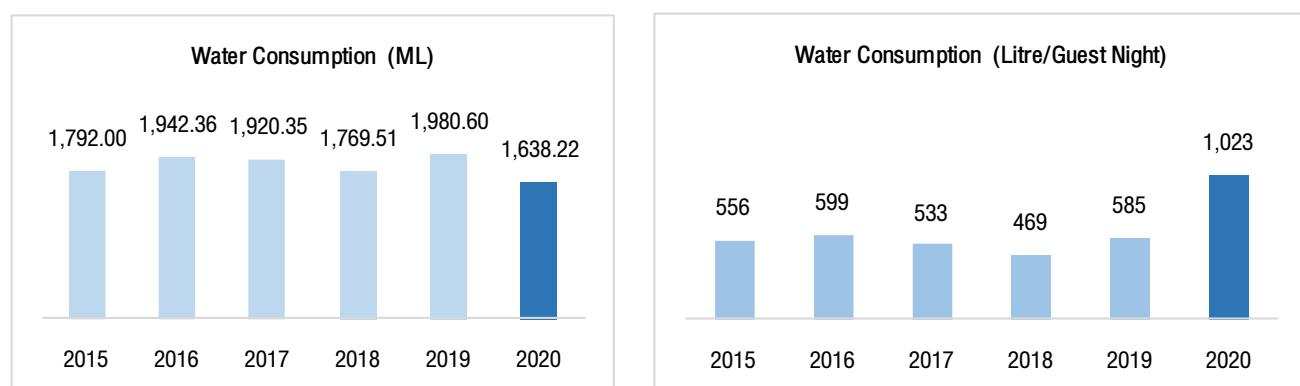
The company took the effort, even during the challenging time caused by the COVID-19 pandemic, to encourage the properties that were still able to open during this time to switch off their lights to call attention to climate change. In addition to this, we strictly followed the Centara Complete Care Programme, especially on social distancing, and health & hygiene guidelines where staff and guests were gathering to reassure the highest levels of cleanliness, safety and care.



## Water

## Annual Target in 2020: 5% Water Reduction per Guest Night

The Total Water Consumption was 1,638.22 Megalitre, which equates to 1,023 Litres per Guest Night. Similar to energy usage and greenhouse gas emissions, overall, water usage was down, but on a per guest night basis, it was substantially higher.



Remark: The number of properties included in the calculation in 2019 and 2020 were 19 and 39, respectively.

Most of the resort properties saved around 80% of their freshwater by reusing treated water for irrigation around the resort green area. The wastewater was processed to improve the quality of water to make it appropriate for the end-use, including being safely returned to the environment.

COSI Krabi Ao Nang Beach, the newly opened lifestyle hotel, reused 100% of its treated wastewater or around 330 cubic metres for back-of-house toilets since opening in late October of 2020.

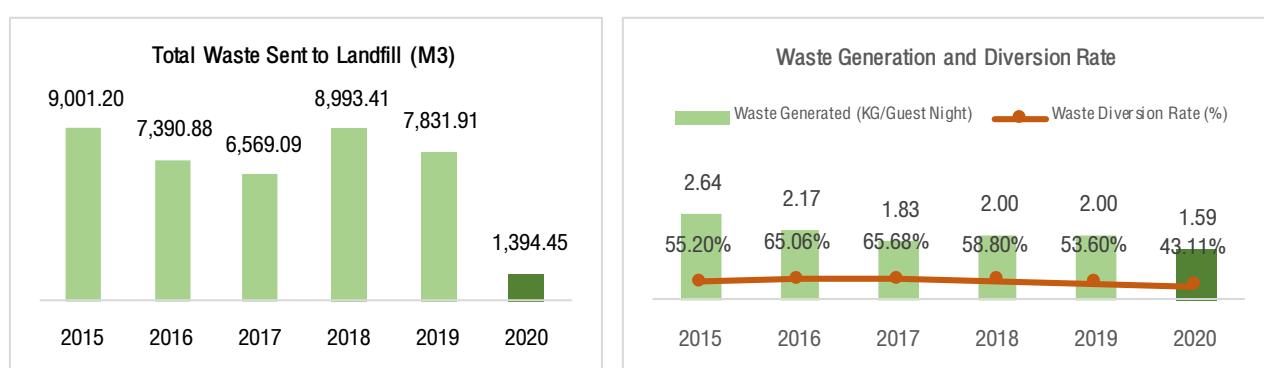
Water-saving and water management have always been a focus of our consideration. We continue to engage staff and guests' awareness in water conservation efforts. The low flow showerheads, low flow water taps, and dual flush toilets were installed, otherwise, the water level in the toilet water tank will be adjusted to use eight litres of water per time instead of the conventional ten liters. The new resource savings programme 'Going Greener' has been implemented in the guestrooms to reduce water consumption and chemical use for laundry by reusing linens and towels, which helps save almost eight litres of water per room participation per day.

During the pandemic, staff from the engineering team were assigned to station during the hotels/resorts' closure period to maintain the properties' conditions and continue conducting the maintenance on the water system.

## Waste

### Annual Target in 2020: 10% Waste Sent to Landfill Reduction per Guest Night

In 2020, the total volume of Waste Sent to Landfills was 1,394.45 Cubic Metres or 1.59 Kilograms per Guest Night. However, the landfills diversion rate which includes reusing, recycling, or composting materials reduced to 43.11% of the total waste, on average, due to the requirement of utilising single packaging and single-use items for hygiene reasons throughout the pandemic period.



While the individual properties followed the waste management policy and took reasonable steps by segregating Organic Waste, Recyclable Materials, General Waste, Hazardous Waste, and Electronics Waste to minimise the amount of waste sent to landfills, in the light of the Covid-19 situation, Biohazardous Waste management became part of Centara Hotels & Resorts' travel safety programme 'Centara Complete Care'. We recalibrated and developed an extensive 'Centara Complete Care' programme to ensure the protection, safety, wellbeing of our guests and employees, and the environment when it comes to the disposal of any waste containing infectious materials.

There is a risk that the coronavirus will be spread to the hotel staff, garbage collectors, and others if waste that may carry the infection is not handled properly, while also, the environmental impact of improperly discarded single-use face masks that are made of plastic and a thin strip poses a further threat to marine, animal and birdlife.

Contaminated masks and other protective gear/personal protective equipment (PPE) used by guests and hotel staff are considered 'Biohazardous Waste,' and all waste containing infectious materials or potentially infectious substances or contaminated with bodily fluids need to be safely discarded in dedicated facilities and should be incinerated. The properties checked with their current general waste collectors/contractors if they were qualified to take and handle Biohazardous Waste or contacted their local authority for recommendations.

Prior to the pandemic, Centara Ao Nang Beach Resort & Spa Krabi, Centara Grand Mirage Beach Resort Pattaya, Centara Grand Beach Resort & Villas Hua Hin, Centara Hotel Hat Yai, Centara Hotel & Convention Centre Udon Thani, and Khum Phaya Resort & Spa, Centara Boutique Collection were able to produce the natural fertilisers from food waste and dried leaves to be used in their herb and vegetable gardens instead of chemicals. Organic waste was also used to make bio-fermented water to reduce odors and grease clogging the drain, especially in the kitchen area and toilets. Almost 2,000 kilograms of organic waste can produce around 800 kilograms of natural fertilisers and 50 - 120 litres of bio-fermented water per month. These products are utilised in the hotel and also distributed to the staff for their home-use.

## Surplus Food Donation

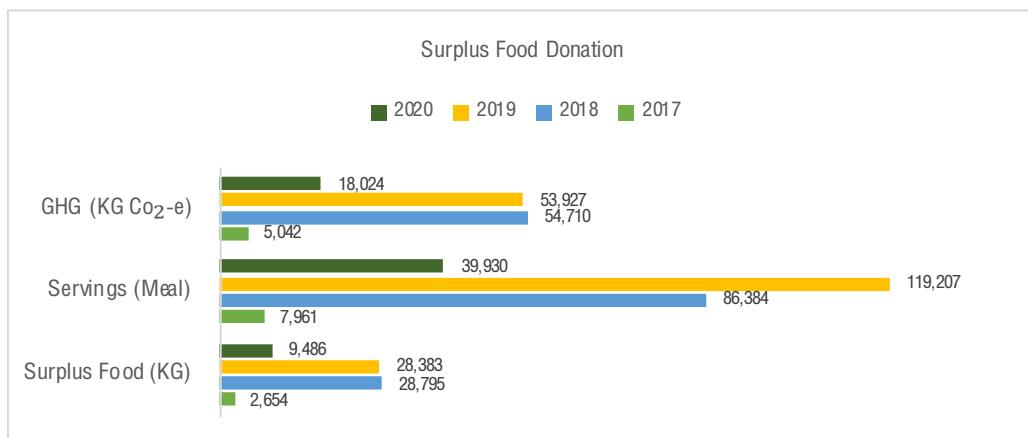


Addressing the food waste problem at F&B outlets is the focus of the company. Centara has been an active partner of Scholars of Sustenance Foundation (SOS) – Thailand since 2017, where the company's belief is aligned with their objective that everyone can have fair access to good food whilst enabling operations to be conducted in an ethical and environmentally friendly manner to prevent good food from being wasted.

The company's seven properties in Bangkok, Phuket and Hua Hin have contributed a total of 9,486 kilograms of good quality cooked food, bakery and some cooking ingredients that provided over 39,930 servings throughout 2020. According to SOS Thailand, the distribution was also made to the community members who were highly affected by the Covid-19 pandemic in six Bangkok low-income communities with a total population of 9,500 beneficiaries, each receiving at least one meal per month.

By reducing this amount of food waste, 18,024 KG Co<sub>2</sub>-e of carbon dioxide gas emissions were diverted from landfills in 2020.

Centara Grand Central World Hotel has continued the Champion 12.3 project from the previous year to reduce the amount of food waste at the origin arising from food preparation by working with the head chef to make a plan for using all parts of the ingredients, which can reduce food waste from 40 percent to 15 percent, leading to cost savings for the hotels.



## Biodiversity Conservation

We did our part to minimise our impact on the earth's biodiversity by reducing utility usage, responsible management of all items, and proper disposal of wastewater and solid waste and making conscious and improved decisions when it comes to landscaping. At each hotel and resort destination, we integrated biodiversity into our operation and promoted responsible recreational activities and excursions. In addition, we actively supported local biodiversity conservation efforts and worked with government and conservation groups on special projects.

### Biodiversity in the Hotel Ground and Garden



As one of the most historical gardens in Asia, the award-winning topiary garden at Centara Grand Beach Resort & Villas Hua Hin has retained its air of the bygone age of elegance for almost a century. The hotel uses indigenous plants wherever possible for landscaping; minimises light and noise to limit disturbance to wildlife; plants local tree and bush species to create shaded areas and new habitats for native species to feed and reproduce effectively, as well as strictly complies with the law and regulation on the use of restricted plants for growing, breeding, selling or distributing to the hotel guests and staff. The list of indigenous plants grown in the hotel are documented as part of conservation; For example; 'Ton Ket' - the provincial tree of Prachuap Khiri Khan where the hotel is situated, Water Lily – an aquatic plant with board floating green leaves and bright fragrant flowers that attract butterflies and birds, Adenium – drought tolerant and can be grown near the seaside.

The hotel offers botanical garden tours, "A Journey to the Secret Garden", led by its chief gardener. It is an effective way to communicate with guests about how the hotel has integrated biodiversity in the design and management of the grounds. There are also over 100 different topiaries in the hotel garden that guests can look forward to learning more about the designs and varieties of the vegetation that makes up the resort landscape.

### Wildlife Conservation



Centara Grand Beach Resort & Villas Krabi nestled within its own bay where nature trails and limestone islands are abundant is home to over 300 monkeys. The resort guests can connect to the town and the famous Ao Nang beach by climbing over the 'Monkey Trail' and monkeys usually come down to the trail almost every day searching for food. Many resort guests and other tourists visit the Monkey Trail and expect to see the monkeys. This influx of visitor volume became a major challenge in conservation and harmful to the ecosystem caused by the humans' behavior. It is the resort's focus to educate and create awareness to visitors to not disturb the monkeys, as well as to preserve their original way of wildlife.

Our guests were informed during their stay to; Never feed monkeys or other animals; Never try to catch any monkeys for any reason. If one gets trapped leave doors and windows open and move out of its way; Not leave fruit out and secure all food and pet food out of sight; Not eat in front of Monkey, do not let children eat outside when Monkeys are in the area.

Littering is one of the main issues that had a negative impact on the environment, especially on the hungry animals who lurk around and die from eating garbage. Centara Grand Beach Resort & Villas Krabi announced "NO TRASH ON THE TRAIL" initiative to improve and preserve the surrounding condition.

### Local Vegetation and Conservation

Centara Grand Beach Resort Phuket, the oceanfront property installed signage to encourage guests to access the beach via the installed pathway. Instead of walking through the native vegetation, aiding in protecting against beach erosion. The resort also conserves the ecosystem and local species, blends them into their natural landscape, and uses nature as a source of inspiration in designing recreation activities - 'Natural Walk' that focuses on raising awareness for the hotel young guests.

### 'OUR Khung Bang Kachao' Project

A 3-year project kicked off in 2018, as part of the green working group, Centara Grand & Bangkok Convention Centre at CentralWorld, Centara Grand at Central Plaza Ladprao Bangkok, Centra by Centara Government Complex Hotel & Convention Centre Chaeng Watthana, Centara Watergate Pavilion Hotel Bangkok participated in planting 1,200 trees in 'OUR Khung Bang Kachao' Project, hosted by Chaipattana Foundation and Royal Forest Department with the objective to develop the Bang Kachao area sustainably (Green Growth). The large wetland created by the accumulation of river sediment has a "3 water" ecosystem; Freshwater, Saltwater and Brackishwater creating a structural system of the plant and animal society that is extremely biodiverse and is a one of a kind asset for Thailand.

Besides growing its own herbs and vegetables garden, Centara West Bay Hotel & Residences Doha took another effort to add the green areas by growing over 500 plants and trees around the hotel building.

Centra by Centara Hotel Mae Sot planted 25 Ratchaphruek trees, also known as The Royal Flora Ratchaphruek or Thailand's National Flower around the hotel's reservoir to create awareness of the green and greater atmosphere, as well as to recognise World Environment Day in 2020.

The hotel-grown vegetable and herb gardens amongst our properties are treated organically without any use of chemical fertilisers. Maikhao Dream Villa Resort & Spa, Centara Boutique Collection, Centra by Centara Government Complex Hotel & Convention Centre Chaeng Watthana and Centra by Centara Hotel Mae Sot created special spaces within their properties' areas to cultivate vegetables and raw kitchen ingredients while Centara Hotel Hat Yai is utilising its rooftop area for this purpose. Centara Grand Beach Resort & Villas Hua Hin and Centara Kata Resort Phuket also produced their own organic fertilisers. These fresh and local productions are served in the hotel restaurants and at some properties have enough to send to the staff canteens.

### AWARD AND RECOGNITION

#### ASEAN Green Hotel Standard

- Centara Grand at Central Plaza Ladprao Bangkok
- Centara Grand Beach Resort & Villas Hua Hin

The 3-year award is given to the hotels within an Association of Southeast Asian Nations (ASEAN) where operations are based on environmentally – friendly principles and adopt energy conservation measures to achieve sustainable tourism.

#### Green Hotel (G Green) by Department of Environment Quality Promotion, Ministry of Natural Resources and Environment

##### G Green Award – Gold Level:

- Centara Grand Beach Resort & Villas Hua Hin
- Centara Hotel & Convention Centre Udon Thani
- Centra by Centara Maris Resort Jomtien

##### G Green Award – Silver Level

- Centara Grand & Bangkok Convention Centre at CentralWorld
- Centara Villas Samui
- Centara Hotel Hat Yai
- Centara Anda Dhevi Resort & Spa Krabi
- Centra by Centara Government Complex Hotels & Convention Centre Cheang Watthana.

#### Thailand Sustainable Event Management Standard: TSEMS by Thailand Convention and Exhibition Bureau

- Centara Grand & Bangkok Convention Centre at CentralWorld
- Centara Grand at Central Plaza Ladprao Bangkok

## Environmental Management in Food Business

The food business has begun the CRG Waste Segregation project or waste sorting management at the organization's headquarters to create environmental awareness among employees and allow employees to learn about waste sorting of both general and recyclable waste. Following this approach, in 2021, the company plans to have its chain restaurants adopt waste sorting in the same way.

CRG has started a pilot food care project in 18 Mister Donut branches, having only 5 branches in the beginning, in Bangkok, Prachuap Khiri Khan, and Phuket. The project has delivered 33,755 donuts to the underprivileged in foster homes as well as the poor in various areas, amounting 6,861.50 kilograms worth 1,584,990 Baht, equivalent to 28,818 meals, which has helped reduce the amount of greenhouse gas emissions from landfill waste by 13,037 kilograms of carbon equivalent.

In terms of energy consumption, electricity use was decreased by two percent in 2020 as a result of the COVID-19 pandemic. In 2020, the total amount of electricity use was 36,231,937.86 kWh in 820 branches. One of the factors that helped reduce the amount of electricity use was the co-operation in energy saving from all agencies and brands. The company provided face-to-face energy saving advices, created VDO advertisements, and recommended the energy-efficient way for using the tools and equipment. Due to the COVID-19 pandemic, sales declined, directly reducing electricity use for each brand. The amount of cooking gas was 26,325 cubic meters, collected from 53 branches.

In terms of water consumption, in 2020, 263,532 cubic meters of water were used by 766 branches. Wastewater from the ice cream production process at CRG Manufacturing Company Limited is sent to the wastewater treatment system designed using the anaerobic digestion method followed by the activated sludge process and then for standard wastewater level check which meets the very good standard. The treatment pond can receive up to 80 cubic meters of wastewater per day. Wastewater that has been treated is sent to the central wastewater treatment system of Navanakorn Industrial Zone before released into the public waterways.

The food business adopted the policy to use recyclable packaging without using foam packaging except for keeping food at a low temperature.

Used oil from cooking is used to make diesel. Before selling to the buyers of old oil, the original document is required to specify to which factory the old oil is resold. CRG checks the buy and sell with the destination factory by randomly checking once every two to three months by examining the buy and sell documents from the buying destination factory to prevent the oil from entering the consumer market.

## Guidelines for Sustainable Development Reporting

### About This Report

Central Plaza Hotel Company Limited prepared this sustainable development report as part of the fifth year annual report to present its sustainable development results to all stakeholders covering economic, social, environmental, and corporate governance dimensions. This report was prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option, demonstrated the practice following the criteria of the United Nations Global Compact (UNG) and environmental management standards for sustainable tourism, and connected the organization's sustainable operations to the United Nations' Sustainable Development Goals (SDGs).

### Report Boundaries

The sustainable development report presents operating results for 2020 from 1 January 2020 to 31 December 2020 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 39 hotels and 15 food brands uses the database of Centara Sustainability Management Program.

### Quality Control of the Report

The Sustainable Development Unit is the core 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 Email : [chuleegornth@chr.co.th](mailto:chuleegornth@chr.co.th)

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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	Duties
Human Rights	1. Support and respect human rights protection declared internationally to the extent of permissible power	127-134
	2. Regularly monitor and prevent business from being involved in human rights abuses.	127-134
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