



**PROPERTY
DEVELOPMENT
& INVESTMENT**

A Member of Central Group



**A
WHOLE
NEW
EXPERIENCE**

Preecha Ekkunagul

CEO & President

28.09.2017

Present to

SET Sustainability Award 2017 Committee

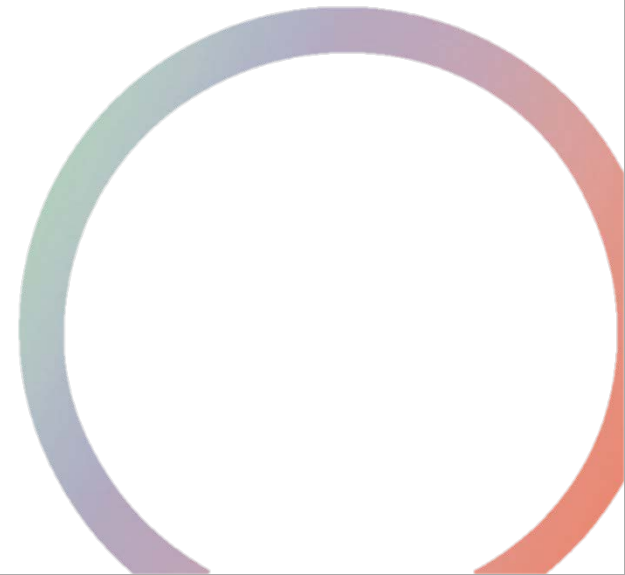


PROPERTY
DEVELOPMENT
& INVESTMENT

A Member of Central Group

AGENDAS

1. Sustainability Strategy and Management Approach
2. Sustainability in Action
3. Corporate Governance Culture





PROPERTY
DEVELOPMENT
& INVESTMENT
A Member of Central Group

AGENDAS

1. Sustainability Strategy and Management Approach

2. Sustainability in Action

3. Corporate Governance Culture



... It is customer that dictate how to turn shopping centers into their **SECOND HOMES**



PROPERTY
DEVELOPMENT
& INVESTMENT

A Member of Central Group

Established since 1980

1st Rank Retails Developer

21% Market Share in BKK

Shopping
Complexes

30

Office
Buildings

7

Hotels

2

Residential
Building

1

Food
Centers

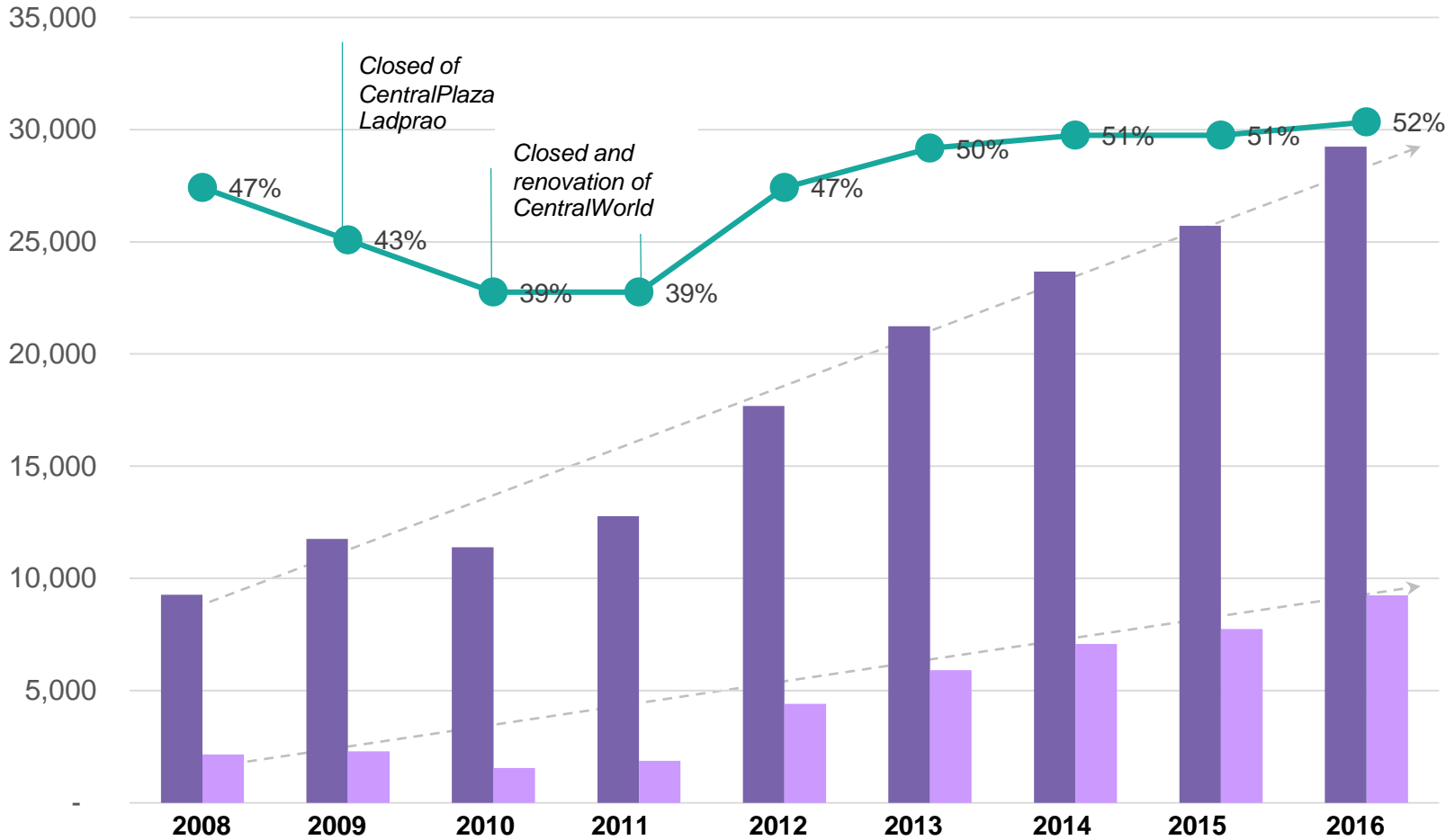
26





SOLID PERFORMANCE

THB



■ Total Revenue (mn)

■ Normalized Net Profit (mn)

● Gross Profit Margin (%)



CORPORATE ACHIEVEMENT

CORPORATE GOVERNANCE



- **Board of the Years** [2008-2013]
- **Board of the Years - Hall of Fame** [2013]
- **Audit Committee of the Year** [2013]
- **SET Awards of Honor: Top Corporate Governance Report Awards** [2011-2014]
- **Top 50 in ASEAN CG Scorecard** [2014-2015]

SUSTAINABILITY



- **CPN is recognized in the DJSI Emerging Markets for 4 consecutive years.**

OPERATION & BRANDING



- **Thailand Top Corporate Brand Values** [2014-2017]
- **Superbrands Brand of the Year** [2011-2014] *CentralWorld*
- **Thailand Quality Class: TQC** [2010-2012]
CentralPlaza Chiangmai Airport
CentralPlaza Khonkaen

- **Thailand Sustainability Investment** [2015-2017]



ENVIRONMENT

- **Thailand Energy Awards** [2009-2017]

CentralPlaza Pinklao
CentralPlaza Rama 3
CentralPlaza Rama 2
The Offices at CentralWorld
CentralPlaza Grand Rama 9

CentralPlaza Hadyai
CentralPlaza Chiangrai
CentralPlaza Udonthani
Pinklao Tower A Office
CentralFestival Chiangmai

CentralWorld
CentralPlaza Lardprao
CentralPlaza Chonburi
CentralPlaza Rattanathibet
CentralPlaza Chaengwattana



VALUE ADDED & INNOVATION

- **ICSC Best of The Best** [2010] *CentralWorld*
- **ASIA Pacific Property Awards Retail Development** [2011-2017]

CentralPlaza Rayong
CentralPlaza Westgate
CentralPlaza Salaya
CentralPlaza Chiangrai
CentralPlaza Ubonratchathani

CentralPlaza Lardprao
CentralFestival Hatyai
CentralFestival Chiangmai
CentralFestival Pattaya Beach

STRATEGIC DIRECTION





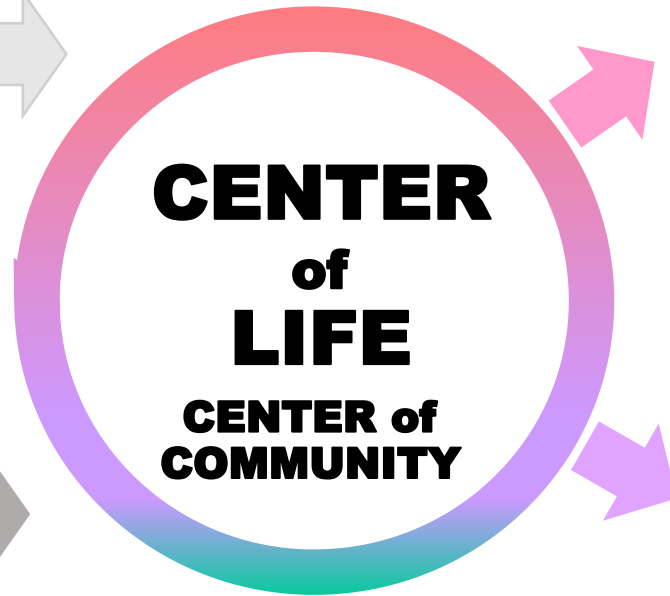
SUSTAINABILITY in Focus

MATERILITY issues derived from

- Internal and External Challenges
- Stakeholder Voices
- UN-SDGs and ESG Framework

EMERGING RISK Identification

1. Business O2O
2. Behavior Change
3. Sustainability of Tenant
4. Sustainable Resource
5. Human Capital



SMART DEVELOPMENT

- 💡 Innovative Lifestyle Shopping Mall
- ❤️ Service Excellence
- 📱 Digital Solutions

SUSTAINABLE GROWTH with stakeholders

- 🏛️ Corporate Governance
- 🤝 Partner Development
- 👥 Community Engagement
- ♻️ Resources Management
- 🧠 Employee Engagement



SUSTAINABILITY and Value Creation

SDGs Goal	8 SD Missions		Initiatives in Valued Chain		
			DEVELOPMENT	OPERATION	SUPPORT
	SMART DEVELOPMENT				
	Innovative Lifestyle Shopping Mall	Product	✓	✓	
	Service Excellence	Service		✓	✓
	Digital Solution	Service		✓	
	SUSTAINABLE GROWTH				
	Partner Development	Customer		✓	
	Community Engagement	Community	✓	✓	
	Resource Management	Environment		✓	✓
	Employee Engagement	Employee			✓
	Corporate Governance	Supply Chain	✓	✓	✓

CG-SD Committee
every 2 months

Management Committee
every month

Performance Review
Quarterly basis



**PROPERTY
DEVELOPMENT
& INVESTMENT**
A Member of Central Group

AGENDAS

1. Sustainability Strategy and Management Approach
- 2. Sustainability in Action**
3. Corporate Governance Culture



... every square inch
serves individual
lifestyles,
gender, and age.

PRODUCT



DEVELOPMENT OPERATION SUPPORT

Innovative Lifestyle Shopping Mall

Create New Experience
Integrated Ambience



Family Offerings



Market-Market



Paid Attraction



LifeStyle Destination



Fish & Seafood Market



Sport Destination



Creative Maker Space



PRODUCT



DEVELOPMENT OPERATION SUPPORT

Innovative Lifestyle Shopping Mall

Partnership for Innovative Design and Product



Central Plaza Khonkaen



Façade design inspired by cultural identity.
Promote cultural heritage.

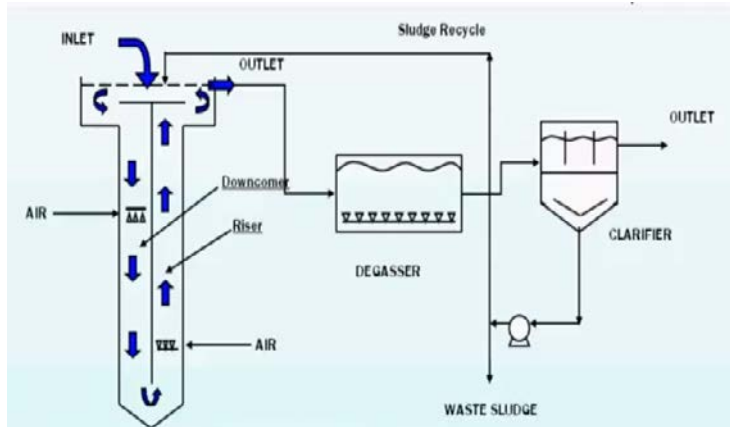
Celling decoration with Green material, that reliable durability, non toxic, lightweight, fire and thermal-resistance.
Minimize impact to environment while maximize cost efficiency.



Elephant Brand
ALPHABoard & DEKORboard



Central Plaza Westgate



Deep Shaft Wastewater Treatment Technology

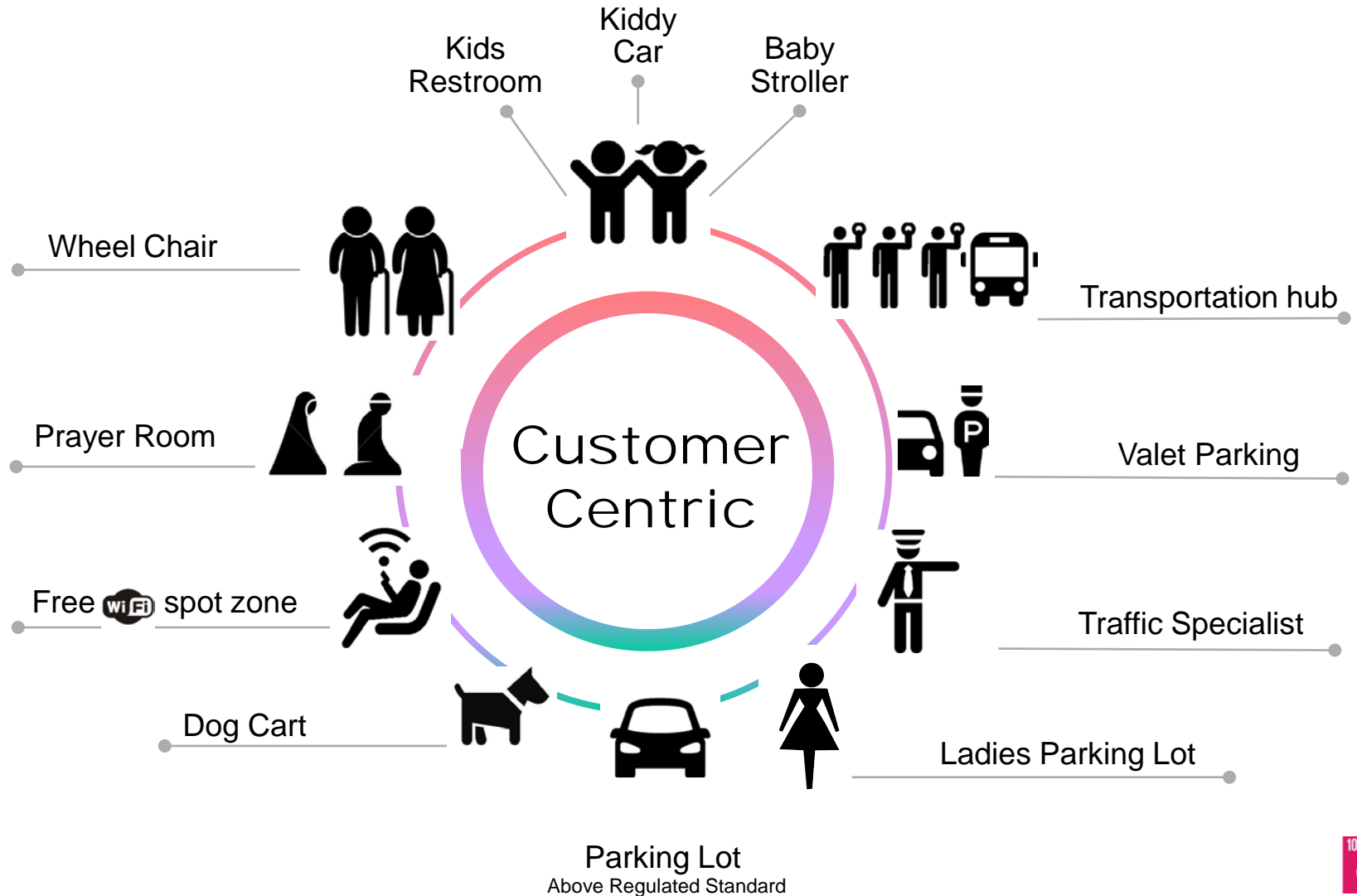
Minimize impact to environment and community while optimize area limitation.

SERVICE



Service Excellence for ALL

DEVELOPMENT OPERATION SUPPORT



SERVICE



Digital Solution



COMMUNICATION

Create CPN *Life* as the HUB of lifestyle



EXPERIENCE



The 1 Card Mobile Redemption

Increase frequency
Emotional engagement
Experiential commerce

Benefit to:

SHOPPER

- Direct One-on-One Communication
- Everyday Offer

SERVICE

- Smart TS
- Smart PM
- Smart Invoice
- Cashless Society



WeChat Pay



Benefit to:

TENANT

- Faster / Easy / Convenient
- One-Stop-Service Focal Point



CUSTOMER-TENANT



DEVELOPMENT OPERATION SUPPORT

Partner Development



2016

SME Think Big on Tour
SME Matching

SME Market Place

2017

R&D in RETAILS

Seminar: **2,352 px**
Business Matching: **366**
(20% are high prospected)

Seminar: **500 px**
Business Matching: **300**

Entrepreneurs: **3,300**
Business Matching: **800**

CPN
Leading Entrepreneur
Advanced Development
Program



CUSTOMER-TENANT



R&D in Retails

DEVELOPMENT OPERATION SUPPORT



CPNlead

Leading Entrepreneur Advanced Development



Win – Win – Win Impact

- ▶ **SMEs (Existing and Non Tenants)** to uplift their competencies and capacities to grow and sustain
- ▶ **CPN** to retain existing tenants, obtain new potentials and strengthen brand
- ▶ **Thailand** to have sustainable economy and competitiveness

“CPNlead ทำให้เราถอยกลับมา
มองแบรนด์ตัวเอง ซึ่งเป็นได้
มากกว่าซาลาเปา ตอนนี้เราให้คอนเซ็ปต์ใหม่
ว่า Uplifting Asian Comfort Food คือ
ยกระดับอาหารง่ายๆ สไตล์เอเชียที่มีคาแร็ค
เตอร์ทำให้คนทานรู้สึกอุ่นท้อง และอุ่นใจ
โดยเพิ่มการตอบโต้ทักซุสสุขภาพ
ต่อยอดคิดโปรดัคท์ใหม่ๆ เช่น
โจ๊กข้าวโอ๊ต ข้าวกล้อง ซุปไก่ตุ๋นยาจีน”
*ชนะเลิศอันดับ 1: คุณฉัตรชัย วงศ์มหเจริญ
จากแบรนด์ BUN101*



CASE STUDY: BUN 101



COMMUNITY



DEVELOPMENT OPERATION SUPPORT

Community Engagement

CENTER of LIFE: Every aspect in life happens here

- Relationship to Stakeholders
- Engagement to Local public

35

New Trend and New Experiences events

174

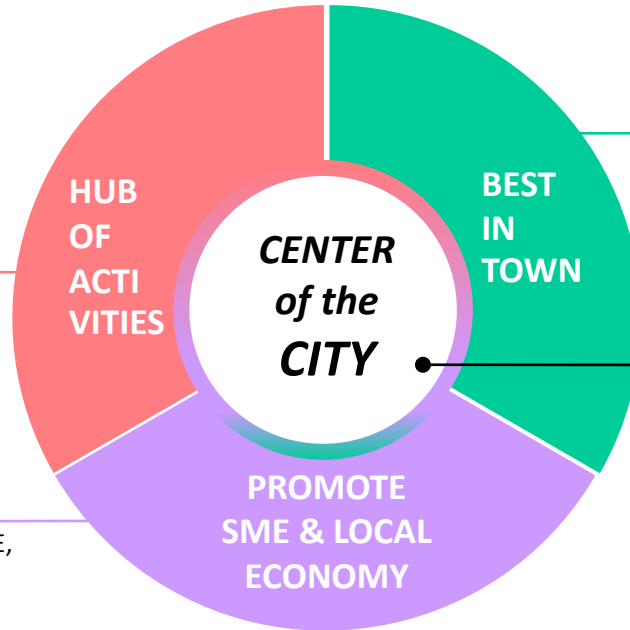
Government and Educational Institution events

Partner with GOVERNMENT AND INSTITUTION

69

SME projects

Partner CHAMBER OF COMMERCE, LOCAL SMEs



Public Services
Public Space
Co-Working Space



SMEs & Local Businesses

* As of June 2017



ENVIRONMENT



DEVELOPMENT OPERATION SUPPORT

Resource Management

Y2021

Reduce Direct and Indirect GHG Emissions per unit area
 Reduce Energy Consumption per unit area
 Increase Recycled Water of total operation

-15%
 +20%



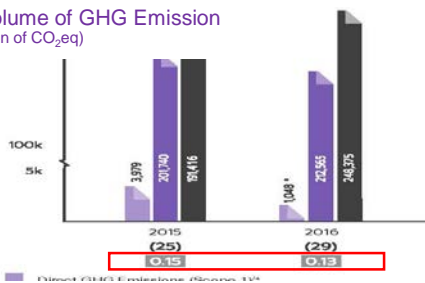
CLEAN ENERGY



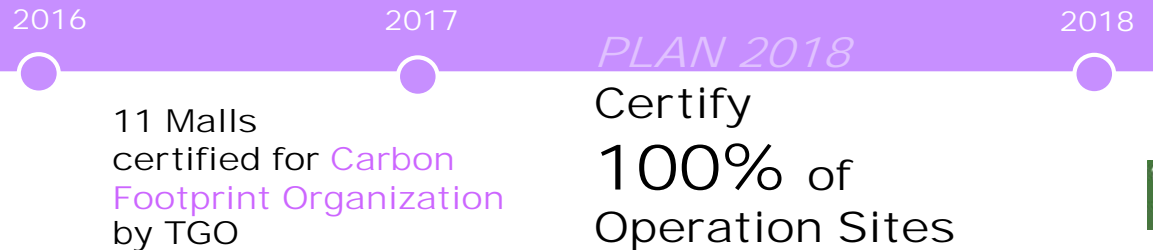
RECYCLED WATER



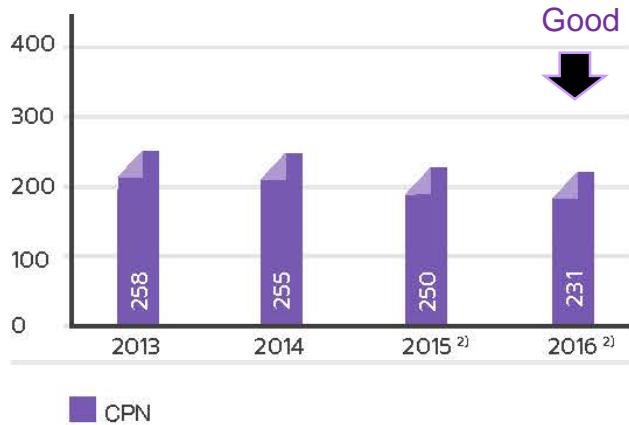
Volume of GHG Emission (Ton of CO₂eq)



CARBON FOOTPRINT ORGANIZATION



Specific Energy Consumption (SEC)
(KWh/m²)



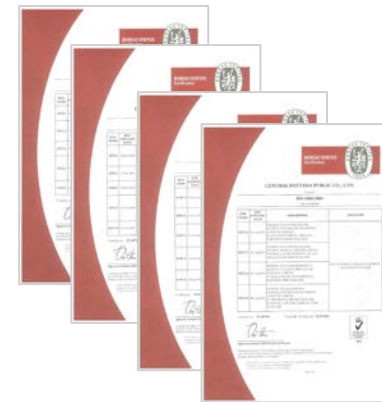
Embedded in Design & Construction:
LEED: Leadership in Energy and Environmental Design

Embedded Environmental Standard in corporate procedures

- ISO 14001: Environment
- ISO 50001: Energy
- ISO 45001: Health & Safety
- ISO 20121: Sustainable Events

Key measures

1. High Efficiency Chiller
2. LED Lighting System
3. Alternative Resources
4. Energy Management Systems



CSV:

● EMPLOYEE ● COMMUNITY ● ENVIRONMENT CENTRAL GREEN project



Big Cleaning Day

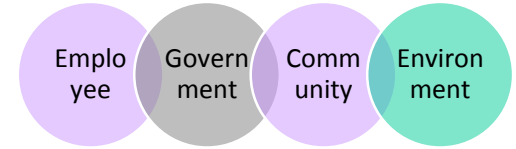


2011

Central Green Project



2017



Short-term:
Big cleaning and dredging canal

Long-term:
Improve quality of wastewater
Raise communities environmental awareness
Increase "Green" atmosphere

12 Communities under Central Green project

Increase Employee Volunteer Spirit

Partner with Tenant

Engage with Governor

Engage with Communities

Conserve Environment



EMPLOYEE



Employee Engagement

DEVELOPMENT OPERATION SUPPORT



Run by 3rd party: CSN Research



HappyME Happy WE Happy Family



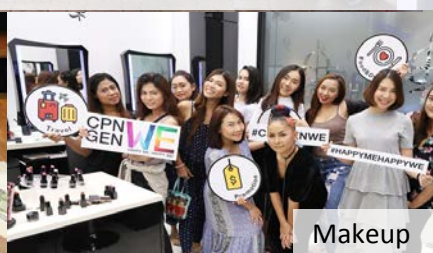
Zumba



Bakery



Painting



Makeup



Yoga



CPN Volunteering Spirit

EMPLOYEE



Innovation in Process

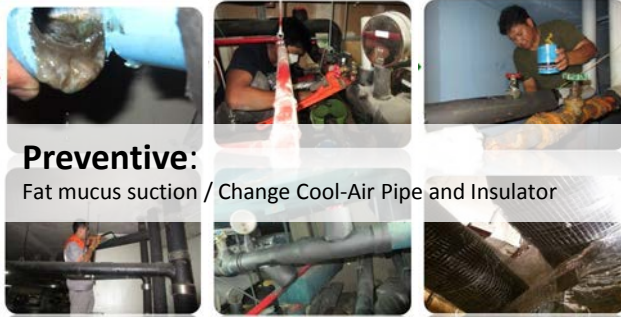
DEVELOPMENT OPERATION SUPPORT

โครงการ Dream Team Contest 2016 - 2017



Expected Cost Saving
42.3 MB
(2012-2016)

CASE STUDY: NO LEAK 1-2 by CentralPlaza Rama 3



Preventive:

Fat mucus suction / Change Cool-Air Pipe and Insulator



Outcome:

- ↑ Tenant Satisfaction
- ↓ Insurance Claiming Cost

CASE STUDY: Increase Chiller Plant Efficiency by CentralPlaza Khonkaen



Conservation:

Reuse cooled drain-water to cool down cooling tower



PDCA:

Customization-Adjustment from Standard



Outcome:

- ↑ Chiller Performance
- ↓ Electricity and Water Expense





**PROPERTY
DEVELOPMENT
& INVESTMENT**
A Member of Central Group

AGENDAS

1. Sustainability Strategy and Management Approach
2. Sustainability in Action
- 3. Corporate Governance Culture**



MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM

Corporate Governance in Process



CG: การประพฤติปฏิบัติตามกฎหมาย และมีจริยธรรม

5. Policy & Law

สื่อสารให้ความรู้ ความเข้าใจ (1) ด้านแรงงาน (2) สิทธิมนุษยชน และ (3) การดำเนินธุรกิจอย่างเป็นธรรม

6. Code of Conduct

สื่อสารให้พนักงานประพฤติ ปฏิบัติตามจรรยาบรรณบริษัทด้วยความเต็มใจ และเข้าใจ

7. Grievance & Complaint Handling System

พัฒนาช่องทาง การรับข้อร้องเรียนให้ เป็นรูปธรรม โปร่งใส และเป็นธรรม

CG: การกำกับดูแลองค์กร

1. Role Model Development

กำกับดูแลด้านความรับผิดชอบของกรรมการ และผู้บริหารเพื่อเป็นแบบอย่างที่ดี

2. People Team Development

มุ่งสร้าง Change Agent เพื่อเป็นกระบอกเสียงป้องกันกลับระหว่างบริษัทและตัวพนักงาน

3. Business Continuity Plan

แสดงความรับผิดชอบต่อการค้า การดำเนินธุรกิจ และพนักงาน กรณีเกิดเหตุฉุกเฉิน

4. Work Stream Structure and Scorecard

มุ่งสร้างระบบการบริหาร การดำเนินงาน และการติดตามผลด้านบรรษัทภิบาล และด้าน CSR ภายในองค์กรที่เข้มแข็ง และยั่งยืน



Corporate Governance and Sustainability Structure

BOARD OF DIRECTORS

Board level

Risk Policy Committee

Audit Committee

Nomination & Remuneration Committee

Risk Policy Committee
CEO

Corporate Governance and Sustainable Development Committee
CEO

People Development Committee
CEO

Climate Change and Environmental Committee

Executive & Management level

Risk Management Committee

Occupational Health, Safety and Environment Committee

People Development by Division and Branch

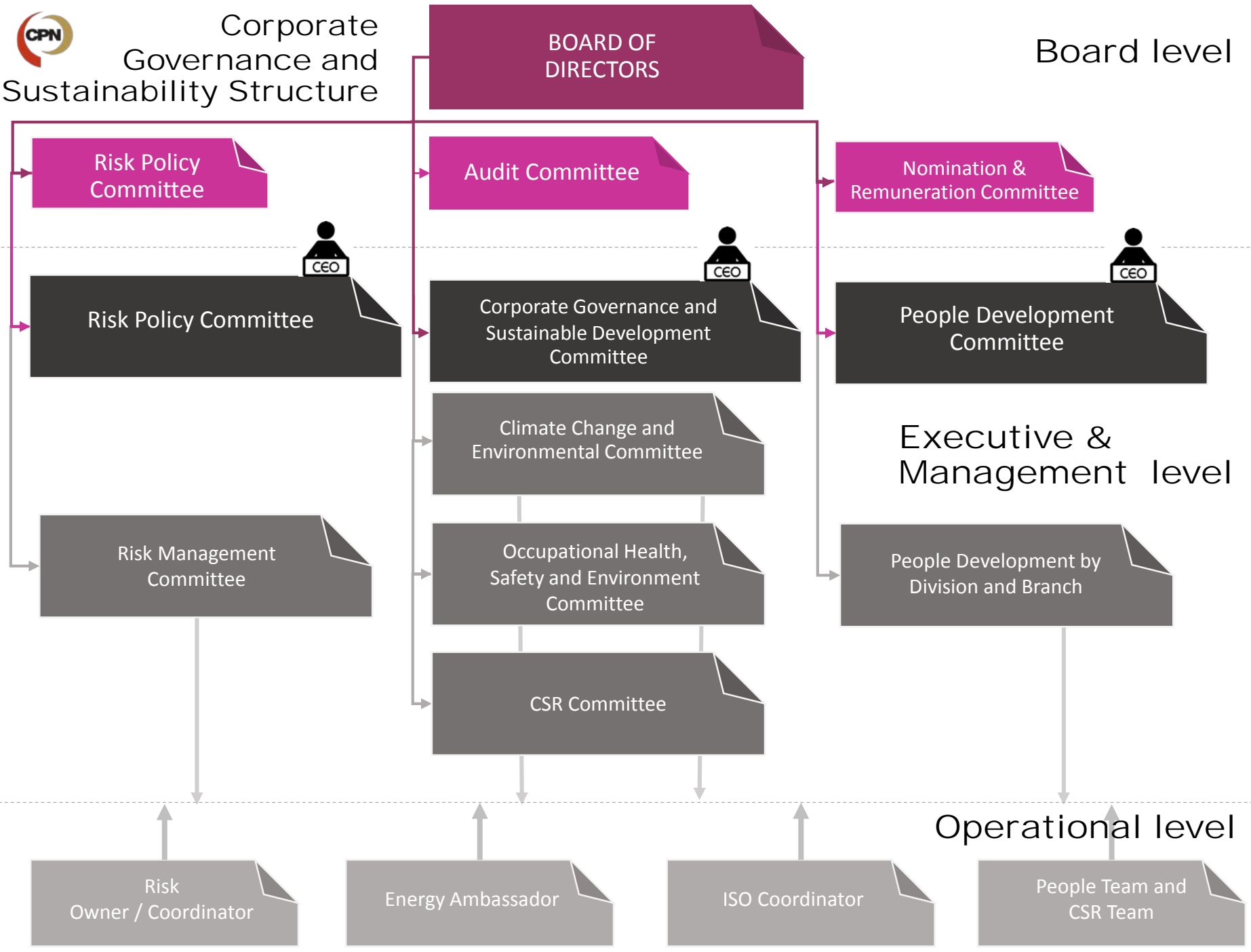
CSR Committee

Risk Owner / Coordinator

Energy Ambassador

ISO Coordinator

Operational level
People Team and CSR Team



Corporate Governance Culture

Strong Culture

Single message

Tone at the Top

Change Agents

Bridge the Generation Gap

สร้างสรรค์คิดสิ่งใหม่
ใส่ใจในลูกค้า
ก้าวหน้าถึงกลุ่มธุรกิจ
จัดผูกพันพึ่งพา
มุ่งรักษาจริยธรรม



- INNOVATION
- CUSTOMER
- ALLIANCE
- RELATIONSHIP
- ETHIC

Behavior Assessment
(a part of Performance Appraisal)

CG Individual Assessment

ข้อสำคัญ มีน้ำใจ



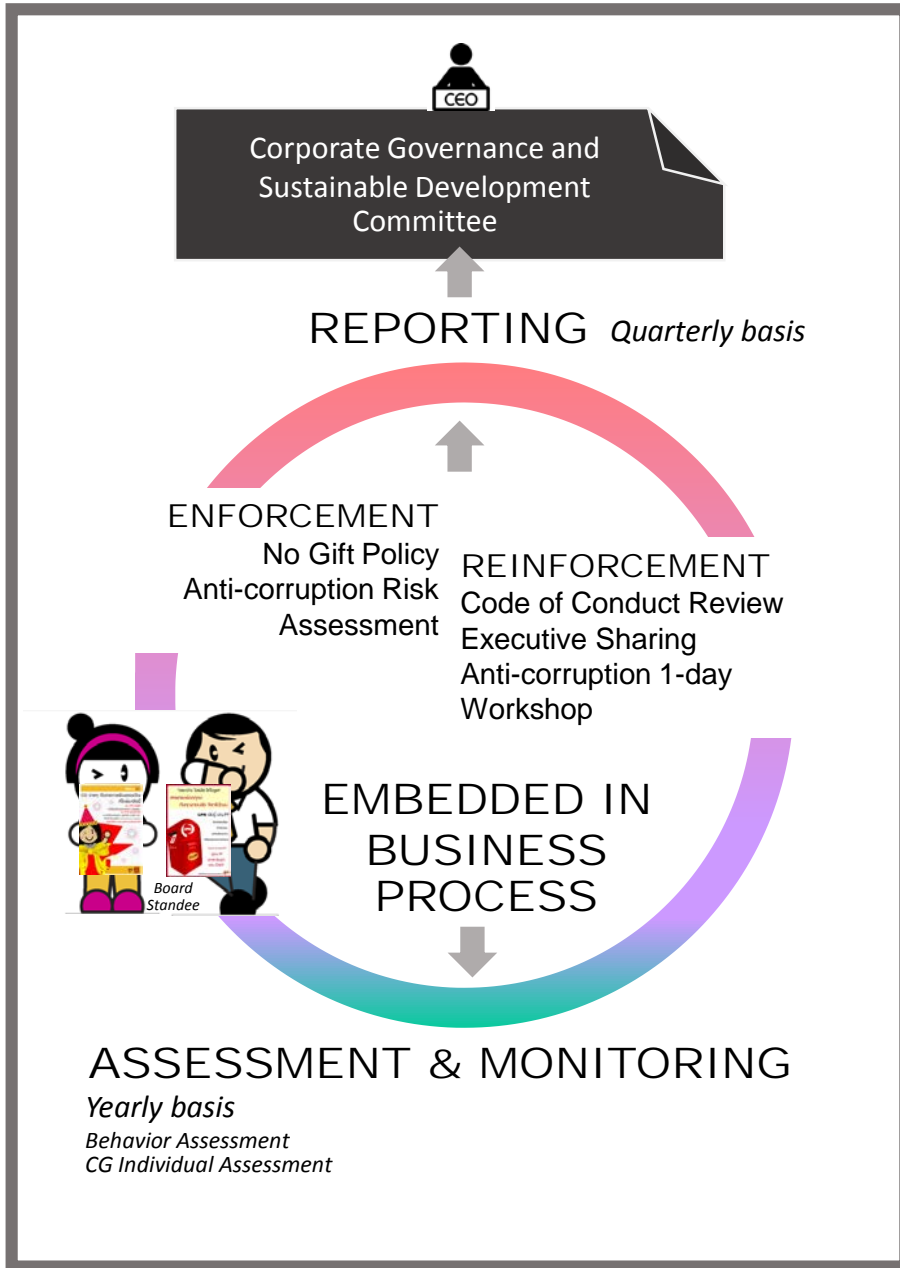
SD Champions

i-CARE ambassadors

Integrated Internal Communication
Poster, Tips in Restroom, E-mail, E-Newsletters, GEN-WE Application, Facebook, CPN TV Channel, Town hall, CPN radio



Corporate Governance in Practice



Executive Interview

No Gift Policy

Committed to **ANTI**-Corruption



Policies and Guidelines

- Anti-Corruption
- No Gift Policy
- Supply Chain Management

Motivation and Involvement



Elevator Wrapping



Anti-Corruption Workshop



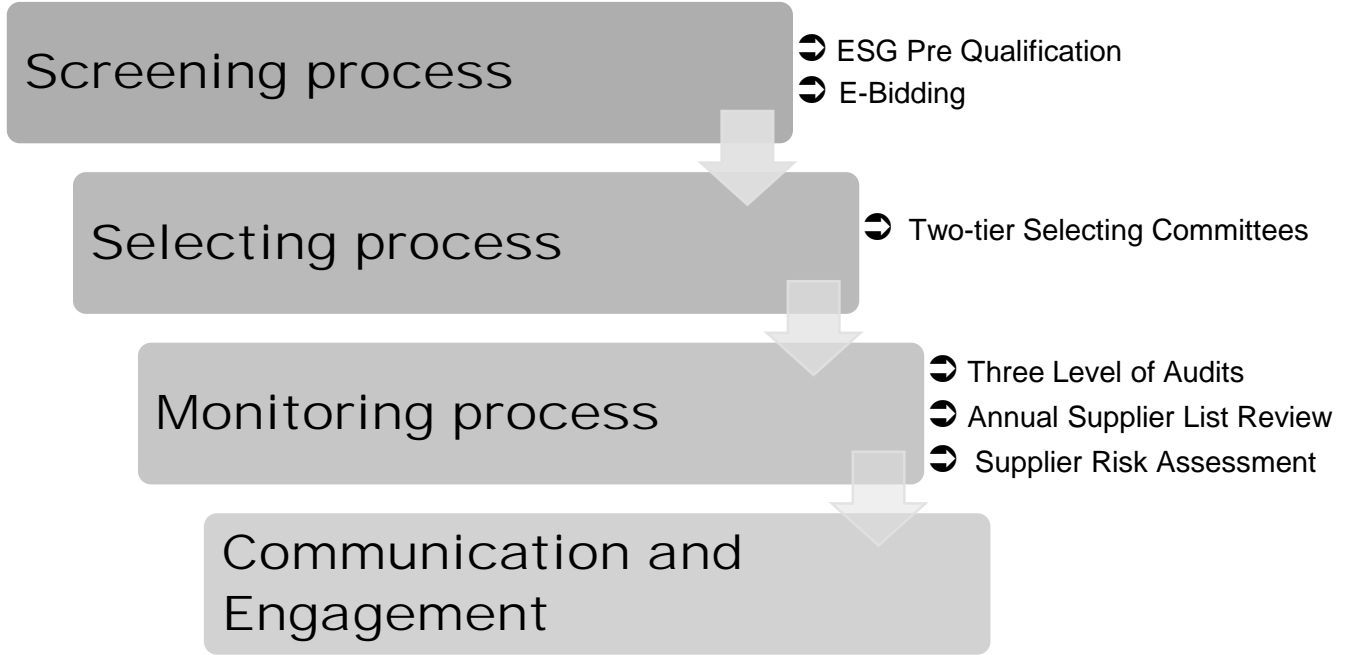
อย่างปล่อย คนผิด
ให้ลอยนวล !
ชวนคุณมาแจเบจเนส
เลิกชกการนิ่งเฉย

Anti-corruption workshop
Real Case, Real Awareness

Committed to **ANTI**-Corruption



Supply Chain Management Policy

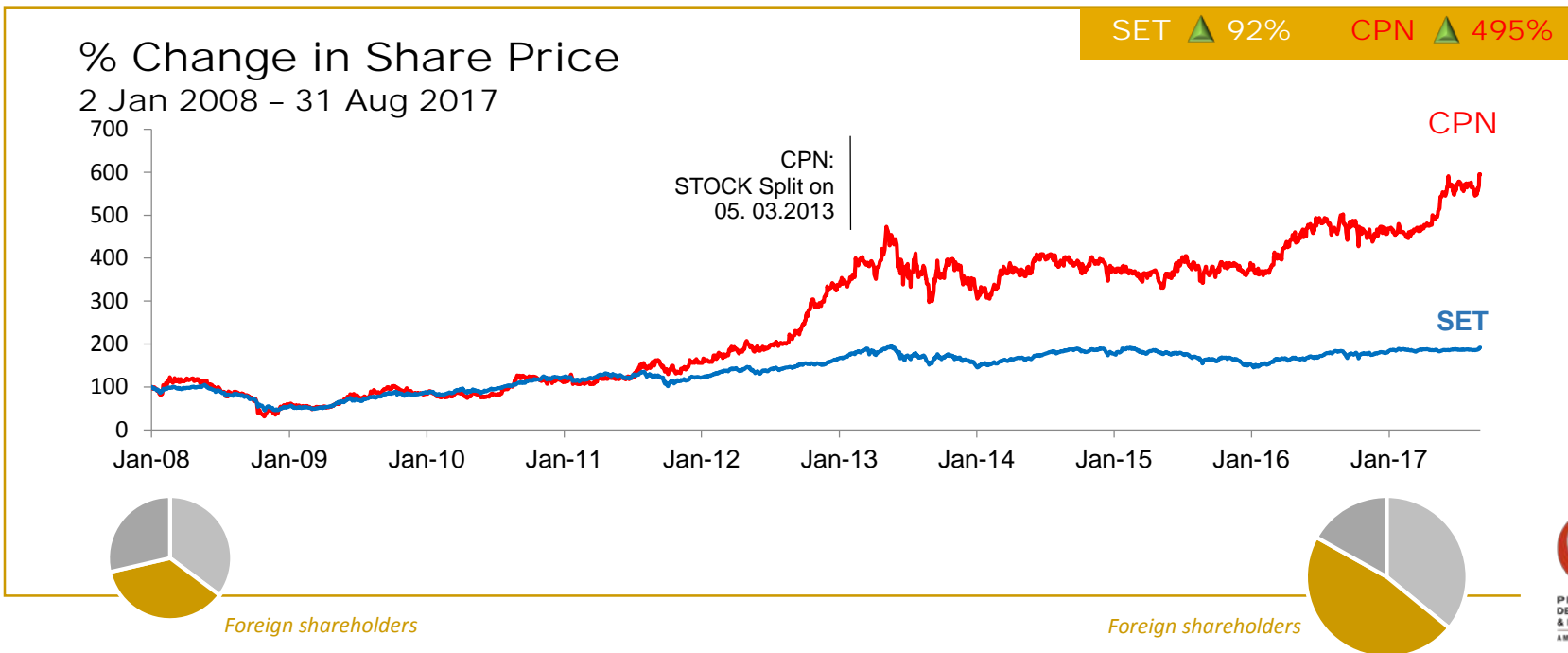
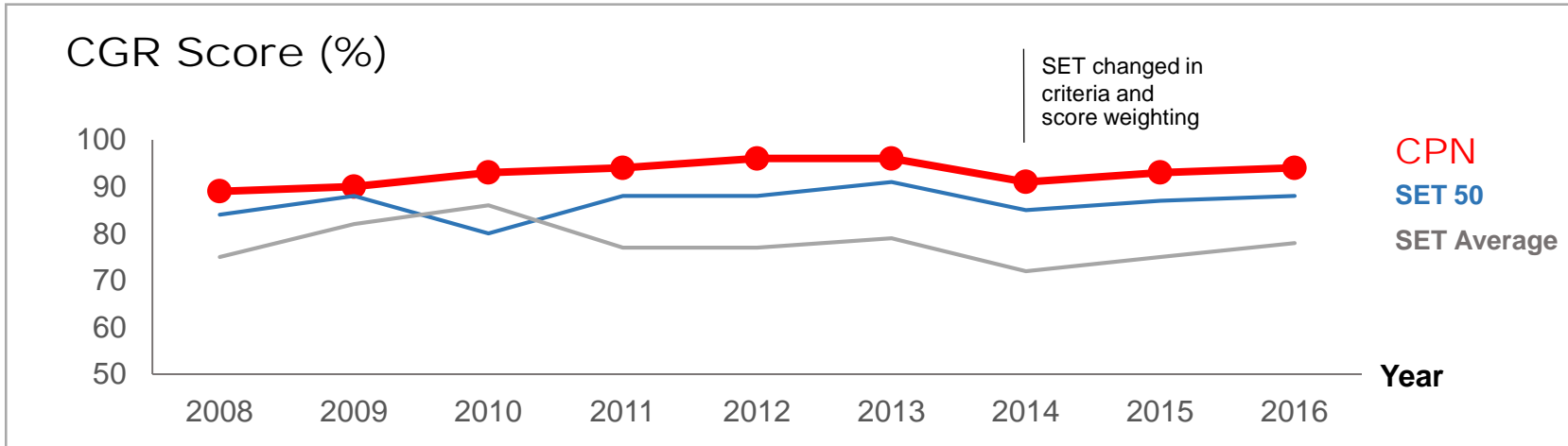


2017 Initiatives

1. Supplier Information Meeting
2. One-on-One Meeting
3. Code of Conduct for Supplier
4. CPN-Supplier Development Project



Governance Performance





**PROPERTY
DEVELOPMENT
& INVESTMENT**

A Member of Central Group

THANK YOU