



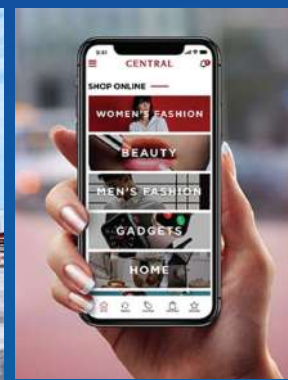
**CENTRAL
RETAIL**

SET AWARDS 2023

SUSTAINABILITY EXCELLENCE

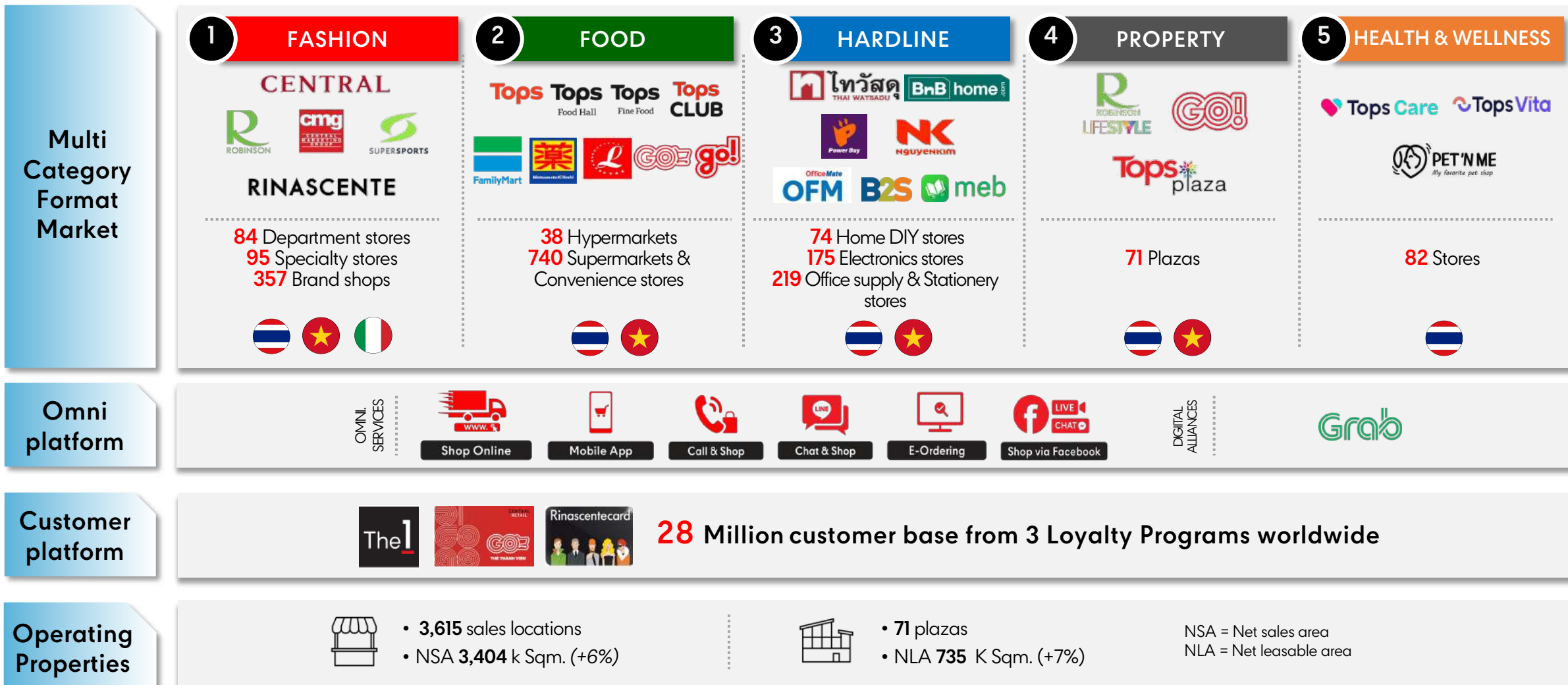
A JOURNEY OF
GREEN AND SUSTAINABLE RETAIL

7 SEP 2023



เซ็นทรัล รีเทล เป็นผู้นำธุรกิจค้าปลีก Omnichannel ในรูปแบบ Multi-Category, Multi-Format, Multi-Market

Customer Centric Omnichannel Business Platform



วิสัยทัศน์และพันธกิจ

มุ่งหวังความเป็นเลิศในธุรกิจค้าปลีก
ที่สร้างความพึงพอใจ และประสบการณ์ที่ดีที่สุดให้กับลูกค้า
ผ่านช่องทางที่หลากหลายในทุกประเทศที่ดำเนินธุรกิจ
โดยให้ความสำคัญกับการพัฒนาอย่างยั่งยืน

จุดมุ่งหมายหลัก

ศูนย์กลางชีวิตของทุกคน



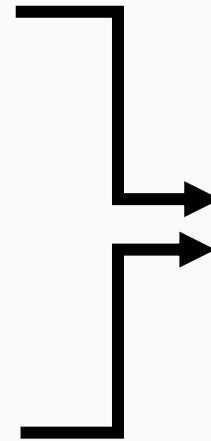
2022 Materiality Assessment Methodology

Assess the significance of the impacts with stakeholders and experts

**We surveyed
1,065 stakeholders, from**

- Customers
- Employees
- Business Partners
- Communities
- Shareholders
- Government Agencies
- Creditors

**And evaluate questionnaires
From 9 ESG Raters & Experts**



Prioritization

Determine material topics with users

1. Innovation
2. Responsible Sourcing
3. Human Capital Development
4. Customer Relationship and Brand Management
5. Resource Efficiency
6. Community Contribution and Local Product Development
7. Climate Change
8. Cybersecurity and Privacy Protection
9. Corporate Governance and Business Ethics
10. Labor Practice and Human Rights
11. Occupational Health and Safety
12. Supply Chain Management
13. Risk and Crisis Management and Resilience

MATERIAL TOPICS

1. Innovation
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Environment Dimension



Social Dimension

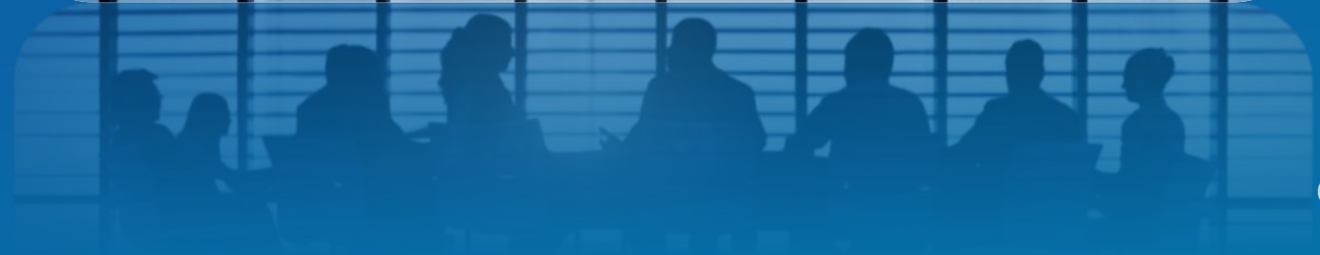


Governance & Economic Dimension

SUSTAINABILITY TARGETS

ESG	Year	2023	'24	'25	'30
Environment	Reduce GHG Emissions (%)	5	10	15	30
	Renewable Energy (% of total electricity)	10	20	30	50
	Eco-friendly Products (%)	20	22	25	30
	Eco-friendly Packaging (%)	20	30	50	100
	Waste Diversion Rate (%)	10	15	20	30
Social	Employee Engagement for ESG (%)	100	100	100	100
	Community Income (MB/Year)	1,800	2,100	2,600	5,400
Governance & Economic	Key Supplier Engagement (%)	100	100	100	100
	Customer Satisfaction (%)	90	91	92	95
	Omnichannel Sales (%)	18	20-25	20-25	20-25

GOVERNANCE & ECONOMIC



CRC RETAILLIGENCE : Long-Term Strategy



1

Reinvent
Next-Gen Omni Retail

การยกระดับแพลตฟอร์ม
Omnichannel



2

Accelerate
Core Leadership

การเร่งขับเคลื่อน
และสร้างการเติบโต
ในธุรกิจหลัก



3

Build
New Growth Pillars

การสร้างธุรกิจใหม่



4

Drive
Partnership, Acquisition,
Spin-off

การขยายธุรกิจ
Inclusive Growth สร้าง
ความสำเร็จร่วมกับพาร์ทเนอร์
การซื้อหรือควบรวมกิจการ

The future of retail is more tech and even more human, signifying the imperative to accelerate radical change

SECURE customer-led growth with hyper-personalisation & human touch

UTILISE data to meet and exceed customer demands

BUILD flexible and scalable tech architecture

SYNERGISE resources to leverage growth opportunities

ELEVATE green practices, inclusive of communities



Omnichannel: เต็มเต็มทุกช่องทาง เชื่อมต่อร้านค้าจริงกับโลกออนไลน์ เพื่อให้การจับจ่ายเป็นเรื่องง่ายและสะดวกสบายที่สุด

Online Website



Mobile Application



O2O (offline to online) channel



Omnichannel Platform

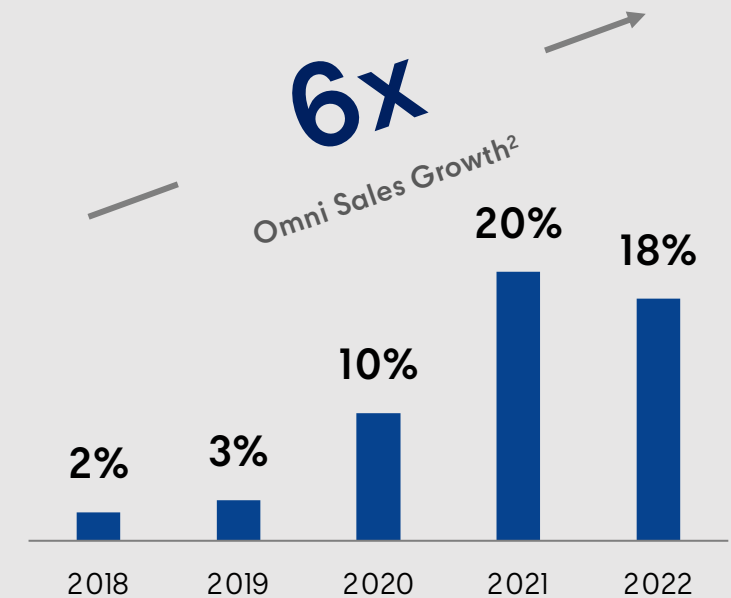
- Convert single channel customers to Omnichannel
- Accelerate sales through digital and O2O channels
- Scale online business and turned profitable

Omnichannel Value Creation¹



1) Based on The1 Data of 2022 vs. 2021; 2) Based on 2022 Survey

Omnichannel Sales Mix



2) 6X growth is based 2022 sales vs. 2019

เซ็นทรัล รีเทล ก้าวสู่การเป็น **#1 Omnichannel Retailer**
จุดประกายการค้าปลีกในรูปแบบใหม่ให้เท่ากับโลกอนาคต

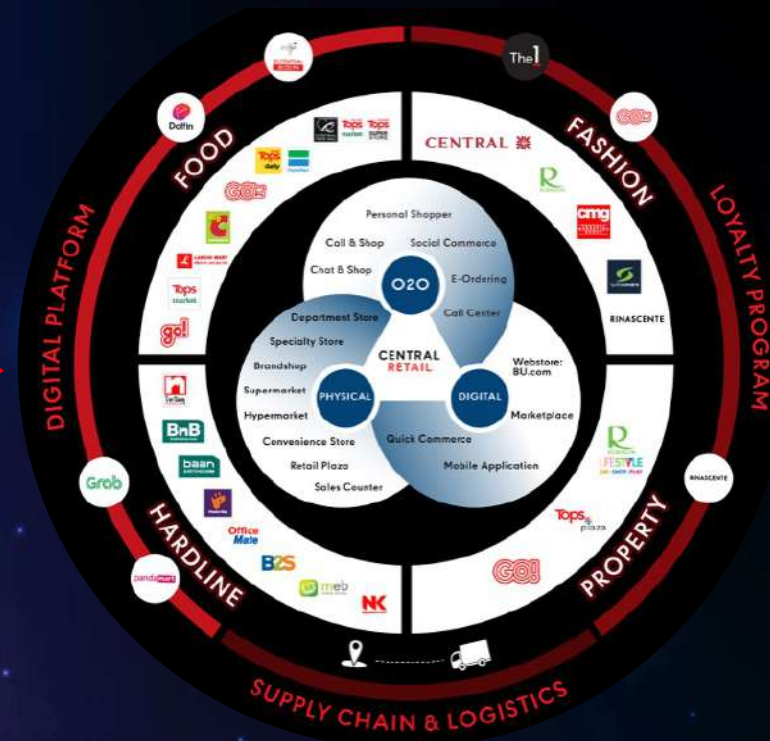
CENTRAL**RETAIL**

From...
A LEADER IN
PHYSICAL RETAIL

To...
A LEADING FULL-FLEDGED
OMNICHANNEL RETAILER

บนเส้นทางการเปลี่ยนผ่านสู่ยุคดิจิทัล
ภายใต้คอนเซ็ปต์
'New Central New Retail'

เราพัฒนาและนำเสนอการค้าปลีก
รูปแบบใหม่ที่ตอบโจทย์ความต้องการ
ที่หลากหลาย และได้ก้าวสู่การเป็น
#1 Omnichannel Retailer



ความสำเร็จ Omnichannel Transformation

Healthy Omni Share

18%

Omni Customers

4x spending

1. การยกระดับแพลตฟอร์ม Omnichannel

- เป็นผู้นำและรายแรก ในการกำหนดมาตรฐาน Omnichannel รูปแบบใหม่ สำหรับ แบนด์ พาร์ทเนอร์ และลูกค้า

2. การเร่งขับเคลื่อนและสร้างการเติบโตในธุรกิจหลัก

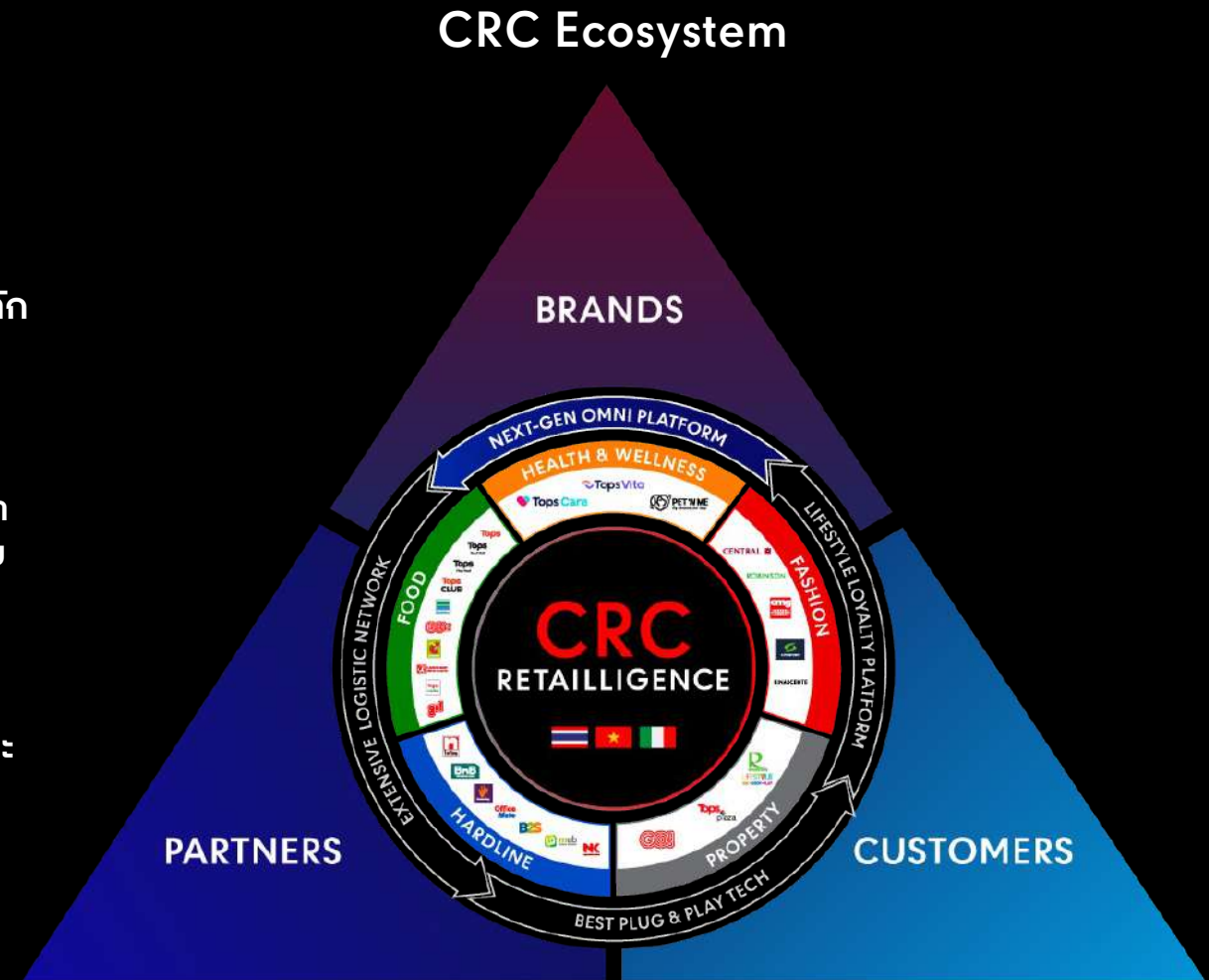
- เสริมความแข็งแกร่ง ของธุรกิจหลัก พร้อมสร้าง Portfolio ธุรกิจที่เติบโตอย่างต่อเนื่อง

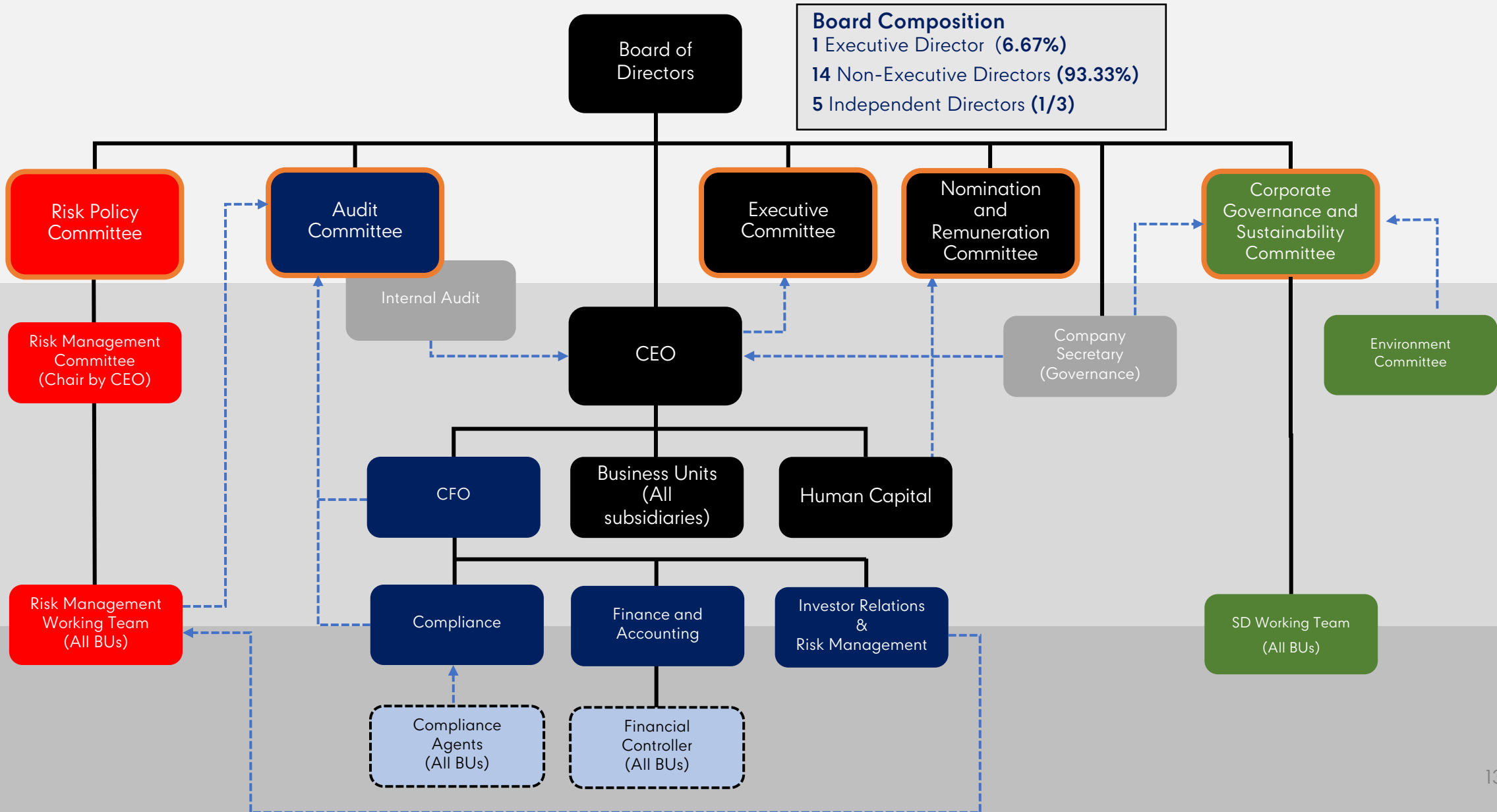
3. การสร้างธุรกิจใหม่

- ครอบคลุม ธุรกิจที่เวียดนาม เดินหน้าขยายกลุ่มฟู้ดและพรีฟเพอร์ได้อย่างเต็มศักยภาพ

4. การขยายธุรกิจ Inclusive Growth สร้างความสำเร็จร่วมกับพาร์ทเนอร์ การซื้อหรือควบรวมกิจการ

- เน้นย้ำ การจัดการค่าใช้จ่าย เงินลงทุน และกระแสเงินสดอย่างมีประสิทธิภาพและรัดกุม
- ต่อยอดและปลดล็อกมูลค่า การลงทุนและพันธมิตร





Related Party Transaction Policy / Principle

A. Transactions According to principles approved by BoD

1. Ordinary business transactions/Ordinary business support transactions with General Commercial Conditions



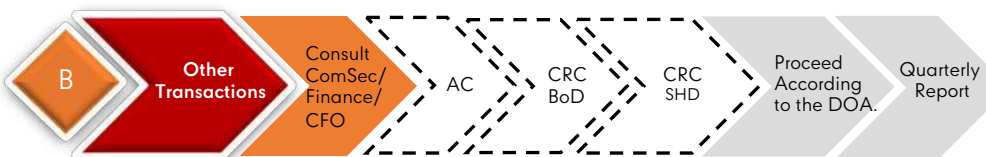
2. Ordinary business transactions/Ordinary business support transactions with price and conditions unable to Compare with General Public or Other Similar Business Operators



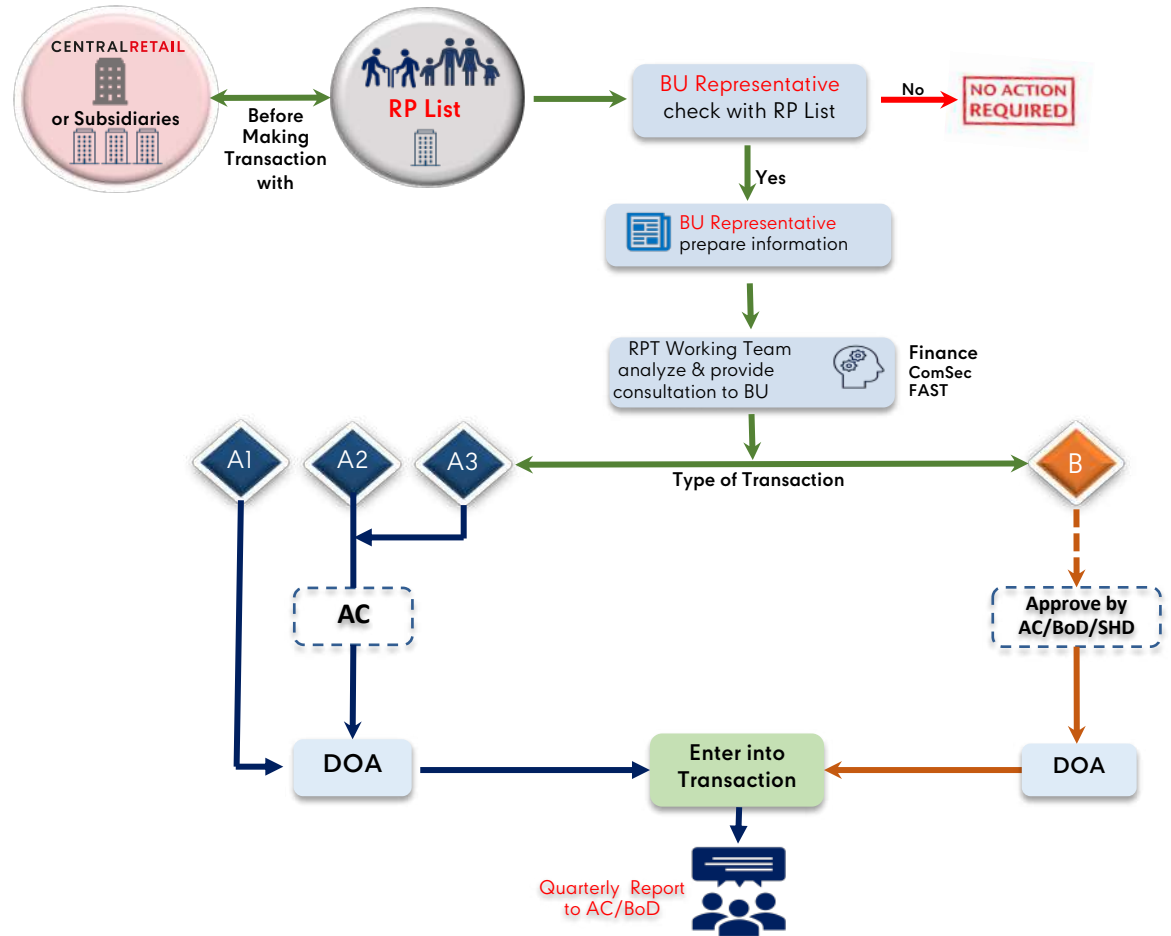
3. Services or Providing Services with Fee Calculated on the Cost Plus Basis



B. Transactions that do not meet the principles approved by BoD



RPT Transaction Process



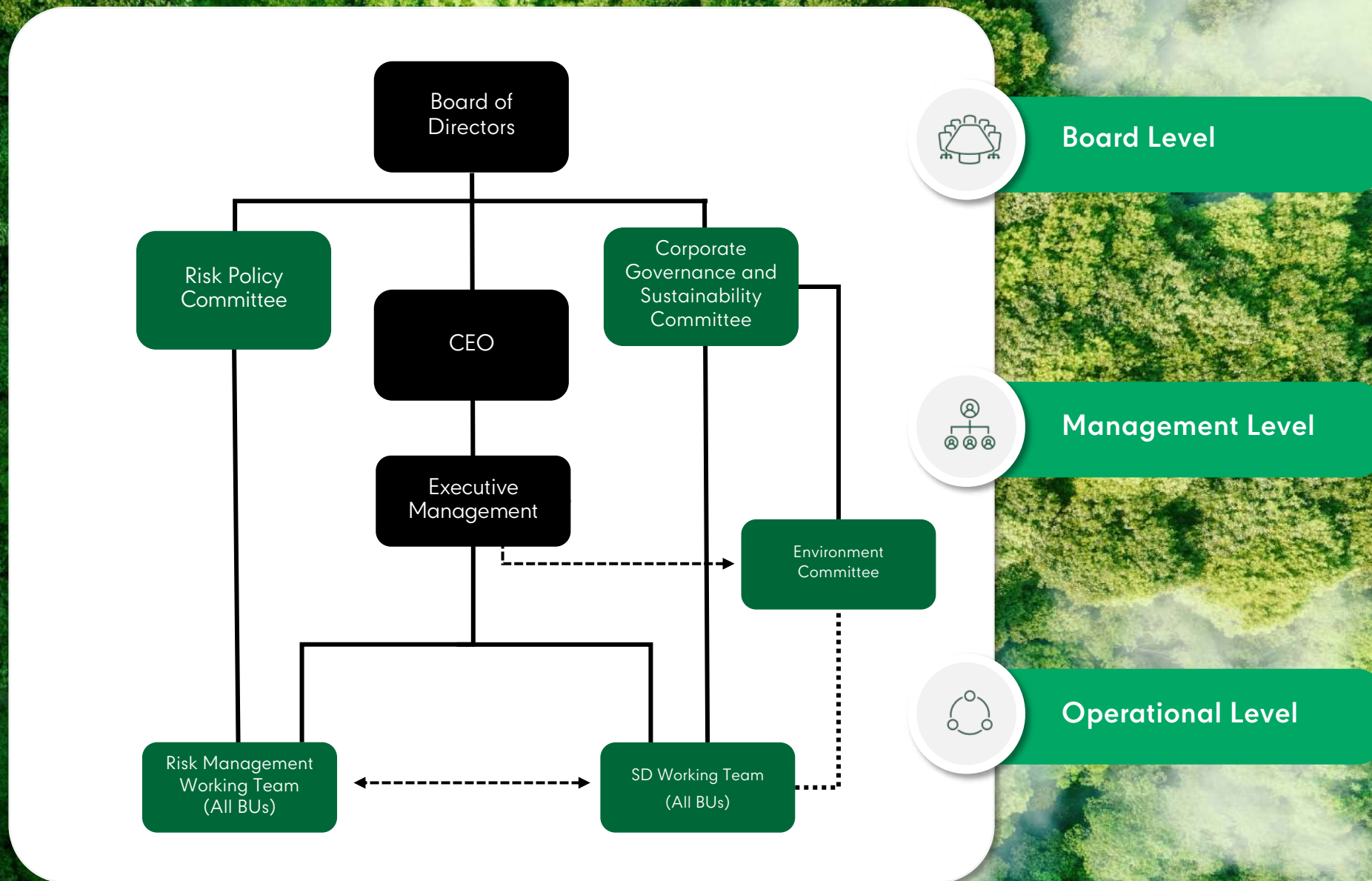
Flagship and Right of First Refusal Process



ENVIRONMENT



 Vision	Green & Sustainable Retail			
 Climate Aspirations	30% Reduction Greenhouse Gas Emissions by 2030 & Net-Zero Emissions by 2050			
 Climate Strategy Pillar	Low-carbon and Climate-Friendly Business		Climate Resilience Enhancement	
 Climate Focus Areas	GHG Emissions Reductions	Supporting Transition Towards Low-Carbon Lifestyles and Shopping Experience	Managing Physical Climate Risks	Embracing Nature-Based Solutions for Climate Adaptation and Mitigation



Reinforcing Green and Sustainable Retail

CRC “ReNEW” STRATEGY FOR SUSTAINABLE GROWTH

REDUCE

Greenhouse Gases

NAVIGATE

Society Wellbeing

ECO

Friendly Product & Packaging

WASTE

Management

KEY ACTIVITIES

Scope 1 & 2

Increase the use of renewable energy

Transition into low-carbon logistics

Adopt energy efficient technologies

Promote the use of electric-powered transportation

Scope 3

Engage key suppliers towards sustainable transition

Support and empower local communities

Promote diversity, equality, and inclusion

Expand new green format and products

Promote natural materials and packaging

Increase sustainable product choices

Divert waste from landfills

Adopt circular economy

Encourage key stakeholders

2030 Target



30% GHG Emissions Reduction



50% Renewable Energy
(% of total electricity)

Key Initiatives

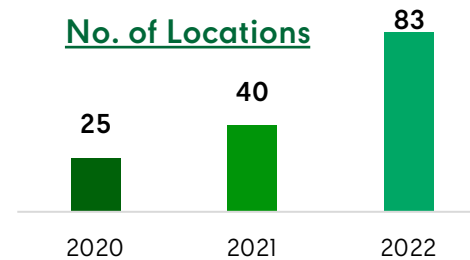


Increase the Use of Clean Energy [Solar Roof]

76,130 MWh

38,058 TonCO2e

No. of Locations



Energy Efficient Technology [Chiller]

- 217 units Installed
- Reduced electricity usage by 1,260 MWh

630 TonCO2e



Green Areas & Reforestration

5,519 Rais



Low-Carbon Logistics [EV Truck]

7 units of EV truck in logistics system

248 TonCO2e



Green Investment

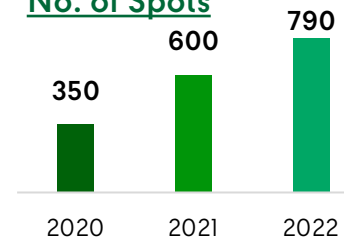
Accelerate the use of renewable energy



EV Charging Station

58 Locations

No. of Spots



Future Implication



Investment in Green Innovation Technology

2030 Target



30% of Products are Eco-friendly



All Packaging are Eco-friendly



30% of Wastes are Diverted from Landfills

Key Initiatives

Expand New Green Format & Products [Healthiful]

60 Locations



Increase Sustainable Product Choices



Organic Products Sales
365 MB

Use of Reusables and Recyclable Packaging and Recycled Materials



R&D for Green Packaging

Collaborated with GRACZ and Kasetsart on compostable packaging R&D from agricultural leftovers



Pallet Net Wrap

Reduce plastic consumption in distribution system by replacing with reusable material

Divert Waste to Landfills



Samui Model

- Diverted 41 tons of food waste
- Reduced **105 TonCO2e**

Surplus Food Donation

- Diverted 264 tons of food waste
- Reduced **668 TonCO2e**

Engaging with Stakeholders



- **Yindee Surprise Bag:** Sale best-before items at affordable price
- **Refun Machine:** Encourage recycling
- **Upcycling PET bottle:** Transform plastic into value-added products
- **Central Love the Earth:** Encourage 'Bring Your Own Bag'

Future Implication



Circular Business Model



Partnerships & Collaborations



Expand Waste Model

SOCIAL



CREATING SHARED VALUES (CSV)



APPROACH



2030 Target

5,400 MB Community Income per year

CENTRAL THAM

'Central Tham' is a Creating Shared Values (CSV) project for all members to take 'action' for a better future. The action to create job opportunities, to support the community, and to enhance the quality of life of the employees and the society

Example of Community Contribution Initiatives



Encourage sustainable agricultural practices



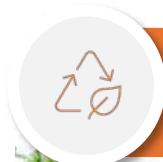
Project 'Reforestation' & 'Mae Tha Organic Living'



Promote more competitive workforce



Project 'Partnership School'



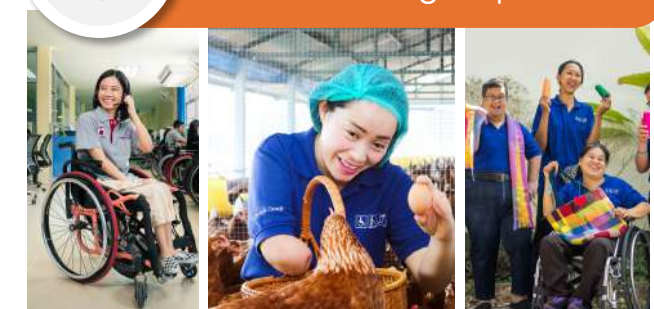
Upcycle wastes into new materials



Project 'Samui Model'



Job opportunities for vulnerable groups



Project 'Supporting People with Disabilities'



Central Retail worked with the local farmers to streamline the delivery of their produce directly from the farm to the market by devising precise local supply chain systems, thereby **reducing carbon footprints** and **maintaining product freshness**.

Packing houses were initiated to utilise **eco-friendly materials**, and a specialist team was sent to educate the local community on how to pack the **produce naturally and organically**.

Our monitoring revealed that within the first year, Central Retail had supported 450 farmers from 2,431 households. Through this project, their operation and logistic costs were reduced, and the farming communities substantially earned better income.

After one year of Jing Jai Farmers' Market, we were able to help raise more income for farmers, on average of 39,300 THB per month from 15,200 THB per month. The total income generation of the first year was 112 MB.



Objectives

Planet:

- To shorten logistics process, **improve supply chain management**, and reduce transportation distance with local sourcing to minimise the carbon footprint. It is also our objective to make Jing Jai Farmers' Market's area of operation plastic-free.
- Moving forward, we intend to **encourage organic farming** and Thai geographical indication (GI) protection, providing farmers with knowledge and tools to establish full-scale organic farming while encouraging them to register their products' GI.
- We set objectives to reach 30% organic mix in local produce and 100% GI products sourced and supplied in our system by the end of 2027.

People:

- To support farmers and **enhance the wellbeing** of their entire families to uplift the overall communities' wellbeing.
- A monitoring system is also installed to observe success indicators of an **increase in farmers' incomes and households participating**.

Process and Product:

- To utilise our existing retailing platforms to broader market locations in order to help local producers develop products and speed up the distribution process, ensuring quality and freshness and a **sustainably higher income** for more funding to further grow and sell more products.

Impact

Jing Jai Farmers' Market provides mutual benefits and utilises Central Retail's assets **to maximise values for society, environment, the company, and therefore its customers**. The project is heavily leveraged on the company's experience and expertise in business operations and food retailing.



Topic	2021	2022	2023F	2024F	2025F	2026F	2027F	2028F
No. of stores	26	32	38	38	42	46	50	54
Community Income	198	255	300	315	350	415	450	500
No. of households	7,200	9,696	10,360	10,196	10,446	10,696	10,946	11,196



CENTRALRETAIL
CENTRAL TO LIFE
THANK YOU

