Valuing waste: Business solutions

C.P. GROUP

13 November 2019
**Sustainability Development in Process**

- Responsible Sourcing of Raw Materials for Animal Feed
- Creating Shared Value for a Sustainable Seafood Supply Chain: Seafood Task Force, Thai Sustainable Fisheries Roundtable (TSFR) and Seafood Business for Ocean Stewardship (SeaBOS)
- Sustainable Packaging Policy

**Stock Enhancement**

- Innovating Hatchery Systems for various marine species
- Blue Swimming Crabs, Sea Crabs, Shrimps, Fish

**Research and Development**

- Area-based Participatory Action Research
- Multi-stakeholder platform for sustainable fishery research
- Digital Technology and Innovations

**Community Development**

- Participatory Approach
- Renewable Energy and Waste Management
- Local Business and Social Enterprise
- Leadership development and Training Workshops

**Marine Habitats Management**

- Grow-Share-Protect Mangrove Forestation Project
- Artificial Reefs
- Nursery Grounds & Protected Areas
- Promote Community-Based Resource Management

**Sustainable Fishing in Process**

- Grow
- Share
- Protect

**SEACOSYSTEM**
SUSTAINABLE PACKAGING POLICY

100% of all its plastic packaging must be reusable, recyclable or compostable plastic packaging by 2025

5Rs framework:

Policy’s Guidelines:

1. Re-educate consumers and raise awareness towards behavioral change for sustainability, for example, trash segregation, plastic recycling, plastic consumption reduction and replacement of plastic bags with reusable shopping bags

2. Engage in public advocacy to drive policies and regulations that create an environment for plastic consumption reduction

3. Use 100% reusable, recyclable, or compostable plastic packaging

4. Eliminate problematic or unnecessary plastic packaging through redesign and/or reinvention while ensuring business feasibility

5. Reduce the need for single-use plastic packaging and make changes towards a reusable plastics model

6. Make sure that all plastic packaging are free of hazardous chemicals, and the health, safety, and rights of all people involved are respected

7. Make meaningful investment into businesses, technologies, or other assets that work to realize the vision of a circular economy for plastic

8. Collaborate with all related parties domestically and internationally towards increasing reuse/recycling/composting rates for plastic

9. Report annually and publicly on progress towards meeting these commitments
CHAROEN POKPHAND FOODS (CPF)

CPF operates integrated agro-industrial and food business with its objectives to provide products in high quality and environmentally and socially responsible manner.
By 2025 for Thailand operations and by 2030 for international operations, the Company commits to:

▪ 100% of the Company’s plastic food packaging to be reusable or recyclable or upcyclable or compostable
▪ Eliminate problematic or unnecessary plastic packaging

The Company’s principle to optimize our packaging is as follows to ensure sustainable packaging development and management:

▪ Promote the use of materials from sustainably managed renewable resources
▪ Support initiatives such as a Take-back System to recycle or recover energy from used packaging
▪ Increase recycled material content where appropriate without compromising food safety and quality
▪ Develop to move from single-use towards reuse models for packaging used in production line or transportation as relevant
PLASTIC PACKAGING REDUCTION THROUGHOUT VALUE CHAIN

**BULK FEED TANK**
- Since 2013, we have replaced plastic feed bags with Bulk Feed Tank in our livestock feed business.
- In 2018, the Thailand operation was able to reduce 62% of plastic feed bags, accounting for 9,600 tons of plastic which is equivalent to a GHG emissions reduction over 30,000 tons CO2e per year.

**Q-PASS TANK**
- Since 2006, the Company has replaced over 99% plastic bags with Q-Pass Tank to transport shrimp larvae to customers.
- This helped reduce 130 million plastic bags or 1,700 tons of plastic, which is equivalent to GHG emissions reduction over 3,700 tons CO2e.

**Plastic Reduction in the Production Process**
- Since 2006, the integrated broiler businesses have replaced plastic bags with stainless steel trucks to transfer products within the production processes.
- This approach reduced more than 93 million plastic bags in the production processes, accounting for 4,300 tons of plastic which is equivalent to GHG emissions reduction over 29,000 tons CO2e.

**Environmentally-friendly Food Packaging**
- Since 2007, we have reduced the use of plastic and paper for more than 1,190 tons and 1,650 tons respectively.
- Developed plant-based bioplastic trays made from natural renewable resources, namely Polylactic Acid (PLA) which is compostable.
- In 2018, we could reduce more than 3.9 million PET trays or over 60 tons of plastic, which is equivalent to GHG emissions reduction of 132 tons CO2e per year.

**“Say No to Plastic Bags When Shopping a Few Items”**
- At CP Freshmart, every Wednesday is a plastic bag free day.
- It is expected that this initiative will help reduce 5 million pieces of plastic waste a year.
EXAMPLES OF SUSTAINABLE PACKAGING DESIGN AND DEVELOPMENT

Packaging Re-Design Project for Raw Chicken Products

Before
- Use multiple layers of plastic bags
- Use stickers as product labeling

After
- Use single layer of plastic bags
- Print labeling on bags
- Reduce the size of bags affecting on reducing the size of shipping carton box
- 100% recyclable

Paper Reduction | Plastic Reduction | Cost Reduction
---|---|---
11% | 43% | 24%

Packaging Modification Project for Omelet Burger with Tender Chicken Breast

Before
- Film
- Sauce Tray
- Burger Tray

After
- Plastic Bag
- Laser Cut: Enable a straight tear of packaging

Plastic Reduction | Cost Reduction
---|---
57% | 6%

Reduce Plastic Bag Use in Storing Juvenile Shrimp “Q-PASS TANK”

Original method
Pack in bags and foam boxes

New method
Pack in Q-Pass tanks
CP ALL is unique in being part of the distribution channels for products and services to consumers, as well as being a bridge connecting the upstream, midstream, and downstream supply chains.
7 Go Green Strategy

- Green Stores
- Green Logistics
- Green Packaging
- Green Living

PROTECTING THE ECOSYSTEM AND COMMITTING TO BEING GREEN

**Progress in 2018**

- Project for reduction of plastic bag usage
- Project for eliminating waste and the use of packaging
- Project for changing social behavior of using plastic bags

**Key Performance in 2018**

- Reduced an average 0.42 million plastic bags per day from every project aimed at changing social behavior.
- Reduced an average 153.72 million plastic bags per year from every project aimed at changing social behavior.
- 77 percent of products terminated PVC usage.

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<thead>
<tr>
<th>Goal</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2020</th>
<th>2023</th>
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<tbody>
<tr>
<td>Reducing Plastic waste from company operation (Accumulated)</td>
<td>2,900 tonne or 1,000 million plastic bags</td>
<td>6,500 tonne or 2,200 million plastic bags</td>
<td>11,000 tonne or 3,640 million plastic bags</td>
<td>16,000 tonne or 5,368 million plastic bags</td>
<td>22,000 tonne or 7,440 million plastic bags</td>
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The termination of PVC in packaging of CP ALL products for PB Food group in 2018 has achieved 77 percent (14 from a total of 18 types of products).

Reduced the used of plastic seals on water bottle cups for all products sold in 7-Eleven in 2018. This reduced plastic usage by more than 187 tons per year.

Develop the packaging return system by reusing plastic bags from the store and was able to bring back 814,639 reused plastic bags per year with plans for the future.

Stop giving away plastic bags in January 2020 – Voluntary support of Ministry of Environment
PROJECT IN KOH LANTA

• From key learning in waste management and packaging improvement, the Company established an environmental sustainability project in Koh Lanta District in Krabi Province.

• The project was a collaboration with both government and private sectors to cultivate consciousness and create sustainable waste management practices.
CONSUMER BEHAVIOR FOR SUSTAINABLE DEVELOPMENT

Campaign to change the behavior of using plastic bags
University, Islands and Hospitals
“Refusing Bags for Points”
“Refusing Bags for Merit”
“Love the Andaman, Unite to Reduce the Use of Plastic Bags”

“Reducing a Bag a Day, You Can Do It” project
Since 7 December 2018
Plastic bag refused = 0.2 Baht/Bag (cost of plastic bag is around 12 Baht/Bag)
Phase 1: Donated 57 Millions Baht to Siriraj Hospital to purchase medical equipment.
Phase 2: Donate 77 hotels in 77 provinces 1 Million each