



CPF Human Rights Due Diligence

2022

CPF Human Rights Due Diligence

With the recognition of the inherent dignity and equality of all human beings as the underlying principle of working and living together, CPF puts its greatest effort to ensure human rights issues are effectively managed. By doing so, CPF has exercised the Human Rights Due Diligence (HRDD) process since 2016 with a view to identifying human rights risks and impact and therefore prevent them throughout CPF's own operations, subsidiaries, joint-ventures, and value chain as well as new business relations (mergers and acquisitions), where both internal and external stakeholders are involved. The HRDD process includes 8 following steps.



1

Policy Commitment &

2

Embedding



หลักการ / INTRODUCTION

บริษัท เจริญโภคภัณฑ์อาหาร จำกัด (มหาชน) หรือซีพีเอฟ ตระหนักดีว่าบุคคลทุกคนต่างมีคุณค่าและศักดิ์ศรีในตนเองอย่างเท่าเทียมกัน จึงให้ความสำคัญต่อการเคารพสิทธิมนุษยชน อันเป็นคุณธรรมพื้นฐานของการทำงานและการอยู่ร่วมกัน โดยคำนึงมององค์กร หรือ CPF Way ได้กำหนดให้การมีคุณธรรมเป็นส่วนหนึ่งของพฤติกรรมอันพึงประสงค์ในองค์กร ทำให้มั่นใจได้ว่าวิธีการดำเนินงานของบริษัท และวิถีการปฏิบัติงานของพนักงานอยู่บนหลักการเคารพในเกียรติและศักดิ์ศรีซึ่งกันและกัน

บริษัทสนับสนุนและเคารพสิทธิมนุษยชนตามที่ระบุไว้ในปฏิญญาสากลว่าด้วยสิทธิมนุษยชน (United Nations Universal Declaration of Human Rights: UNDHR) และปฏิญญาว่าด้วยหลักการและสิทธิขั้นพื้นฐานในการทำงานขององค์การแรงงานระหว่างประเทศ (The International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work) อันเป็นส่วนหนึ่งของความทุ่มเท และความพยายามในการดำเนินงานอย่างมีจริยธรรมและด้วยความรับผิดชอบต่อผู้มีส่วนเกี่ยวข้อง

Charoen Pokphand Foods Public Company Limited or "CPF" recognizes that all human beings are valued and equal in dignity and rights. Company, therefore, respects human rights as the fundamental virtue for working and living together. CPF's Core Values or CPF Way has integrity as part of desired behaviors in the organization. This creates confidence that the way of doing business and employees' practices are based on the principle of reciprocal respect for an individual's honor and dignity.

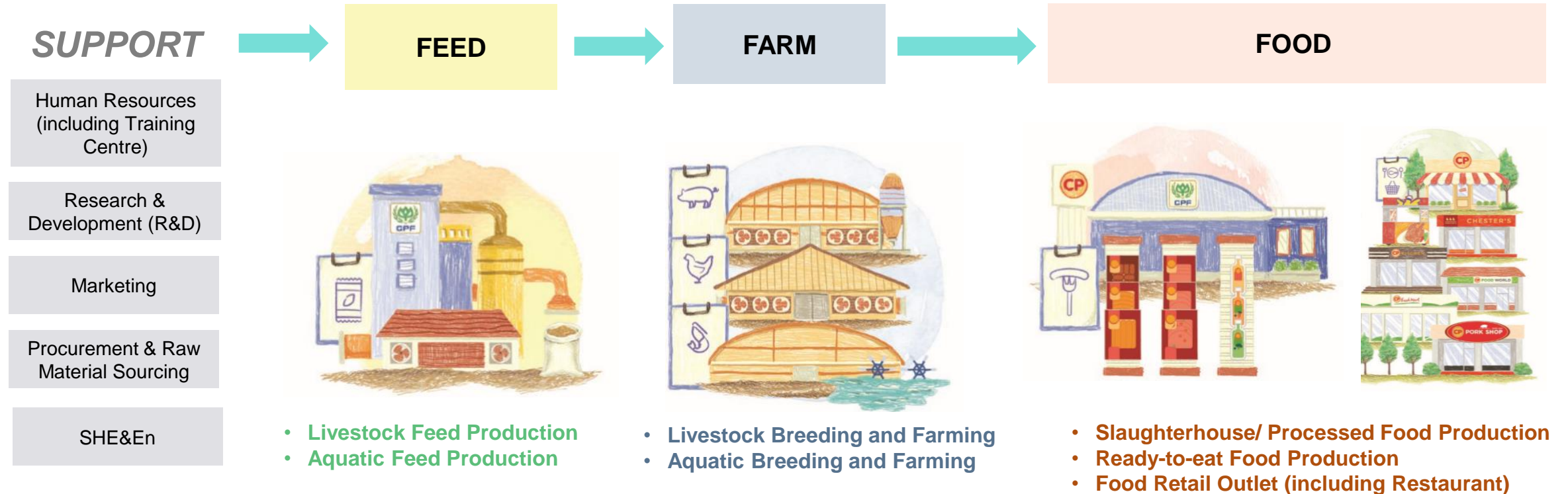
CPF upholds and respects human rights as reflected in The United Nations Universal Declaration of Human Rights (UNDHR) and The International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. The Company's commitment to respecting human rights is derived from continuous efforts in running the business ethically and responsibly.

- CPF Human Rights Policy was prepared in accordance with international standards, which are the Universal Declaration of Human Rights (UDHR), the United Nations' Guiding Principles on Business and Human Rights (UNGPs) and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.
- The scope of the human rights policy refers to CPF's expectation on human rights compliance not only in their own operation but also subsidiaries, joint-ventures, suppliers and business partners. The policy extends its coverage of the Company's merger and acquisition programmes forthwith and the human rights aspects shall be one of the key elements in deliberation and resolution
- CPF's commitment to respect human rights also has been explicitly embedded through the key corporate policies such as Corporate Governance Policy, CPF Code of Conduct, Corporate Social Responsibility towards Sustainability Policy, Employment and Labor Management Policy, Diversity and Inclusion Policy, Safety, Health, Environment and Energy Vision, Mission, and Policy, Sustainable Sourcing Policy and Supplier Guiding Principle

Source: [CPF Human Rights Policy](#)

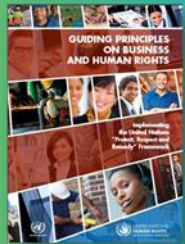
3 Human Rights Risk Assessment

As part of the human rights due diligence, in 2022 CPF has performed a human rights risk assessment in order to identify human rights risks and prevent human rights violations or other adverse impacts on human rights from occurring in its operations and value chain. The human rights risk assessment covered **100% of CPF operational sites (in Thailand and Overseas) including its subsidiaries and joint ventures with management control, covering CPF's value chain and business activities (i.e. Feed, Farm, Food and Business Support Functions). The assessment also covered CPF's Suppliers and Business relationship, including joint ventures without management control.**



Human Rights Risk Assessment Methodology

The conduct of the risk assessment and due diligence is guided by the UN Guiding Principles on Business and Human Rights (UNGPR) to assess actual and potential impacts.



RISK RANKING

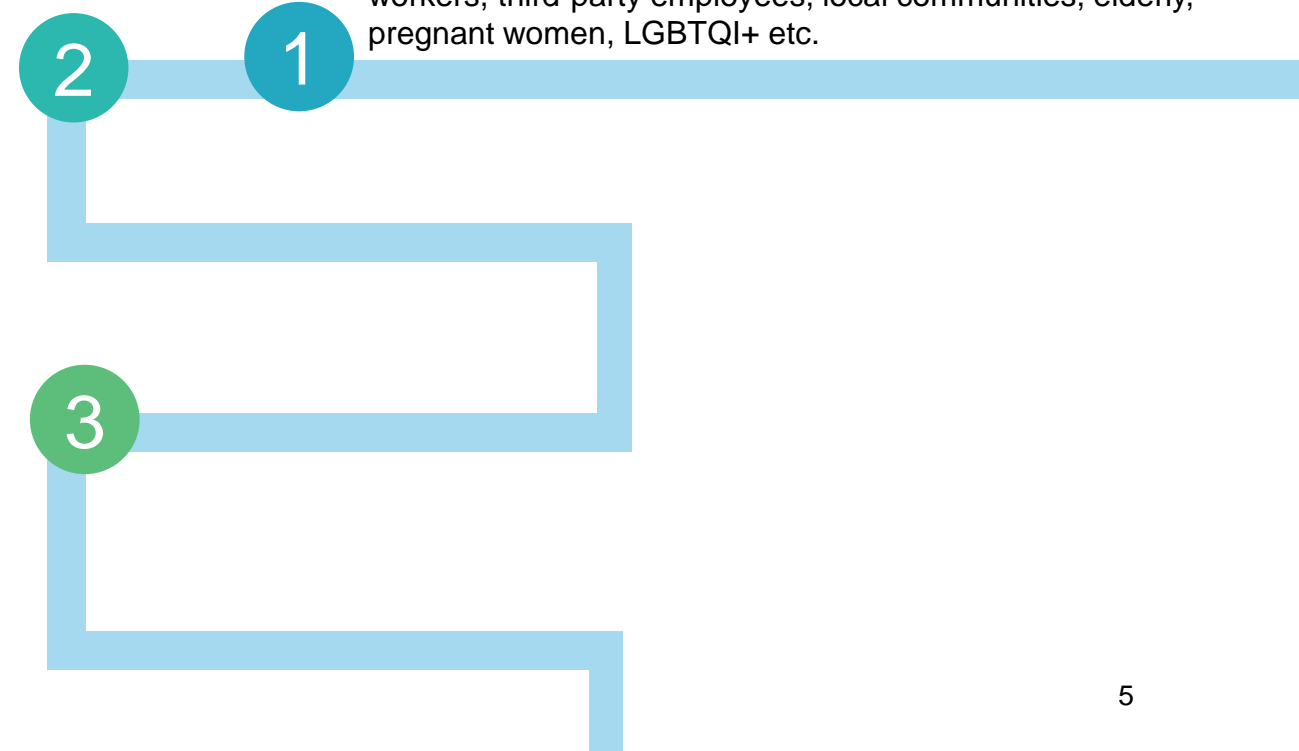
- Ranking inherent risks (risks without controls/ measures) of identified human rights issues.
- Ranking residual risks (risks with controls/ measures) for identified human rights issues which have high level of inherent risk

PRIORITIZATION OF HUMAN RIGHTS ISSUES

- Prioritizing residual human rights risks – high risk level – for future actions to reduce the risk levels.

ISSUE IDENTIFICATION

- Issues are identified through reviewing common human rights issues from peers and a media analysis. The actual and potential human rights issues cover forced labor, human trafficking, child labor, freedom of association, rights to collective bargaining, equal remuneration, and discrimination and harassment in any forms.
- Identification of affecting groups, including vulnerable groups, i.e. women, children, indigenous people, religious groups, migrant workers, third-party employees, local communities, elderly, pregnant women, LGBTQI+ etc.



Step 1: Human Rights Issue Identification

Employee Practices



- Working Condition
- Health and Safety
- Discrimination and Harassment
- Freedom of association and Right to collective bargaining
- Illegal forms of labors (including Child labor, Forced labor and Human trafficking)

Community Practices



- Health and Safety
- Standard of Living, and Water & Sanitation
- Land Acquisition and Forced Re-settlement

Customer / Consumer Practices



- Health and Safety
- Data Privacy
- Discrimination and Harassment

Supplier/Contractor Practices

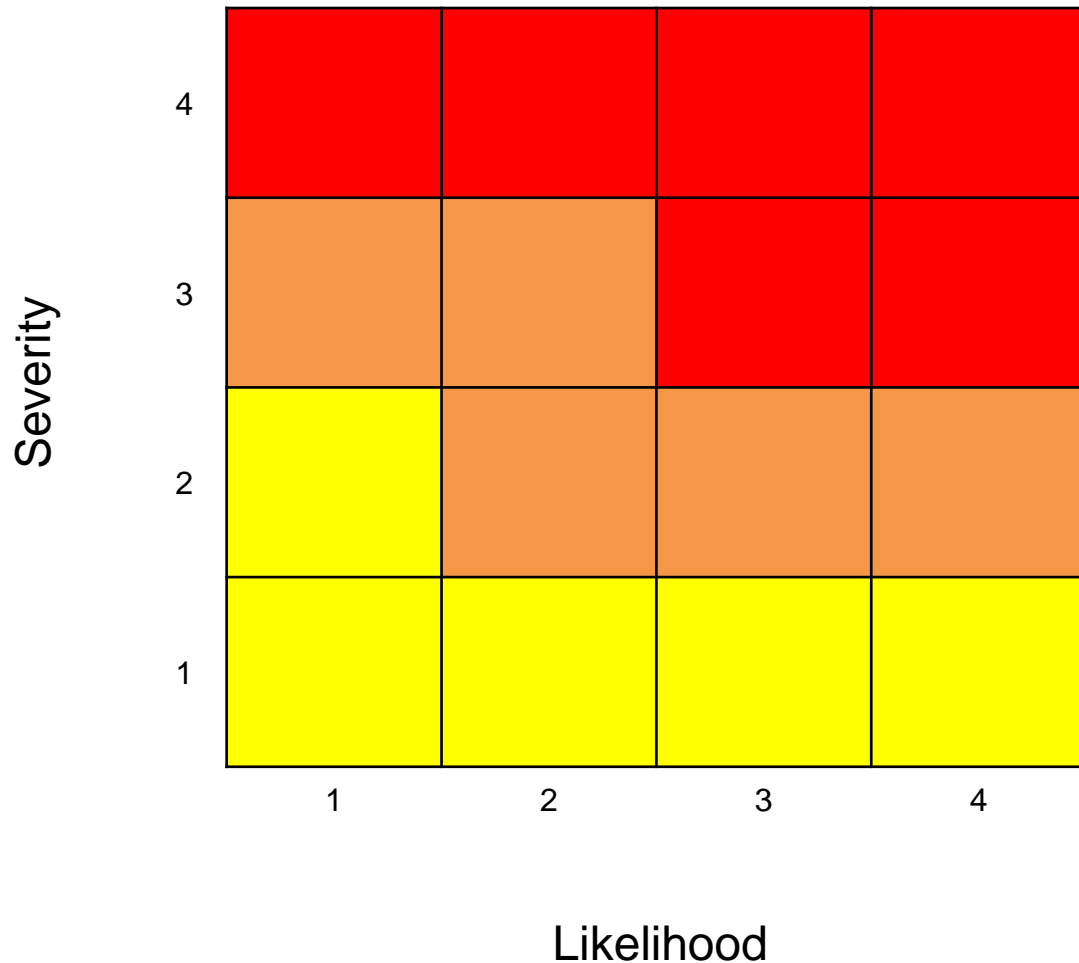


- Working condition
- Health and Safety
- Discrimination and Harassment
- Illegal forms of labors (including Child labor, Forced labor and Human trafficking)

Security Force/ Security Management

Remark: These human rights issues are relevant to both CPF's own operation and its value chain.

Step 2: Risks Ranking



CPF conducted the assessment of human rights risk by using a 4x4 matrix to determine the significance of the human rights, based on 2 dimensions: **severity and likelihood**.

The assessment takes into account vulnerable groups, specifically employees, children, indigenous people, migrant labour, third-party employees, and local communities.

Risks are assessed and categorized as one of three levels:

Legend

High Risk

Medium Risk

Low Risk

Remarks

Residual risks that are ranked as high ■ are considered key risks – i.e. salient issues – that require a re-evaluation of the effectiveness of existing controls and discussion of further controls to reduce risk levels.

Step 3: Prioritization of Human Rights Issues

CPF prioritized its **human rights salient issues** which are the human rights issues at risk of the most severe negative impact through the company's activities, its value chain, and business relationships. In 2022, **CPF has the following salient issues** as a result of risk assessment on its business activities throughout CPF's own operation and its value chain.

2022 Human Rights Salient Issues

Own Operations

(including Joint Ventures where CPF has management control)

- Employee Health and Safety
- Community Health and Safety
- Community Standard of Living, and Water & Sanitation
- Customer/ Consumer Health and Safety
- Supplier Health and Safety

Tier-1 Suppliers

- Working Conditions (i.e. working hours, employee benefits)
- Employee Health and Safety

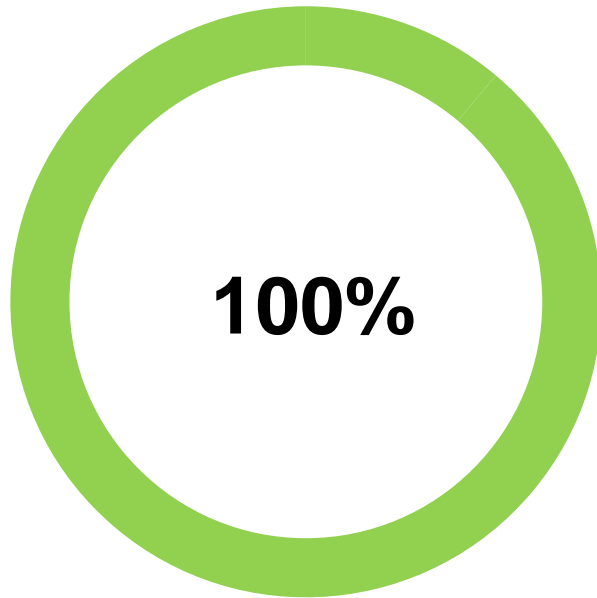
Joint Ventures

(without management control)

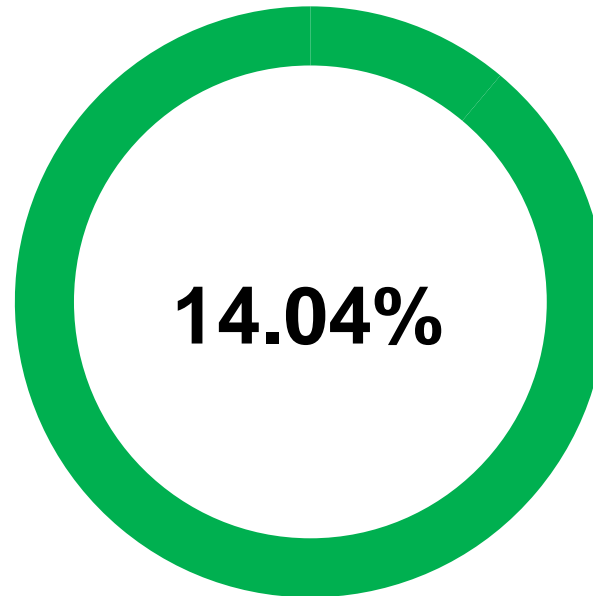
- No salient issue

Result of 2022 CPF Human Rights Risk Assessment

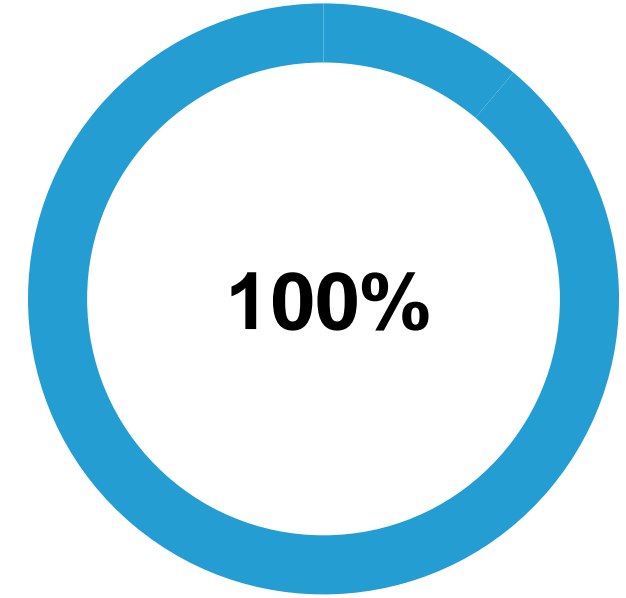
Own Operations



- 100% of CPF operational sites (total of 4,502 sites) were assessed.
- CPF operation sites consist of subsidiaries and joint ventures that have controls on management



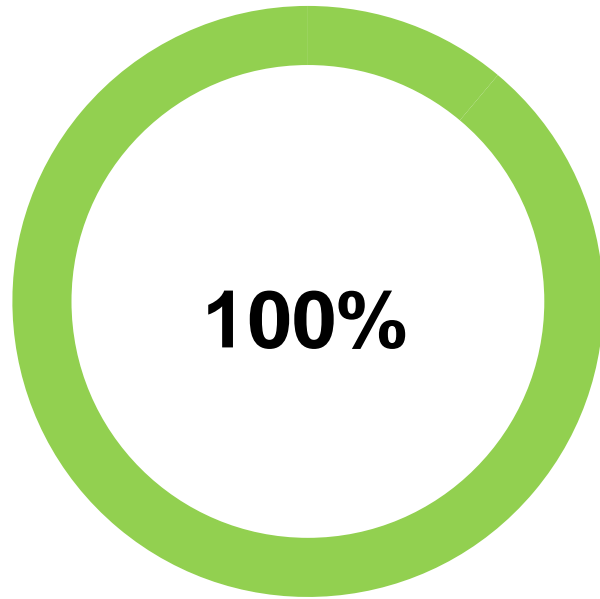
- 14.04% of CPF operational sites (632 out of 4,502 sites) are at human rights risks
- 5 identified human rights issues appears to have high risk.



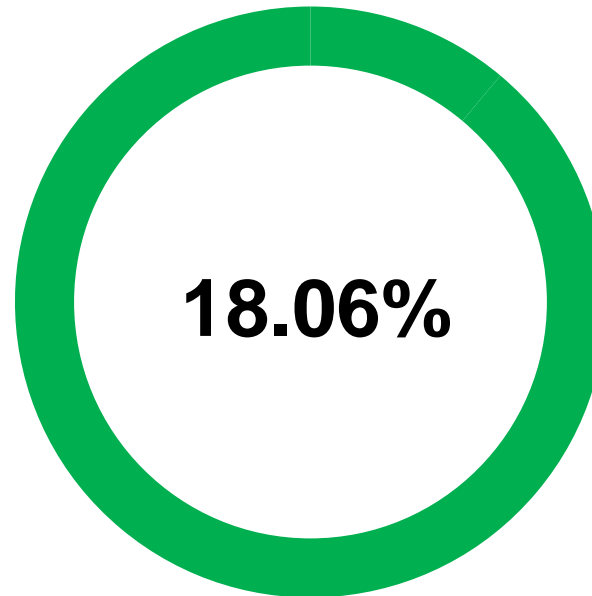
- 100% of CPF operational sites (632 out of 632 sites identified with human rights risks) have mitigation measures and remediation process implemented

Result of 2022 CPF Human Rights Risk Assessment

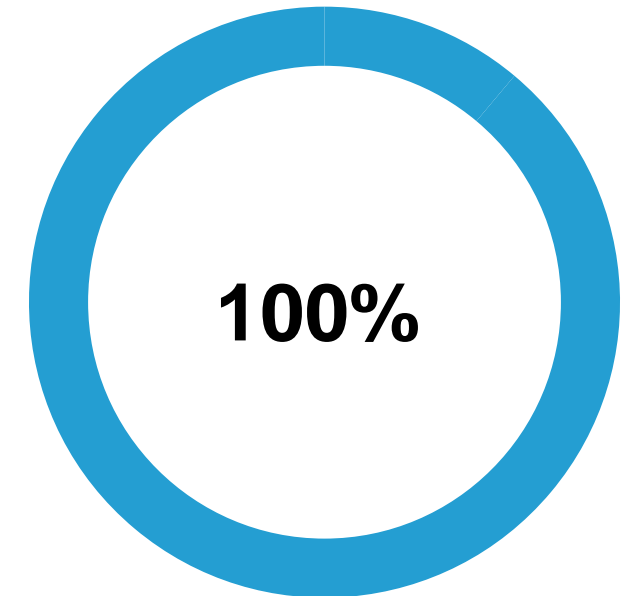
Tier-1 Suppliers



- **100% of CPF's Tier-1 suppliers (total of 8,014 suppliers) were assessed.**



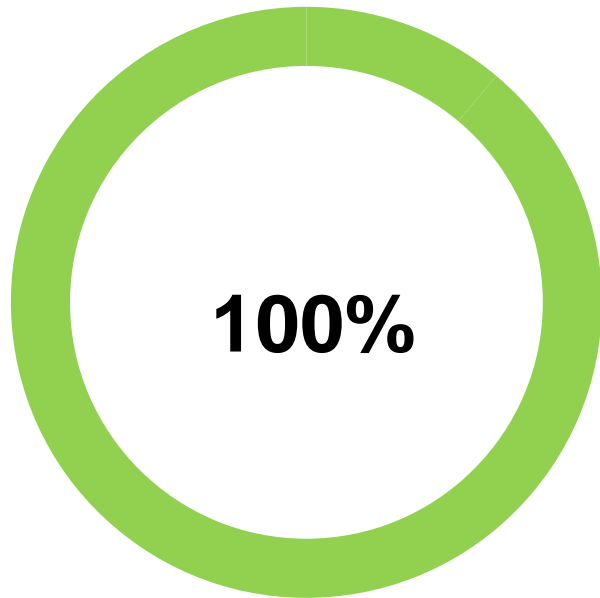
- **18.06% of CPF's Tier-1 suppliers (1,447 out of 8,014 suppliers) are at human rights risks**
- **2 identified human rights issues appears to have high risk, in Supplier group: Packaging, and Corn Collector**



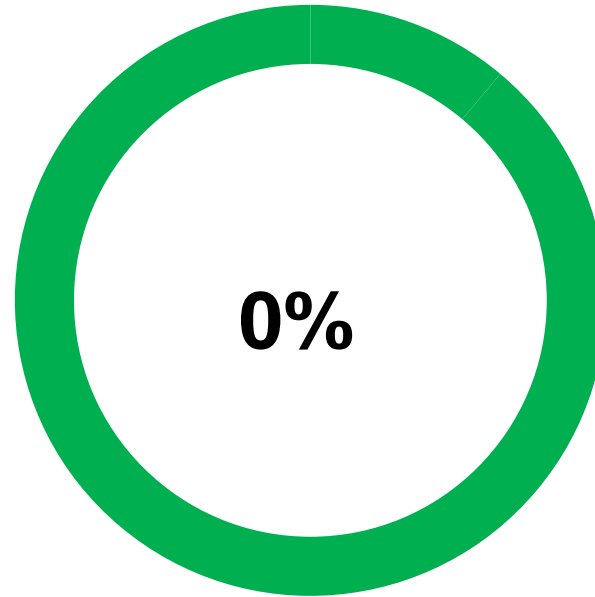
- **100% of CPF's Tier-1 suppliers (1,447 out of 1,447 suppliers identified with human rights risks) have mitigation measures and remediation process implemented**

Result of 2022 CPF Human Rights Risk Assessment

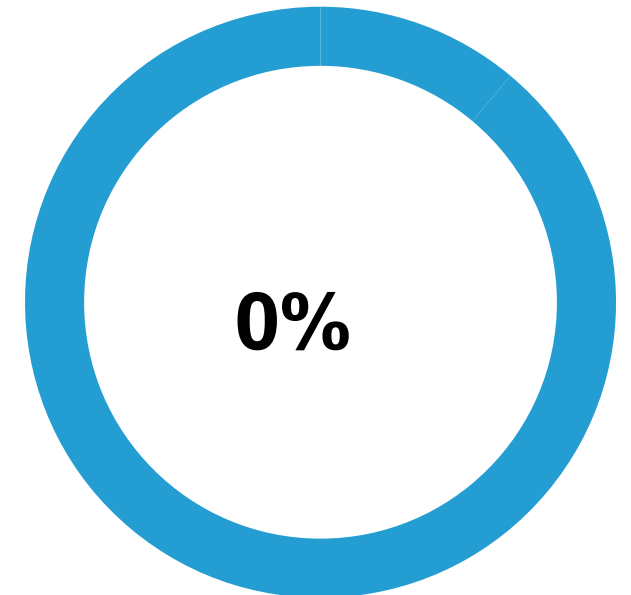
Joint Ventures



- **100% of CPF's joint ventures (total of 10 joint ventures) were assessed.**



- **0% of CPF's joint ventures (0 out of 10 joint ventures or no joint ventures) are at human rights risks**



- **0% of CPF's joint ventures (no joint ventures identified with human rights risks) have mitigation measures and remediation process implemented**

4

Integrating and Acting

Upon identification of high human rights risks (salient issues), CPF ensures effectiveness of its existing mitigation measures as well as develop additional actions to reduce the likelihood of the adverse human rights risk occurring or reduce severity of the risk or impact to the affected stakeholders and vulnerable groups.

4

Integrating and Acting



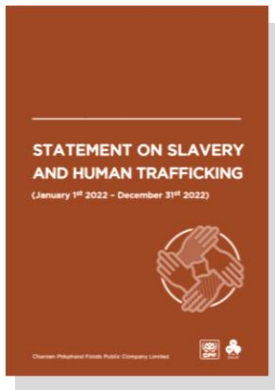
Corporate Governance Personal Data Protection Policy Global Vision for Antimicrobial Sustainability Policy Code of Conduct



Tax Policy Human Rights Policy Employment and Labour Management Policy Foreign Worker Recruitment in Thailand Non-Discrimination and Anti-Harassment Policy



Human Rights Policy



Statement on Slavery and Human Trafficking



Diversity and Inclusion Policy Health and Nutrition Policy CPF Healthier Choice Principles CPF Quality Policy CPF Food Traceability Policy



Animal Welfare Policy Genetically Modified Organisms Policy Sustainable Sourcing Policy and Supplier Guiding Principle Safety, Health, Environment and Energy Vision, Mission and Policy Sustainable Packaging Policy and Principle Based on Circular Economy Concept

2022 Human Rights Salient Issues

Own Operations (including Joint Ventures where CPF has management control)

1. Employee Health and Safety
2. Community Health and Safety
3. Community Standard of Living, and Water & Sanitation
4. Customer/ Consumer Health and Safety
5. Supplier Health and Safety

1. Employee Health and Safety

Own Operations

Right Holders

- Employees

Business at risks

- Feed (Thailand and Overseas)
- Farm (Thailand and Overseas)
- Food (Thailand and Overseas)

Description

As health and safety incidents from working in CPF activities can result in employees' injuries, human rights related to workers' health and safety (i.e. right to health) may be violated.

Examples of potential risks include:

- Forklift, tractor accidents
- Improper machinery handling, Machinery malfunctions
- Chemical burns
- Tripping and slipping due to obstacles in working area
- Ergonomic injuries



Mitigation Measures

- CPF Code of Conduct
- Employee and Labor Management Policy
- Human Rights Policy
- Safety, Health, Environment and Energy Vision, Mission and Policy
- Occupational health, safety and environment committee
- CPF Healthier Choice Principles
- CPF SHE&En Standard
- Occupational health, safety and environment committee
- Personal prevention equipment (PPE) (i.e. temperature resistant clothes)
- OHS Certification (e.g. OHSAS 18001)
- Grievance/ complaint channels
- Safety training for all employees, including company-specific driver's test

2. Community Health and Safety

Own Operations

Right Holders

- Surrounding communities of CPF's operational sites

Business at risks

- Feed (Thailand and Overseas)
- Food (Overseas)

Description

Accidents may occur from CPF activities in Feed and Food productions (e.g. factory operations and manufacturing activities) which may impact the community's right to health.

These activities and operations may present potential risks such as:

- Logistic and road accidents during transportation process
- Fumes and chemical leakage from operations

Mitigation Measures

- CPF Code of Conduct
- Human Rights Policy
- Corporate Social Responsibility towards Sustainability Policy
- Safety, Health, Environment and Energy Vision Mission and Policy
- ISO Certifications (e.g. ISO 14040, 14044, 14046)
- Compliance with CPF SHE&En Standard covering requirements for vehicles
- Incident notification to supervisors and managers
- Grievance/ complaint mechanism for local communities
- Visiting community to listen people's opinions and concerns



3. Community Standard of Living, and Water & Sanitation

Own Operations

Right Holders

- Surrounding communities of CPF's operational sites

Business at risks

- Feed (Overseas)

Description

Accidents may occur from CPF activities that impacts communities livelihood and standard of living.

Examples of potential risks are as follows:

- Wastes and pollution – e.g. odor from business activities affecting surrounding communities
- Waste and hazardous waste disposal
- Water contamination
- Disturbance from truck transportation
- Operational impacts towards lifestyle, occupations and access to public utilities of community members



Mitigation Measures

- CPF Code of Conduct
- Human Rights Policy
- Corporate Social Responsibility towards Sustainability Policy
- Safety, Health, Environment and Energy Vision, Mission and Policy
- ISO Certifications (e.g. ISO 14040, 14044, 14046)
- Compliance with CPF SHE&En Standard covering requirements for vehicles
- Environment and Water risk assessment
- Grievance/ complaint mechanism for local communities
- Visiting community to listen people's opinions and concerns

4. Customer/ Consumer Health and Safety

Own Operations

Right Holders

- Customer/ Consumer

Business at risks

- Food (Overseas)
- Business supports (Thailand)

Description

CPF's food products are distributed to various retail locations, and are consumed by very diverse customers in different contexts and with different health conditions.

This presents potential risks in the product's impact on consumers, such as contamination in food products (e.g. hair, plastic, and metal), damaged food product packages.



Mitigation Measures

- CPF Code of Conduct
- Human Rights Policy
- CPF Quality Policy
- CPF Food Traceability Policy
- Health and Nutrition Policy
- CPF Healthier Choice Principles
- Investigation process
- Traceability system
- Management and monitors of customers' expectations
- Promptly taking action in accordance with customers' complaints
- Team for solving problems of non-standard products

5. Supplier Health and Safety

Own Operations

Right Holders

- Suppliers and sub-contractors' workers

Business at risk

- Feed (Overseas)
- Farm (Overseas)
- Food (Overseas)

Description

As health and safety incidents from working in CPF activities can result in injuries to suppliers that are working in CPF's operations.

Examples of potential risks include:

- Logistic accidents
- Improper machinery handling, Machinery malfunctions
- Tripping and slipping due to obstacles in working area
- Ergonomic injuries



Mitigation Measures

- CPF Code of Conduct
- Human Rights Policy
- Sustainable Sourcing Policy and Supplier Guiding Principle
- Safety, Health, Environment and Energy Vision, Mission and Policy
- OHS Certification (e.g. OHSAS 18001)
- Occupational health, safety and environment committee
- Compliance with CPF SHE&En Standard covering requirements for vehicles
- Personal prevention equipment (PPE)
- Grievance/ complaint channels for suppliers and contractors

4

Integrating and Acting

Mitigation Measures

- Communicate CPF's Policy and Commitments to suppliers
 - Human Rights Policy
 - Non-Discrimination and Anti-Harassment Policy
 - Sustainable Sourcing Policy and Supplier Guiding Principle
 - Employment and Labor Management Policy
 - Safety, Health, Environment and Energy Vision, Mission, and Policy
 - Statement on Slavery and Human Trafficking
- CPF Supply Chain ESG Management Approach
- Grievance/ Complaint channels

2022 Human Rights Salient Issues

Tier-1 Suppliers

- **Working Conditions (i.e. working hours, employee benefits)**
- **Employee Health and Safety**

(Risks identified in Supplier group: Packaging, and Corn Collector)

5

Tracking &

6

Communicating

CPF is committed to conduct regular review of human rights due diligence as it is an on-going process. Furthermore, the company monitors and evaluates its existing mitigation measures to ensure continual improvements through improving stakeholder-engagement strategies to address concerns raised through the grievance mechanism, revising the social and environmental management system, improving management plans to handle impacts and implementing corrective actions.

CPF publicly disclose its human rights performance on an annual basis through sustainability report, annual report, or the company's website.

Communication Channel

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E-mail: iaoffice@cpf.co.th

www.cpfworldwide.com



Stakeholder Engagement

CPF believes that stakeholder engagement is a critical foundation to building and becoming a sustainable organization. This process will enable CPF to learn from its experience, the progress of its efforts, the potential human rights risks it faces, and how should the company mitigate its human rights risks and adverse impacts.

CPF continuously conducts an analysis and review to thoroughly identify stakeholders and emphasize on continuous engagement through a variety of activities and communication channels, such as meetings, open dialogues, survey, site visits, social media, phone, e-mail, etc. Detail of stakeholder engagement can be found at https://www.cpfworldwide.com/en/sustainability/stakeholder_engagement.

8

Remediation & Grievance Mechanisms

CPF is committed to conduct human rights risk assessment within an appropriate timeframe in conjunction with preparing risk prevention and mitigation measures, providing reasonable remedies in cases of violations, monitoring and reporting performance, as well as reviewing policy commitment to ensure maximum effectiveness in human rights management.

As there were no human rights violation cases in 2022, there were **no remediation measures necessary and taken.**