



Charoen Pokphand Foods Plc.

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CPF eyes 10% yearly rise in chicken sales

Bangkok Post, September 26, 2018

Charoen Pokphand Foods Plc (CPF), an agro-industrial and food conglomerate, wants to increase total revenue from its chicken business by 10% annually to reach 50 billion baht within three years.

Revenue from the chicken business is valued at 45 billion baht now, including 22 billion from chicken exports (60% of which are further-processed products and 40% are frozen products), with the rest coming from domestic consumption.

Prasit Boondoungprasert, chief operating officer for chicken business and international trade, said revenue growth will be driven by the company's overseas operations and how fresh and frozen products will be processed further into higher value added products.

"Domestic production capacity is expected to grow slightly, as is our capacity in Vietnam, where a new plant is being constructed and is expected to begin operations by 2020," Mr Prasit said.

CPF has invested 2.5 billion baht in two domestic processed-chicken production factories. Total domestic production capacity is 12,500 tonnes a week, while additional production capacity is 2,500 tonnes a week.

Additional production capacity is expected to be fully utilised within the next three years, Mr Prasit said.

At the beginning of 2020, an export-oriented integrated plant in Vietnam worth US\$250million will start operations with a production capacity of about 1 million chickens a week, he said.

This is expected to drive chicken exports over the next three to four years by a million chickens a week.

Mr Prasit said the Vietnam plant will be both the company's and the country's first production plant there, as the Vietnamese government has asked CPF to establish an export standard for chicken products.

Global trade still faces several uncertainties stemming from Brexit and the Sino-US trade dispute, he said.

"We must prepare for this by diversifying production and sales, as well as foreign exchange risk management," Mr Prasit said.

He said the company diversified its production base into Poland nearly three years ago, with production capacity standing at 2 million chickens a week. That plant enables a smooth supply chain in Europe.

The company has also acquired two new trading companies in Britain and one German trading company to build its sales network in Europe.

At present, CPF's major export markets are Britain, Japan, Germany and the Scandinavian countries.

CPF retains in DJSI list for 4th year

Bangkok Biznews September 14, 2018

Charoen Pokphand Foods PLC (CPF) has been recognized in Dow Jones Sustainability Indices (DJSI) Emerging Markets 2018, a globally recognized sustainability index, for four consecutive years.

CPF is among 16 high profile companies in the FOA Food Products industry group selected from 104 companies across the world, reflecting its success in putting its self-developed philosophy of “3 Benefits to Sustainability” into practice.

Mr. Wuthichai Sithipreedanant, Senior Vice President for CSR & Sustainability of CPF, said the continuous improvement in the area of sustainability has helped the company to retain a status in DJSI.

In 2018, the company has an outstanding score on health and nutrition, climate strategy, water related risks, environmental reporting, and social reporting. In addition, it shows significant improvement in the area of operational eco-efficiency, environmental policy & management system and tax strategy.

“Being a regular member of DJSI reflects CPF’s strong commitment to drive a business toward a broad and dynamic context of sustainability. CPF is dedicated to growing business and concurrently creating returns and shared values for stakeholders and the world based on our core philosophy, “3 Benefits for the Country, People, and Company”” he said.

Mr. Wuthichai added that CPF places importance on Health and Nutrition as well as environmental management. It sets target for 2020 as the direction to guide the company towards sustainable journey with measurable and concrete goals.

In 2017, 21% of new product development was healthier and more nutritious products. The company target to achieve 30% by 2020.

On the environmental performance, CPF focuses on four major aspects. The company were able to reduce energy consumption by 12%, GHG Emission per production by 7%, water consumption by 23% and waste disposal to landfill and incineration by 9%. The 2020’s target are to reduce those outputs by 15%, 15%, 25% and 30% respectively.

“The company continues improvement on its governance and transparency. The company is using DJSI to encompass it through sustainable direction. In addition, CPF’s sustainability drive under 3 key pillars - “Food Security”, “Self-Sufficiency Society”, and “Balance of Nature”, based on good governance practices and human resource management,” he said.

DJSI is one of the most highly regarded global sustainability indices, developed jointly by S&P Dow Jones Indices and RobecoSAM.

More than 3,500 leading listed companies in 60 industries across the world are invited to participate in RobecoSAM’s Corporate Sustainability Assessment (CSA), which covers economic, social and environmental dimensions.

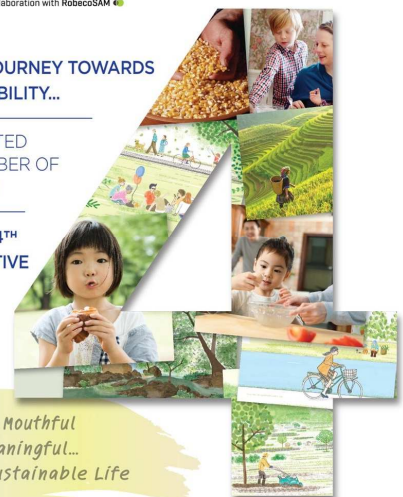


ON THE JOURNEY TOWARDS
SUSTAINABILITY...

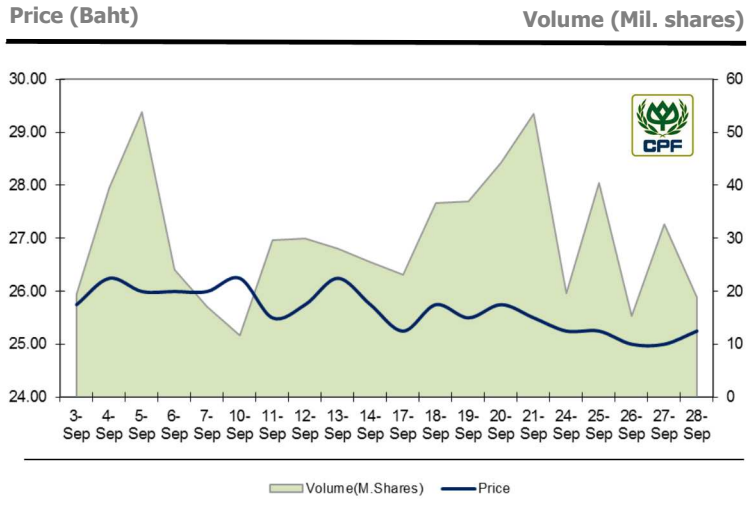
CPF IS LISTED
AS A MEMBER OF
DJSI 2018

FOR THE 4TH
CONSECUTIVE
YEAR.

Every Mouthful
is Meaningful...
for Sustainable Life



Price Performances: CPF



September 2018	
Highest Price	26.50
Lowest Price	24.80
Closed Price	25.25
Average Volume/Day (Shares)	30,011,900

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