

SUMMARY REPORT |

CPF's Suppliers Human Rights Impact Assessment 2024

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Sustainability is our business



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1. Background and Context

Why Conducting HRIA for Suppliers' Employees is Essential to CPF



Strengthens Supply Chain Transparency

Ensures suppliers' labor practices align with CPF's human rights standards.



Reduces Business Risks

Helps mitigate reputational, legal, and operational risks.



Meets Stakeholder and ESG Expectations

Aligns with global standards and builds trust with key stakeholders.



Drives Supplier Improvement

Encourages better labor conditions and sustainable practices.



Enhances CPF's Brand and Competitiveness

Reinforces CPF's image as a responsible and forward-thinking company.

2. Human Rights Impact Assessment Process

Human Rights Impact Assessment (HRIA)

Objectives

HRIA aims to **validate human rights violations and their impacts** directly through inclusive engagement with rights holders.

Scope

HRIA considers **actual impacts** within the supplier context to support risk identification, assessment, and the development of mitigation strategies.

Approach

CPF **conducts online and onsite surveys with supplier's employees** affected from their employer's business operations.

The framework of HRIA uses an anonymous survey format. This approach was specifically designed to protect the privacy of respondents and prevent any possibility of personal identification.

Results

HRIA results are used to **develop recommendations** for closing gaps and preventing recurrence of human rights issues in the supply chain.

Assessment Inputs and Outcomes

Sources for HRIA data analysis in supply chains



CPF's supplier groups and key human rights issues identified for the 2024 supplier HRIA

CPF's Supplier Groups


Food Ingredient


Packaging


Chemical


Fuel


Machinery


Feed Materials

Human Rights Issues Relevant to CPF's Supplier Groups


Employment Condition


Freedom of Association and Collective Bargaining

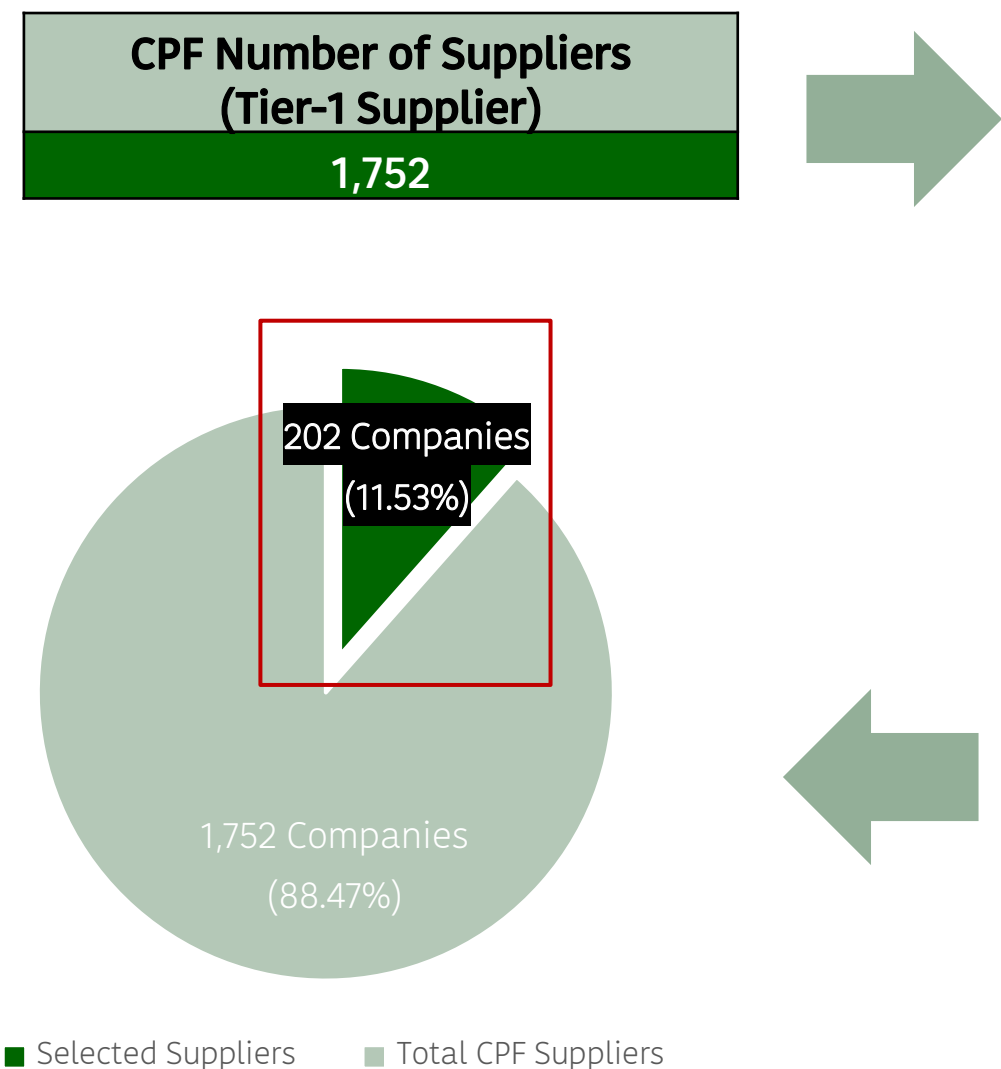

Working Condition


Discrimination and sexual/non-sexual harassment


Occupational Health and Safety


Illegal Forms of Labor

Sample Size Identification



Kerlinger Foundations of Behavioral Research

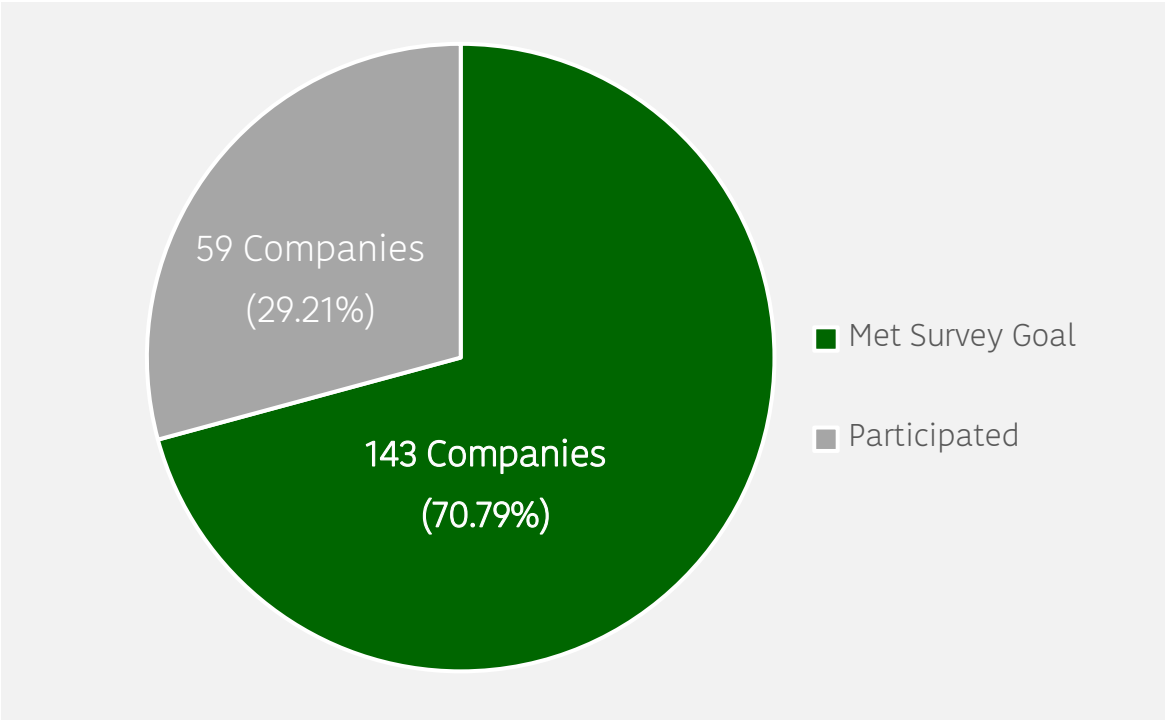
Population	Sample Size
100	25% of population
1,000	10% of population
100,000	1% of population

Reference: Kerlinger. Fred N. *Foundation of Behavioral Research*. 3rd ed. CBS Publishing Japan 1986.

	Sample Size	Selected Target
Suppliers	176	202

Survey Sample Size

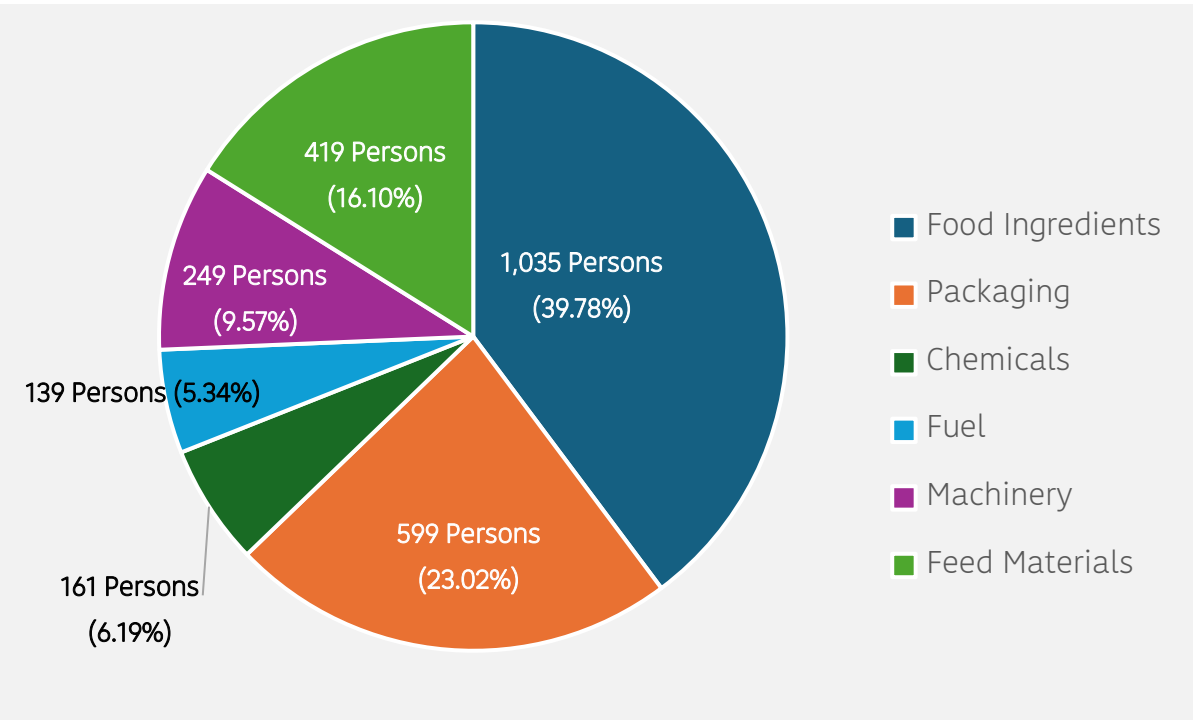
Supplier participation in the assessment (%)



*Average completion rate: 71%
(143 out of 202 target companies)*

Note: Some suppliers have not yet participated in the assessment due to specific constraints, such as the nature of their operations involving small to medium-sized farmer groups and the timing of the survey coinciding with the post-harvest break. These factors have limited their availability during this round of survey.

Suppliers' employees participating in the assessment (%)



*Average participation rate: 86%
(2,615 out of 3,026 target supplier's employees)*

Note: After data screening, low-quality responses were excluded. The final sample size for the HRIA is 2,602 out of 2,615.

Summary Table of Sample Sizes Surveyed by Supplier Group

Supplier Groups	No. of Company		Percentage of completion	No. Sample size (Employees)		Percentage of completion	Sample Size for HRIA Analysis ⁽⁴⁾
	Target	Respondents		Target ⁽¹⁾	Respondents		
Food Ingredient	51	50	98%	958	1,038	108%	1,035
Packaging	21	21	100%	484	600	124%	599
Chemical	10	7	70%	182	162	89%	161
Fuel	17	11	65%	173	141	82%	139
Machinery	18	15	83%	252	252	100%	249
Feed Materials	85	39	46% ⁽²⁾	977	422	43% ⁽²⁾	419
Total	202	143	71% ⁽³⁾	3,026	2,615	86%	<u>2,602</u>

- Remarks:
- (1) Sampling employees (workers) from each supplier company will be 25% of their total employees but will not exceed 25 employees per supplier company (based on Kerlinger research methodology).
 - (2) Out of the targeted group of Feed Materials suppliers, we received responses from 43% of the companies identified, representing 46% of the employees in this group. The limited number of responses, which fell short of the target, was due to several constraints specific to this group, such as the nature of the business involving small to medium-sized farmer groups and the timing coinciding with the post-harvest break. As a result, CPF and ERM jointly decided to close the data collection phase for this group in order to meet the project timeline.
 - (3) When considering the overall principles of social science surveys, the response rate of 71% for the target partner companies and 86% for the predefined sample group is still within acceptable research standards. According to Babbie (1990)^A, Fowler, F. J. (2013)^B, and Dillman et al. (2014)^C a response rate of 60% is considered satisfactory, and 70% is regarded as very good. Bradburn, N. M., & Sudman, S. (1979)^D and Groves et al. (2009)^E state that in field research, data collection can be concluded when the response rate does not significantly increase or when the resources spent exceed the benefits gained from the additional data.
 - (4) Following the screening of the raw data, it was found that some survey responses did not meet the required quality for analysis. As a result, these responses will be excluded from the dataset. Consequently, the sample size used for analysis will differ from the initial number of responses collected.

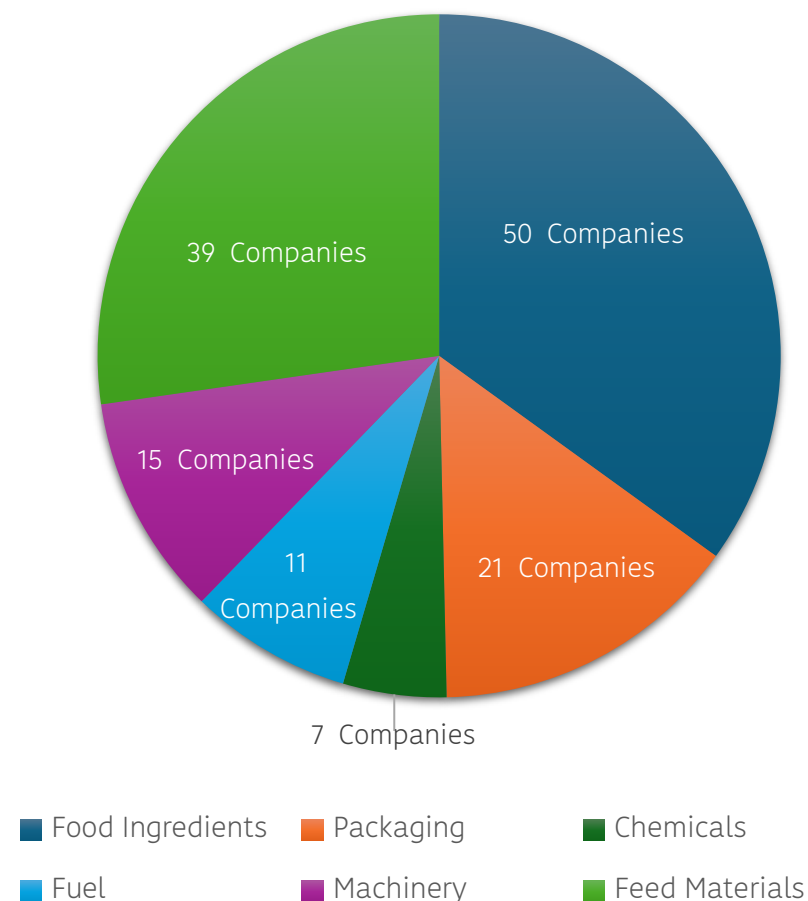
References:

- A. Babbie, E. (1990). Survey Research Methods (2nd ed.). Wadsworth.
- B. Fowler, F. J. (2013). Survey Research Methods (5th ed.). SAGE Publications.
- C. Dillman, D. A., Smyth, J. D., & Christian, L. M. (2014). Internet, Phone, Mail, and Mixed-Mode Surveys: The Tailored Design Method (4th ed.). Wiley.
- D. Bradburn, N. M., & Sudman, S. (1979). Improving Interview Method and Questionnaire Design.
- E. Groves, R. M., Fowler, F. J., Couper, M. P., Lepkowski, J. M., Singer, E., & Tourangeau, R. (2009). Survey Methodology (2nd ed.).

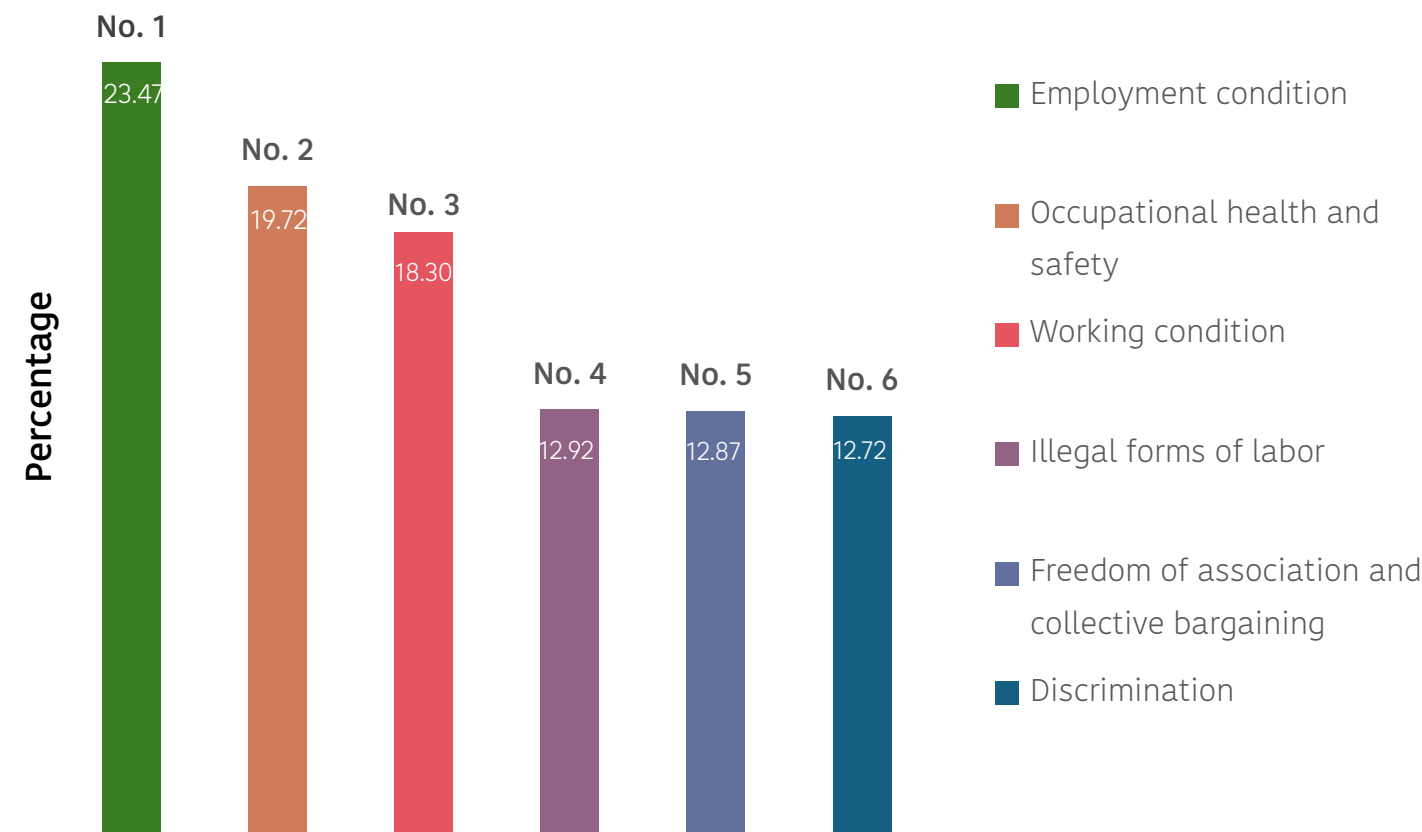
3. CPF's Suppliers Human Rights Impact Assessment Results

General Information of the Respondents

Response of Suppliers by Group



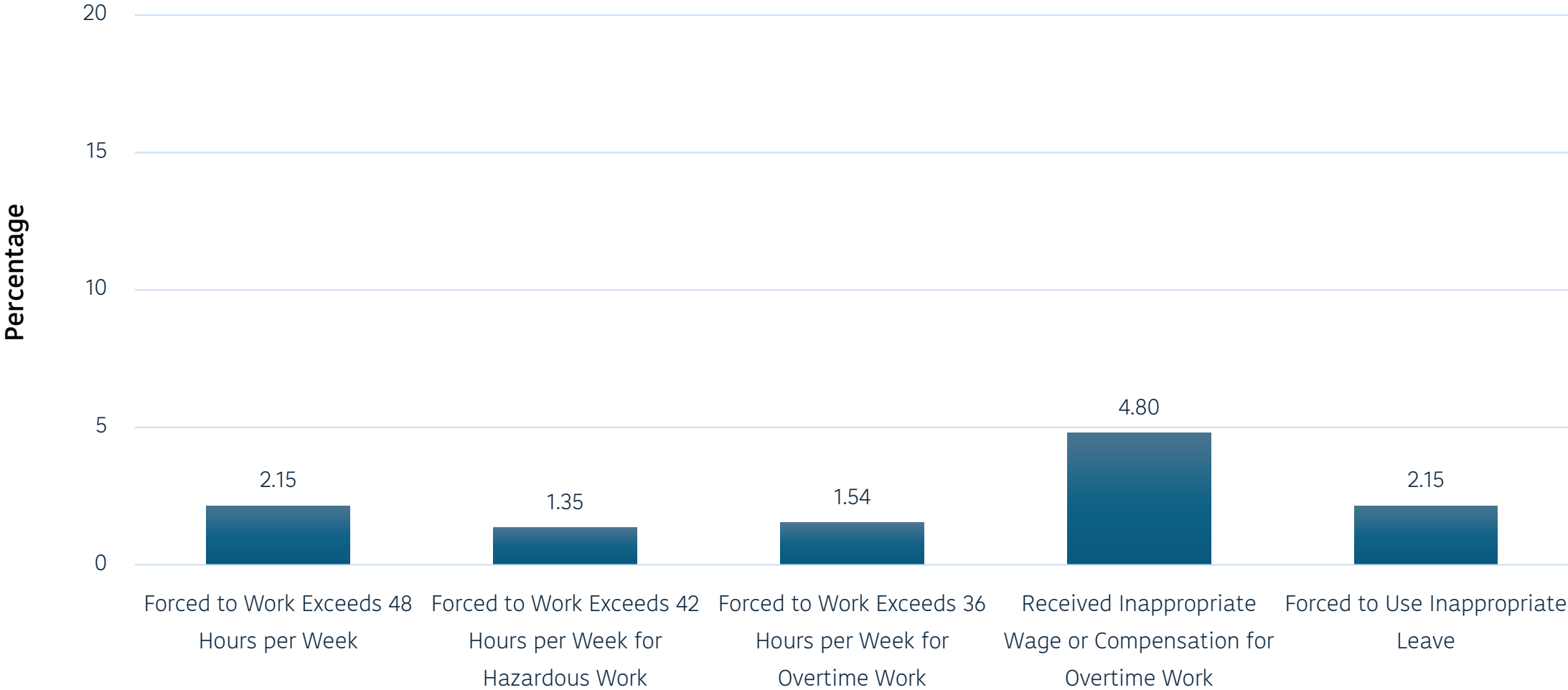
Ranking of Human Rights Aspects for Company Prioritization



Total number of respondents 2,602 people

Employment Condition Issues

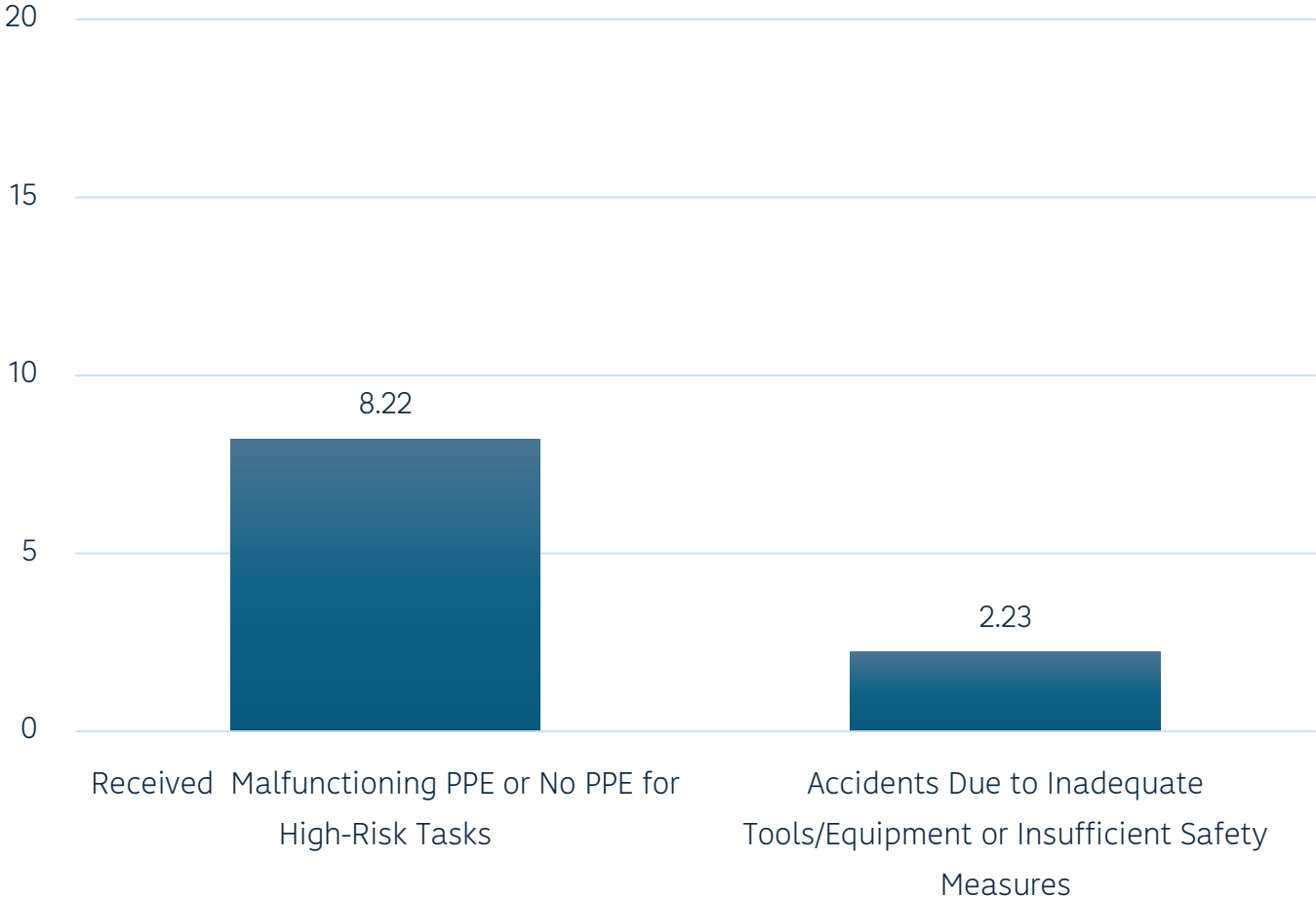
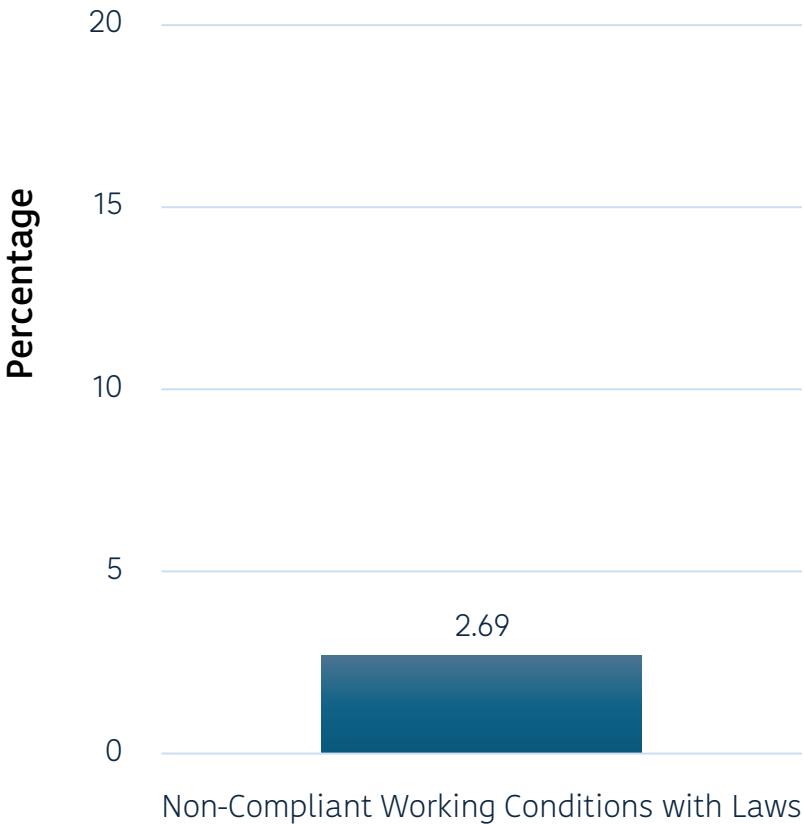
People who reported that their human rights have been violated, or have witnessed cases of violations



Working Condition Issues

Occupational Health and Safety Issues

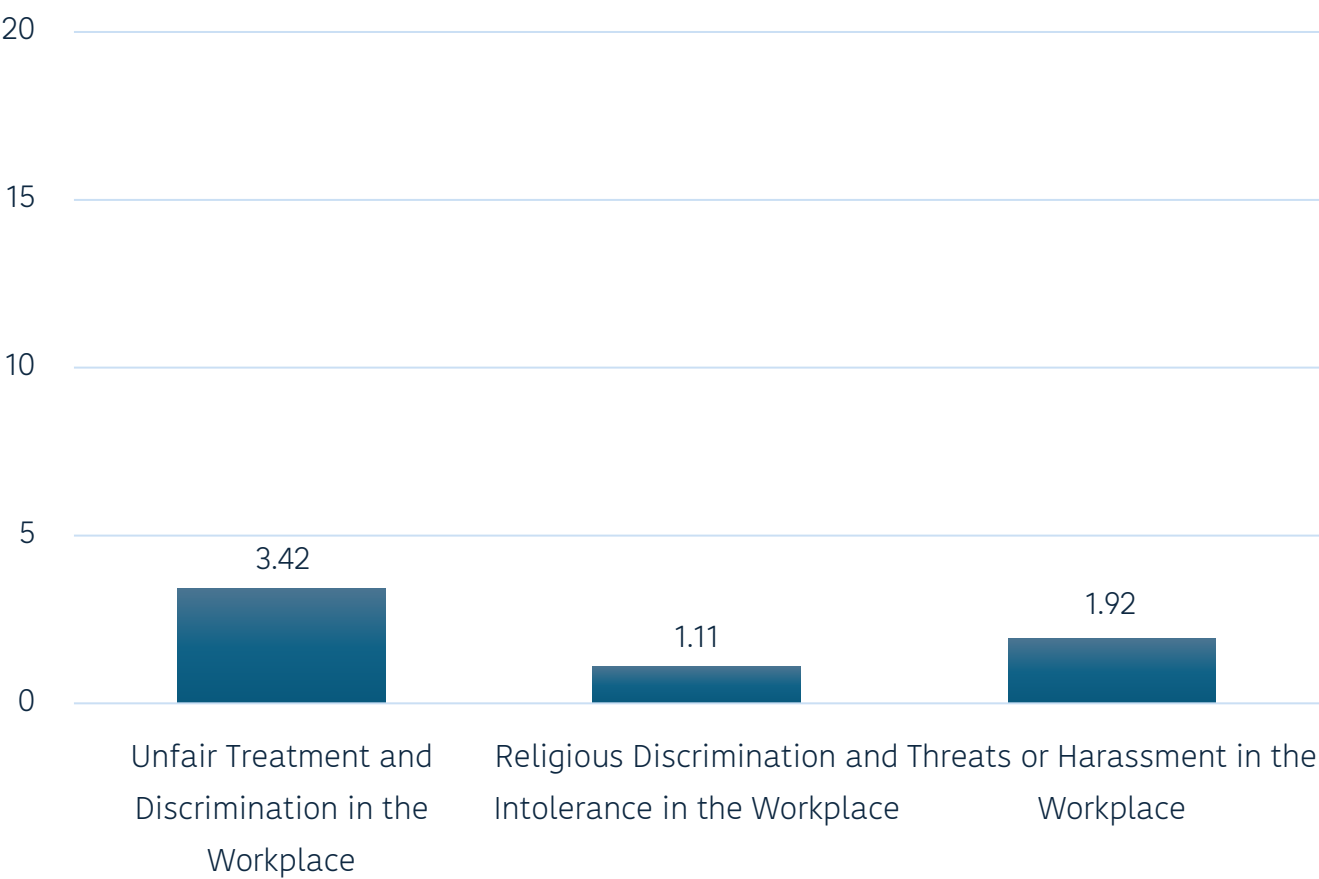
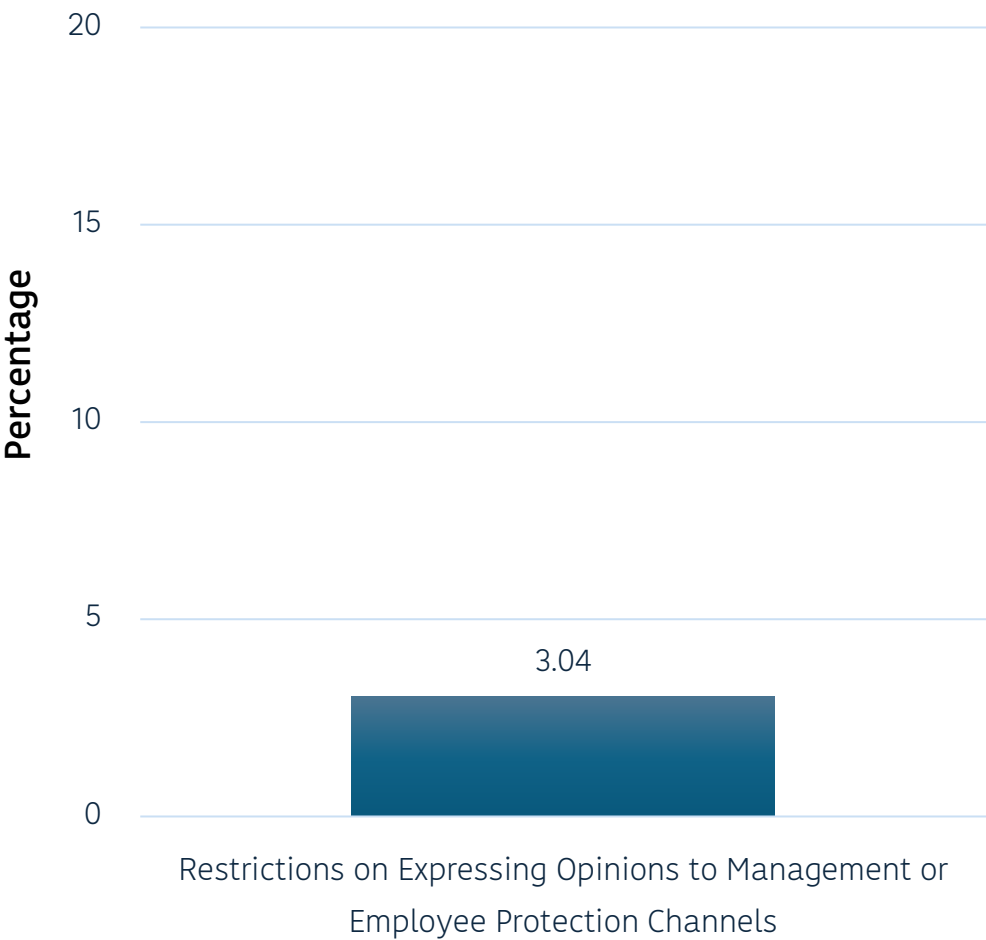
People who reported that their human rights have been violated, or have witnessed cases of violations



Freedom of Association and Collective Bargaining Issues

Discrimination and Harassment Issues

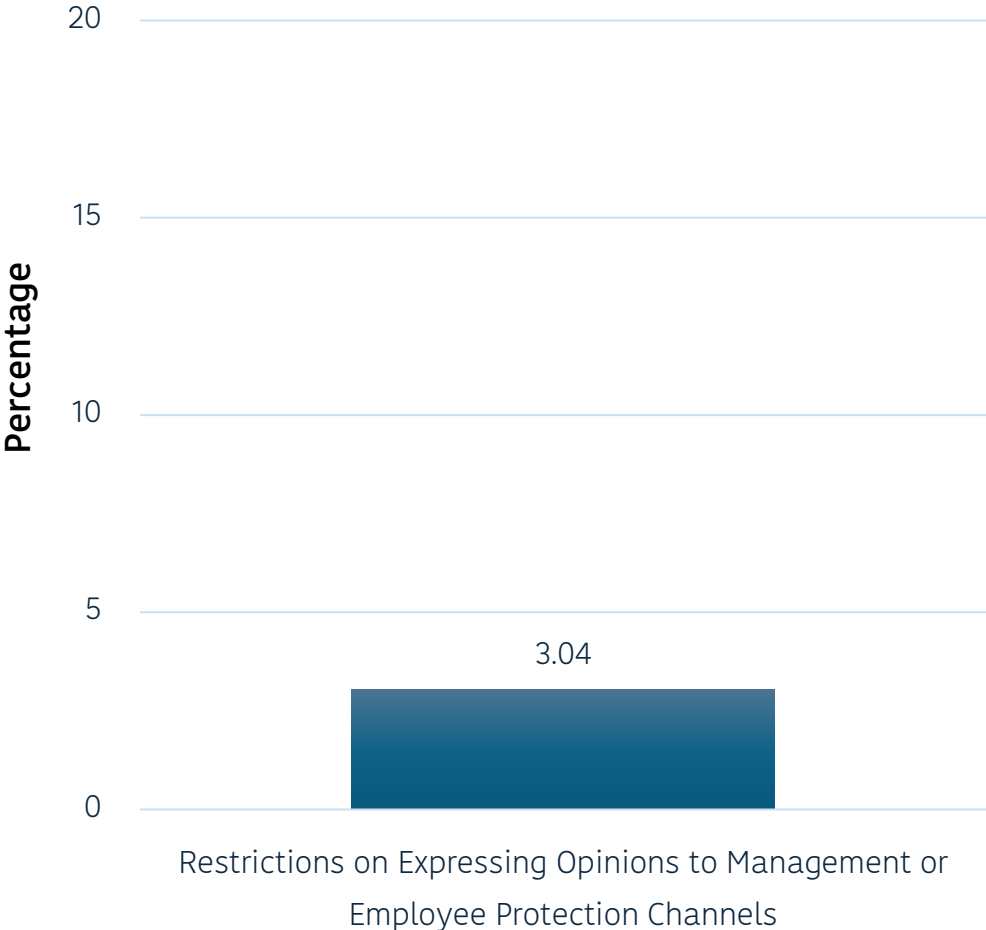
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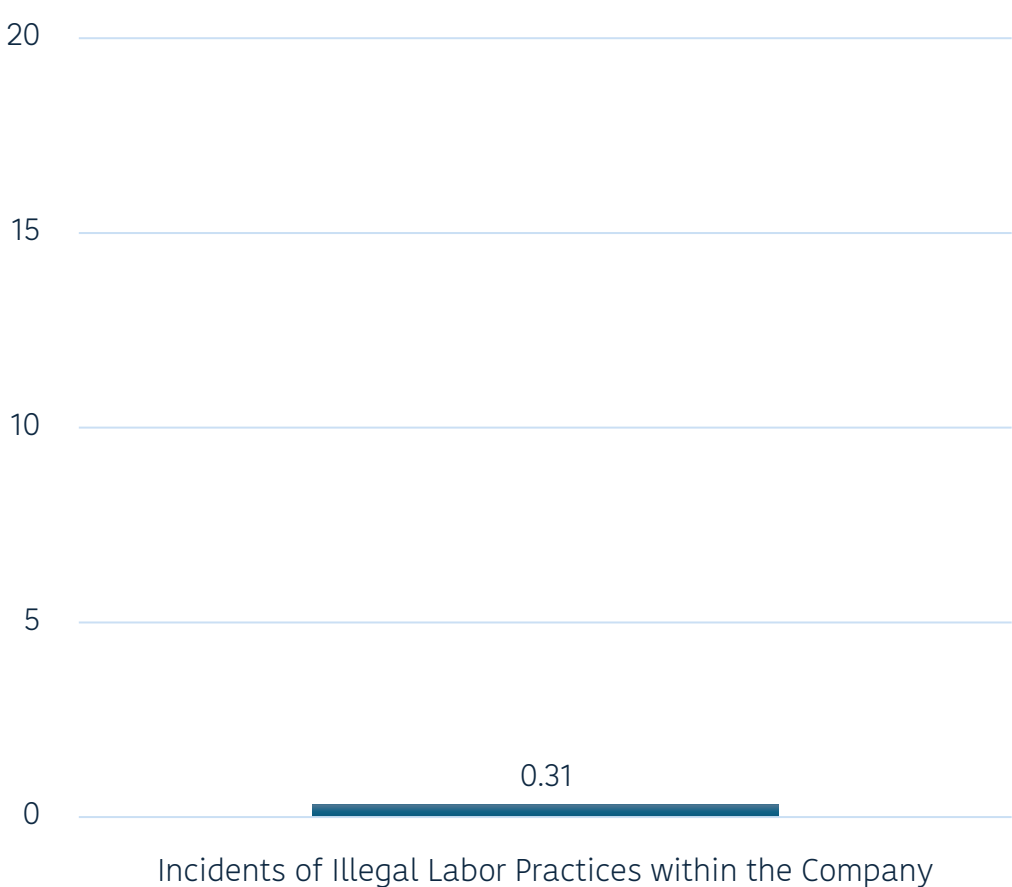
Freedom of Association and Collective Bargaining Issues

People who reported that their human rights have been violated, or have witnessed cases of violations



Illegal Forms of Labor Issues

People who reported that their human rights have been violated, or have witnessed cases of violations



Other suggestions regarding human rights, including the guidelines and measures that the Company should prioritize.

“บริษัทควรมีการอบรมให้ความรู้พนักงานในประเด็นด้านสิทธิมนุษยชน พร้อมการประเมินความเข้าใจของพนักงานเพื่อจะได้ทราบว่าควรให้ความสำคัญประเด็นใด” - ชุติกิจส่วนประกอบอาหาร

“ต้องการให้บริษัทให้ความสำคัญประเด็นความเท่าเทียม การไม่เลือกปฏิบัติ และการเคารพสิทธิซึ่งกันและกัน” - ชุติกิจส่วนประกอบอาหาร

“ควรเพิ่มช่องทางในการเสนอความคิดเพื่อให้เข้าถึงได้ง่ายขึ้น” - ชุติกิจบรรจุภัณฑ์

“ความปลอดภัยของพนักงานและการจ้างงานอย่างเป็นธรรมควรเป็นประเด็นที่บริษัทให้ความสำคัญ” - ชุติกิจบรรจุภัณฑ์

“ควรมีการกำหนดสวัสดิการด้านอื่น ๆ เช่น การส่งเสริมด้านกีฬา เพื่อส่งเสริมสุขภาพของพนักงาน” - ชุติกิจเคมีภัณฑ์

“ควรมีการประชาสัมพันธ์ข้อมูลด้านสิทธิมนุษยชนให้พนักงานรับทราบเพิ่มเติมและดำเนินการเป็นประจำ” - ชุติกิจเคมีภัณฑ์

Other suggestions regarding human rights, including the guidelines and measures that the Company should prioritize.

“อยากให้ผู้บริหารและหัวหน้างานเข้าเยี่ยมชมสภาพการทำงานของพนักงาน” - รุรกิจเชื้อเพลิง

“ควรให้ความสำคัญกับพนักงานทุกคนเท่าเทียมกัน” - รุรกิจเชื้อเพลิง

“ต้องการให้บริษัทมีการแจ้งหรือสื่อสารเมื่อมีมาตรการหรือกฎระเบียบเพิ่มเติมในด้านสิทธิมนุษยชนอย่างสม่ำเสมอ” - รุรกิจเครื่องจักรกล

“พนักงานทุกคนและทุกตำแหน่งควรมีสิทธิ์ในการแสดงออกเท่าเทียมกัน” - รุรกิจเครื่องจักรกล

“พนักงานควรได้รับสิทธิมนุษยชนตามกฎหมายกำหนดจากบริษัท ไม่ต้องการให้มีการเสี่ยงปฏิบัติในประเด็นเหล่านี้” - รุกิจจิวตฤติบอาหารสัตว์

“ทุกองค์กรประกอบไปด้วยพนักงานที่มีความแตกต่างกันในเชื้อชาติ ภาษา และอุปนิสัย ดังนั้นองค์กรต้องมีการจัดการบริหารที่ดี” - รุกิจจิวตฤติบอาหารสัตว์

Overview of human rights issues and impact levels

Impact Level	Very High	High	Medium	Low
Score	3.26 – 4.00	2.51 – 3.25	1.76 – 2.50	1.00 – 1.75

Human Rights Issues	Number of employees who might have experienced/witnessed human rights violation cases	Impact Level
Occupational Health and Safety	246 employees or 9.45% believed they might have experienced human rights violations regarding occupational health and safety issues. 102 of them assessed the impact level of the case.	2.01
Employment Condition	193 employees or 7.42% believed they have experienced human rights violations through employment conditions. 134 of them assessed the impact level of the case.	1.93
Discrimination	115 employees or 4.42% believed they might have experienced human rights violations through discrimination. 77 of them assessed the impact level of the case.	1.95
Freedom of Association and Collective Bargaining	79 employees or 3.04% believed they might have experienced human rights violations regarding freedom of association and collective bargaining. 52 of them assessed the impact level of the case.	2.06
Working Condition	70 employees or 2.69% believed they have experienced human rights violations through working condition. 63 of them assessed the impact level of the case.	1.98
Illegal Forms of Labor	8 employees or 0.31% believed they might have experienced human rights violations regarding illegal forms of labor. 7 of them assessed the impact level of the case.	2.14



4. Recommendations for Managing Human Rights Issues

Driving positive changes by addressing human rights issues identified through the HRIA process

Employment and Working Condition

- Conduct regular and unannounced site visits including hygiene, temperature, noise levels, occupational health and safety, presence of illegal labor, availability of PPE, and compliance with labor rights such as fair treatment, grievance mechanisms, and legal employment practices.
- Establish safe and anonymous channels (e.g. surveys or hotlines) for supplier employees to report violation.
- Provide training on labor law compliance and help suppliers improve production planning to reduce excessive overtime.
- Support and advise suppliers on working condition-related matters, such as lawful timekeeping and wage practices, and the establishment of safe and accessible grievance channels. Encourage appropriate remediation for affected workers and collaborate on developing preventive measures to avoid future human rights violations.

Driving positive changes by addressing human rights issues identified through the HRIA process

Occupational Health and Safety

- Encourage suppliers to establish clear emergency procedures that include the provision of appropriate personal protective equipment (PPE) for all employees based on job-specific risks, fire safety protocols, evacuation plans, and basic first aid measures. These procedures may be reviewed and verified through CPF's supplier audit program to ensure compliance with occupational health and safety standards.
- Support the occupational health and safety training for the suppliers and their employees.

Freedom of Association and Collective Bargaining

- Encourage suppliers to clearly communicate available grievance channels to employees through various formats such as posters, internal emails, social media, and employee handbooks.
- Support training for supplier management on the importance of listening to workers and respecting their rights to organize and express concerns.
- Encourage suppliers to establish grievance mechanisms that are safe, anonymous, and easily accessible for employees to raise concerns or complaints.

Driving positive changes by addressing human rights issues identified through the HRIA process

Discrimination and Harassment (Sexually and/or verbally)

- Encourage suppliers to develop written policies that explicitly prohibit all forms of discrimination, favoritism, and harassment, including verbal and sexual misconduct.
- Support training for both employees and supervisors of suppliers on appropriate workplace behavior, unconscious bias, and respectful communication.
- Encourage suppliers to establish grievance mechanisms that are safe, confidential, and easily accessible for reporting discrimination or harassment, with clear assurance of non-retaliation.

Thank you
