

SUSTAINABILITY PERFORMANCE

The report focuses on the sustainability performance of CPN Retail Growth Leasehold REIT (CPNREIT)'s core activity. Its scope covers CPNREIT's business operations and properties in Thailand from 1 January 2020 to 31 December 2020 (FY2020). This is including economic social and environmental aspects according to the REIT Manager or CPN REIT Management Co., Ltd. (CPNRM or the Company)'s sustainable development strategy.

- **Economic:** This report discloses the performance outcomes of the Company as mentioned in the Annual Report 2020.
- **Social and Environmental:** This report discloses the performance outcomes of the Company and any properties that have a significant social and environmental impacts.

As of 31 December 2020, CPNREIT's portfolio comprised 10 properties across Thailand i.e., 5 shopping centers, 4 office buildings and 1 hotel.

Boundary of Sustainability Performance Reporting

No.	Property	Social (Employee and Safety)			Environmental* (Energy, GHG, Water, and Waste)		
		2018	2019	2020	2018	2019	2020
Shopping Center		5	5	5	5	5	5
1	CentralPlaza Rama 2	●	●	●	●	●	●
2	CentralPlaza Rama 3	●	●	●	●	●	●
3	CentralPlaza Pinklao	●	●	●	●	●	●
4	CentralPlaza Chiangmai Airport	●	●	●	●	●	●
5	CentralFestival Pattaya Beach	●	●	●	●	●	●
Office Properties		2	2	2	2	2	2
1	Pinklao Tower A	●	●	●	●	●	●
2	Pinklao Tower B	●	●	●	●	●	●
3	The Ninth Towers						
4	Unilever House						
Hotel Property		NR	NR	NR	NR	NR	NR
1	Hilton Pattaya**						

Remarks

NR = non-Relevance or not significant to CPNREIT.

* In2020, The Environmental impact data (greenhouse gas emissions, energy, water, and waste) of 5 shopping centers (Central Rama 2, Central Rama 3, Central Pinklao, Central Pattaya, and Central Chiangmai Airport), 2 office buildings (Pinklao Tower A & Tower B) has certified by Lloyd's Register Quality Assurance Ltd.

**The Environmental impact data (greenhouse gas emissions, energy, water, and waste) of Hilton Pattaya is a part of Hilton's environmental data has certified by DEKRA Certification, Inc. under limited independent assurance since 2013, which disclosed in Hilton performance via <https://cr.hilton.com/our-reporting/#performance>

SUSTAINED VALUE

CPNREIT strives for robust business growth while mitigates business risks by diversifying its business platforms geographically and investment types which have promising growth.

Financial: The REIT Manager aims to uphold its strong financial position to continually support the growth of businesses through prudent financial management practices and effective financial cost control.

GRI Standards	Metrics	Unit	2018	2019	2020
201-1	Rental income and other income	Million Baht	4,927.34	5,141.6	4,069.6
	Cost of rental and service, SG&A, Property Management Fee	Million Baht	774.9	705.7	621.9
	Net profit	Million Baht	3,577.7	3,756.1	1,537.5
	Distribution per Unit	Baht/Unit	1.617	1.623	0.7419

Corporate Governance: The REIT Manager is committed to the highest level of corporate governance and transparency in the execution of policies and processes as this is fundamental to the management and operational protocols of CPNREIT.

GRI Standards	Metrics	Unit	2019	2020	
102-22, 405-1	Governance Structure				
	Executive directors	Person	2	2	
	Independent directors	Person	2	2	
	Board Meeting Attendance				
	Average board meeting attendance	% per year	85	100	
205-2	Communication about Code of Business Conduct with Stakeholders				
	Employee	%	100	100	
	Contractor/Supplier/Services Provider	%	100	100	
206-1	Number of legal actions pending or completed and in which the organization has been identified as a participant regarding				
	Anti-competitive behavior	Case	None	None	
	Anti-trust and monopoly legislation	Case	None	None	

Customer Management and Development: The REIT Manager strives to cater to customers' different needs and expectations, and constantly look for ways to improve the quality of experience for its customers and visitors.

GRI Standards	Metrics	Unit	2018	2019	2020
201-1	Overall Shopper/Visitor satisfaction with Property Manager	Point	82	80	
	Overall Tenant satisfaction index with Property Manager	Point	80	83	
	Data coverage of Tenant Satisfaction Index	%	100	100	

Note

- With the ongoing pandemic, there were external factors that could affect customer satisfaction. For this reason, "Shopper and Tenant Satisfaction" was removed from our 2020 performance indicators.

EMPOWERING PEOPLE

The REIT Manager is committed to developing the high-performance work culture that embraces diversity and collaboration. CPNRM upholds Central Pattana Plc. (CPN) to be a workplace of choice for employees and adheres to its policies on non-discriminatory employment practices and equal remuneration.

Workforce Statistics

GRI Standards	Metrics		Unit	2018		2019		2020	
				Male	Female	Male	Female	Male	Female
102-8	By employment type	Permanent full-time	Person	334	239	339	252	319	238
		Total workforce	Person	573		591		557	
	Workforce	Total workforce by gender	Person	334	239	339	252	319	238
		Employee by location	Bangkok Metropolitan	Person	201	140	202	137	192
	North		Person	58	49	58	51	58	51
	East		Person	75	50	79	57	69	52

Inclusive and Diversity

GRI Standards	Metrics		Unit	2018		2019		2020	
				Male	Female	Male	Female	Male	Female
405-1	Board gender diversity	Number of Board of Directors	Person	1	2	1	3	1	4
		Percentage of male and female	%	33.33%	66.67%	25.00%	75.00%	20.00%	80.00%
Employee by work category	Employee by work category	Top management (SEVP-EVP)	Person	0	0	0	0	0	0
		Middle management (SVP-M)	Person	13	17	13	24	13	18
		Junior management (AM-Sup)	Person	47	26	45	25	44	26
		Non-management (SO-Consultant)	Person	274	196	281	203	262	194
Employee by age	Employee by age	Less than 30 years old	Person	82	74	86	76	62	63
		Between 30-50 years old	Person	228	153	222	160	221	159
		More than 50 years old	Person	24	12	31	16	36	16
Employee by National	Employee by National	Thai	Person	334	239	339	252	319	238
		Others	Person	0	0	0	0	0	0
Employee by cultural background	Employee by cultural background	Bangkok Metropolitan Region	Person					94	76
		Central	Person					105	82
		Northeast	Person					34	18
		South	Person					7	4
		North	Person					79	58
		East	Person					0	0
		West	Person					0	0
Disability employment	Disability employee	Person	0	0	0	0	0	0	

Engagement and Retention

GRI Standards	Metrics		Unit	2018		2019		2020	
				Male	Female	Male	Female	Male	Female
Employee engagement	Employee engagement	Satisfaction Score	%	73		73		83	
				80	66	79	67		
Recruitment	Recruitment	Total number of new hires	Person	28	31	24	47	9	26
New employee by age	New employee by age	Less than 30 years old	Person					5	21
		Between 30-50 years old	Person					4	4
		More than 50 years old	Person					0	1
New employee by level	New employee by level	Top management	Person					0	0
		Middle management	Person					1	0
		Junior management	Person					0	4
		Non-management	Person					8	22

GRI Standards	Metrics		Unit	2018		2019		2020	
				Male	Female	Male	Female	Male	Female
401-3	Voluntary turnover by work category	Top management	Person	0	0	0	0	0	0
		Middle management	Person	3	3	1	2	2	0
		Junior management	Person	1	3	3	6	1	0
		Non-management	Person	21	35	26	66	24	40
	Voluntary turnover by age	Less than 30 years old	Person	10	17	15	36	13	23
		Between 30-50 years old	Person	15	23	14	38	9	15
		More than 50 years old	Person	0	1	1	0	5	2
	All turnover	Total turnover	Person	25	41	30	74	27	40
		Percentage of turnover per total employee	%	7.49%	17.15%	8.85%	29.37%	8.46%	16.74%
Lay-off		Person	0	0	0	0	0	0	

Leave and Absenteeism.

GRI Standards	Metrics		Unit	2018	2019	2020
403-2(a)	Leave day taken	Annual leave	Day	2773	1954	1900
		Employee using parental leave	Person	3	13	18
		Employee remaining at work after parental leave	Person	2	12	0
		Sick leave	Day	2773	1939	795
		Leave without pay	Day	0	0	53
	Absenteeism	Absentee Rate	%	1.55	1.19	1.76

Work health and safety

GRI Standards	Metrics		Unit	2018	2019	2020
403-9 (2018)	Employee WH&S incident (Employee)	Workplace injuries (No lost-time injuries/diseases)	Case	3	1	2
		Lost-time injuries/diseases	Day	38	18	8
		Occupational diseases	Case	0	0	0
		Fatalities	Person	0	0	0
		Injury rate	Person per million hours worked	2.73	0.75	1.57
		Occupational Disease Rate	Person per million hours worked	0	0	0
		Lost Day Rate	Lost day per million hours worked	25.9	13.5	6.28
403-9 (2018)	Employee WH&S incident (Contractor)	Workplace injuries (No lost-time injuries/diseases)	Case			0
		Lost-time injuries/diseases	Day			0
		Occupational diseases	Case			0
		Fatalities	Person			0
		Injury rate	Person per million hours worked			0
		Occupational Disease Rate	Person per million hours worked			0
		Lost Day Rate	Lost day per million hours worked			0

Note In 2020, the Company has developed and renovated under Central Pattana including Central Rama2 and Hilton hotel.

Training and development

GRI Standards	Metrics		Unit	2018		2019		2020	
				Male	Female	Male	Female	Male	Female
404-1	Average training hours by work category	Top management	Hours	26.7		24		11	
		Middle management	Hours						
		Junior management	Hours						
		Non-management	Hours						
	Training Cost / FTE		Baht					1,388	

Remuneration ratios

GRI Standards	Metrics		Unit	2018		2019		2020		
				Male	Female	Male	Female	Male	Female	
405-2	Gender pays ratio (base salary) by work category	Middle management	Female: Male	1.00	0.99	1.00	0.99	1.00	0.99	
		Junior management	Female: Male							
		Non-management	Female: Male							
	Gender pays gap (Hourly rate)	Mean gender pay gap	%						7.28	
		Median gender pay gap	%						7.31	
		Mean bonus pay gap	%						13.82	
		Median bonuses pay gap	%						4.61	

Definitions and calculation guidelines

CPNREIT 's employees are workers under employment contracts with the REIT Manager and the Property Manager (only Central Pattana) they are classified into four groups, as Top Management, Middle Management, Junior Management, and Non-Management

- **Top Management** includes those from the level of President, Senior Executive Vice President (SEVP) and Executive Vice President (EVP)
- **Middle Management** includes those from level from Senior Vice President (SVP), Vice President (VP), Assistant Vice President (AVP), Senior Manager and Manager
- **Junior Management** includes those from level from Assistance Manager and Supervisor.
- **Non-Management** includes those from level from Senior Officer, Officer, Operator and Consultant.

The above employees are also classified in accordance with the employment contracts, i.e., permanent and contract employees.

Safety Data Recording

The Company records safety data from work by calculating and collecting occupational and health information as follows:

- **Day** means scheduled workday.
- **Injury** is a Medical Treatment Injury (MTI) that requires medical attention, to fight injuries or diseases or disorders such as wounds, splinters, surgery (small or large), washing, gingivitis, saline, blood, oxygen, CPR, including rehabilitation until the injured body is returned to normal, but does not include the following:
 - In case of visiting a doctor for symptoms or consulting a doctor.
 - In the case of a medical diagnostic process, such as X-ray examination, ultrasound, blood test or diagnostic drug (e.g., retinopathy for diagnostic purposes)
- **Lost Time Injuries** are injuries that lead to absence of one day or more (starting from the day of absence after the day the incident occurs).
- **Work-related fatalities** are accident due to work or the activities of the company that cause injury or sickness until death.

Calculation of OHS.

$$\text{Injury Rate: IR} = \frac{\text{number of injuries} \times 1,000,000}{\text{number of hours worked}}$$

$$\text{Occupational Disease Rate: ODR} = \frac{\text{number of occurrence of occupational diseases} \times 1,000,000}{\text{number of hours worked}}$$

$$\text{Lost Day Rate: LDR} = \frac{\text{days lost due to injuries/diseases} \times 1,000,000}{\text{number of hours worked}}$$

$$\text{Absentee Rate: AR} = \frac{\text{Number of lost day injuries and other occupational diseases that are not excused} \times 100}{\text{Total number of operating day in a year}}$$

Note information refer to the report of accident, illness or injury and request for compensation. According to the Workmen's Compensation Act, BE 2537 (Form 16: Occupational Injury Notification from employer and injured employee and Claim form)

ENRICHED ENVIRONMENT

The Manager strives to develop and implement environmental-friendly features in its properties and improve overall energy efficiency. It believes that the efficient use of resources such as energy and water reduce operational costs, mitigates regulatory and physical risks, and creates value for its stakeholders.

Greenhouse Emission

GRI Standards	Metrics	Unit	2018	2019	2020
305-1	Direct emission of greenhouse gas (Scope 1)	Ton CO _{2e}	94.29	516.18	125.22
305-2	Indirect emission of greenhouse gas (Scope 2)	Ton CO _{2e}	14,143.08	14,742.81	11,543.24
	Direct+ Indirect emission of greenhouse gas (Scope 1+2)	Ton CO _{2e}	14,237.37	15,258.99	11,668.46
305-3	Other indirect emission of greenhouse gas (Scope 3)	Ton CO _{2e}	16,314.05	15,768.11	12,857.36
305-4	Greenhouse gas emission intensity				
	Direct emission of greenhouse gas (Scope 1) per unit area	kg CO _{2e} / m ²	0.24	1.33	0.32
	Indirect emission of greenhouse gas (Scope 2) per unit area	kg CO _{2e} / m ²	36.47	38.02	29.77
	Other indirect emission of greenhouse gas (Scope 3) per unit area	kg CO _{2e} / m ²	42.07	40.66	33.15
	Direct and indirect emission of greenhouse gas (Scope 1 & 2) per unit area	kg CO _{2e} / m ²	36.71	39.35	30.09
	Direct, indirect, and other indirect emission of greenhouse gas (Scope 1 & 2 & 3) per unit area	kg CO _{2e} / m ²	78.78	80.01	63.24
	Data coverage per square meter of portfolio	%	89.4	89.4	76.0

Definition and calculation guidelines

Greenhouse Gas

Reporting scope of GHG emissions covers CO₂, CH₄, and N₂O which are calculated and shown in the form of CO₂ equivalent that generates Global Warming Potential (GWP) specified by Intergovernmental Panel on Climate Change 2006 (IPCC) Meanwhile, the figure of emission factors is referred from IPCC and Thailand Greenhouse Gas Management Organization (TGO).

1. Scope Boundaries

- 1.1 Direct emission (Scope 1) occurs from fuel or natural gas combustion and the leakage of methane gas from wastewater treatment, septic tank, refrigerant, fire extinguisher (CO₂) and Sulfur Hexafluoride (SF₆) through operating processes and activities under the Company's monitoring, control, and management.
- 1.2 Indirect emission (Scope 2) occurs mainly from electricity, bought from external sources for Central Pattana's operations only.
- 1.3 Other indirect emission (Scope 3) occurs from water usage, electricity usage by tenants and fuel by business travel (staff travels by taxis, airplanes, train, boat, and car rent).

2. Report on Emission

- 2.1 Direct emission (Scope 1) is based on fuel consumption (by weight or quality), e.g., the quality of oil or natural gas x GHG emission rate, as suggested in the 2006 IPCC guidelines.
- 2.2 Indirect emission (Scope 2) occurs mainly from electricity, bought from external sources for Central Pattana's operations only.
- 2.3 Other indirect emission (Scope 3) occurs from water usage, electricity usage by tenants and fuel by business travel (staff travels by taxis, airplanes, train, boat, and car rent).

3. **Assessment Method** according to The Greenhouse Gas Protocol: A corporate accounting and Reporting Standard Revised Edition and Thailand Greenhouse Gas Management Organization (TGO) guideline for carbon footprint assessment.

Intensity

- Emission intensity calculate per gross leasable area (GLA). The GLA is including leasable area and common areas.

Note Greenhouse Gas emission calculated from the Company's shareholding proportion Central Pattana Public Company Limited at 26.69%.

Energy

GRI Standards	Metrics	Unit	2018	2019	2020
302-1 (a)	Non-renewable fuels	MWh	464.14	518.83	428.40
302-2	Non-renewable fuels	MJ	1,670.90	1,867.80	1,542.22
	Diesel	MJ	1,670.90	1,867.80	1,542.22
	Benzene	MJ			
	LPG	MJ			
	Oil	MJ			
	Renewable energy				
	Solar energy	MJ	-	-	745.49
		MWh	-	-	207.08
	Electricity purchased from outside				
	Electricity purchased from grid. (Metropolitan Electricity Authority and Provincial Electricity Authority)	MJ	508,689.36	511,866.73	411,748.05
		MWh	141,302.60	142,185.20	114,374.46
	Electricity sold to tenant				
	Electricity sold to tenant	MJ	269,195.70	262,201.06	215,945.13
		MWh	74,776.58	72,833.63	59,984.76
	Total energy consumption within organization				
	Total non-renewable energy consumption within organization (Fuel+Electricity)	MJ	241,164.55	251,533.48	197,345.14
		MWh	66,990.15	69,870.41	54,818.10
	Total Energy consumption (Renewable + Non-Renewable)	MJ	241,164.55	251,533.48	198,090.63
		MWh	66,990.15	69,870.41	55,025.18
	Ratio of energy consumption within organization				
	Ratio of renewable energy per total energy	%	-	-	0.38
	Total energy intensity (renewable + non-renewable energy) per unit area	kWh/sq.m.	172.74	180.17	141.89
	Total electricity intensity per unit area	kWh/sq.m.	171.55	178.83	140.79
	Data coverage per square meter of portfolio	%	89.4	89.4	76.0

Definition and calculation guidelines

Energy

Total Energy consumption is including energy from fuel combustion, electricity, and renewable energy.

- Total fuel consumption = the sum of all types of fuel resource consumption x its heating value (in each) – Unit in GJ
- Conversion Factor are referred from to the Annual Thailand Energy Report, Department of Alternative Energy Development and Efficiency
- Electricity consumption = The sum of electricity used (in kWh) x 3.6 (Unit: GJ)
- Total Energy consumption within organization = Fuel consumption from non-renewable + renewable energy + Electricity purchased – Electricity sold to tenants

Intensity

- Emission intensity calculate per gross leasable area (GLA). The GLA is including leasable area and common areas.

Water

GRI Standards	Metrics	Unit	2018	2019	2020	
303-1, 303-3	Water withdrawal from all areas* (TDS ≤ 1,000 mg/L)	m ³	1,539,414.21	1,593,007.42	1,142,516.09	
	Municipal water	m ³	1,452,705.03	1,504,796.82	1,110,367.94	
	Groundwater	m ³	86,709.18	88,210.59	32,148.14	
	Rainwater	m ³	-	-	-	
	Water withdrawal from all areas* (TDS > 1,000 mg/L)	m ³	-	-	-	
	Water discharge by destination to all areas* (TDS ≤ 1,000 mg/L)	m ³	1,220,766.03	1,244,199.83	863,312.61	
	Surface water	m ³	1,220,766.03	1,244,199.83	863,312.61	
	Seawater	m ³	-	-	-	
	Groundwater	m ³	-	-	-	
	Water discharge by destination to all areas* (TDS > 1,000 mg/L)	m	-	-	-	
	Water discharge level of treatment	m ³	1,220,766.03	1,244,199.83	863,312.61	
	No Treatment	m ³	-	-	-	
	Primary Treatment	m ³	179,527.30	185,543.55	94,290.54	
	Secondary Treatment	m ³	1,041,238.73	1,058,656.28	769,022.07	
	Total Water Consumption from all areas*	m ³	318,648.18	348,807.59	279,203.48	
	Total water intensity					
	Total water consumption intensity per unit area	m ³ /m ²	0.82	0.90	0.72	
	Total recycled water					
	Total recycled water	m ³	-	6,881.47	6,076.39	
	Percentage recycled water per total water withdrawal	m ³	-	0.43	0.53	
Data coverage per square meter of portfolio	%	89.4	89.4	76.0		

Definition and calculation guidelines

Water management involves water from external sources, water treatment, discharge water and recycled water. Evaluation of water utilization efficiency and risks from difference water sources is in place.

Water withdrawal sum of all water drawn from surface water, groundwater, seawater, or a third party for any use over the course of the reporting period.

Water consumption sum of all water that has been withdrawn and incorporated into products, used in the shopping center or generated as waste, has evaporated, transpired, or been consumed or is polluted to the point of being unusable by other users, and is therefore not released back to surface water, groundwater, seawater, or a third party over the course of the reporting period.

Recycled water refers to the amount of reused water consumption after wastewater is treated through the wastewater management processes. Water management is in place at the Company's shopping center and offices buildings.

Water discharge sum of effluents, used water, and unused water released to surface water, groundwater, seawater, or a third party, for which the organization has no further use, over the course of the reporting period.

Level of wastewater treatment

- **No treatment** including bleed off from cooling tower.
- **Primary treatment** including physical treatment before flow to Pattaya Wastewater Treatment Plant (Central Pattaya Beach)
- **Secondary treatment** including physical and biological wastewater treatment which shopping center uses Sequence Batch Reactor (SBR) or Deep shaft.

Water stress area ability, or lack thereof, to meet the demand for water which shopping center are in water stress high and highest.

Water Intensity calculated from water consumption per gross leasable area (GLA). The GLA is including leasable area and common areas.

Note Calculation of water discharge in 2016-2017 equal 75% of water withdrawal.

*CPNREIT had been investing in 5 shopping malls, which are Central Rama 2, Central Rama 3, Central Pinklao, Central Chiangmai Airport, Central Pattaya Beach are in water stress.

Waste

GRI Standards	Metrics	Unit	2018	2019	2020
306-3 Waste generated	Waste generated	metric tons	10,943.41	9,803.15	6,365.32
	Hazardous waste	metric tons			0.72
	Electronic waste (E-waste)	metric tons			0.11
	Infectious waste	metric tons			1.72
	General waste	metric tons	10,938.34	9,110.92	5,955.60
	Recycle waste (plastic, paper, metal, can, glass)	metric tons	5.06	387.52	340.43
	Preparation food	metric tons		304.71	66.74
306-4 Waste diverted from disposal	Waste diverted from disposal (offsite)	metric tons	5.06	696.46	408.00
	Hazardous waste	metric tons		4.23	0.84
	Recycling/ Reclaim (Hazardous waste, E-waste)	metric tons		4.23	0.84
	Non-hazardous waste	metric tons	5.06	692.23	407.17
	Recycling	metric tons	5.06	304.71	340.37
	Composting	metric tons		387.52	66.74
	Reuse (waste for art)	metric tons			0.06
306-5 Waste directed to disposal	Waste directed to disposal (offsite)	metric tons	10,938.34	9,110.92	5,957.32
	Hazardous waste	metric tons		0.02	1.72
	Incineration (Infectious waste)	metric tons		0.02	1.72
	Non-hazardous waste	metric tons	10,938.34	9,110.90	5,955.60
	Landfill (General waste)	metric tons	10,938.34	9,110.90	5,955.60
	Diversion rate	%	0.05	7.1	6.4
	Data coverage per square meter of portfolio	%	89.4	89.4	76.0

Definition and calculation guidelines

Waste covers total waste generated through Central Pattana's operations and activities. The quantity of waste is based on valid estimation.

Waste diverted from disposal refers waste is taken for preparation for reuse, recycling and composting offsite.

Waste directed to disposal refers waste is taken for incineration (with/without energy recovery), landfill offsite.

Waste generated rate calculated from waste generated per customer visits.

Waste diversion rate calculated from waste diverted from disposal per waste generated.