

# Shared Value



Minor is conscious that the company's long-term success and well-being of the society and the environment are interdependent. The concept of "Shared Value Creation" is one of Minor's sustainability strategic enablers, and we aim to integrate this concept into all our operations globally. We continue to look for opportunities that bring competitiveness to our business while addressing social and/or environmental challenges.

To foster shared value creation culture, Minor developed and launched the "Sustainability 101" online training course in 2019, aiming to promote the understanding of sustainability concept and encourage employees to embed it into their daily lives as well as into business operations. The first batch of over 8,000 Thailand-based employees from all business units were trained in 2019. Our plan to expand trainings to international hubs in 2020 was postponed due to the COVID-19 pandemic. We resumed this plan in 2021 and rolled out Sustainability 101 curriculum to Minor Hotels' overseas properties in 19 countries with more than 7,000 employees completed the course. We will continue to instill the Shared Value Creation understanding via the expansion of this course to other international business units in 2022.

Furthermore, to ensure sustainability is instilled in employee's daily work, Minor introduced and deployed "Sustainability Key Performance Indicator (KPI)" rated at 5% of total KPI to employees in Minor corporate office, Minor Lifestyle, and Minor Hotels in Asia, Indian Ocean, Middle East, Africa and Brazil. Sustainability KPI is expected to serve as a reminder to our employees on how sustainability can be embedded in their daily works and contributed to both company and/or socio-environmental benefits, in alignment with the company's Sustainability Strategy.

Since 2016, Minor has held annual "Minor Sustainability Awards" to encourage Minor businesses to showcase their sustainability initiatives that demonstrate "Shared Value" concept, benefiting both company, society and/or the environment. The announcement of winning teams

and handover of awards, certificates, and seed funding was arranged at Minor Awards Night in the following year. The call for award applications was temporarily halted in 2020 and 2021. For this report, we decided to feature the past winning initiatives' continual progress as they have proved to provide sustainable company and/or socio-environmental benefits. We plan to resume Minor Sustainability Awards in 2022.

### Sustainability 101 Online Training

Minor continues to communicate and educate our employees at all levels on the importance of sustainability. The Sustainability 101 Online Training was first launched in 2019 to relay the message that sustainability is relevant to everyone's daily life, and their actions can create positive impact to themselves, the company, the society, and/or the environment. The first batch in 2019 comprised 8,115 groupwide Minor employees at the headquarter and operations in Thailand. After a halt in 2020, we resumed the training in 2021. Sustainability 101 training was translated into 7 languages and extended to Minor Hotels' employees in 51 overseas properties. All 7,048 employees, from relevant properties completed the course in December 2021.

### Minor Sustainability Awards

Minor Sustainability Awards was first launched in 2016 to promote "Shared Value Creation" implemented by business units worldwide. The awards recognize business units which demonstrate best practices in embedding social and/or environmental impact into their business operations. The call for award applications was temporarily halted in 2020 and 2021 to give priorities to COVID-19 responses, but we plan to resume this in 2022. The development and progress of past winning initiatives are reported below.

Best



**Anantara Peace Haven Tangalle, Sri Lanka**  
*Best Sustainability Award 2017*

## Micro-Sustainable Home Garden Development Program

Anantara Peace Haven Tangalle's micro-sustainable home garden development project was initiated in 2017 to enhance the farmers' resilience and awareness by introducing sustainable agriculture and tourism from hotel guests' nature walk. The initiative improved not only community income from organic produces and herbs sold, but also raised natural resource availability, protected watersheds, and increased biodiversity in the area. While supporting farmers, hotel also saved organic waste disposal costs and improved reputation in sustainable tourism.

In 2018, the hotel introduced "permaculture" farming to villagers as well as hotel gardening team. Permaculture gave farmers a way to achieve high yields and productivity in a more sustainable and environmental-friendly way.

Applying knowledge of permaculture farming, the hotel started to grow western herb and expanded its organic vegetable garden in 2019. Hotel-grown vegetables are now used in staff cafeteria. Although the hotel could not expand project's scope during 2020 - 2021, it maintained the project and still exhibited both business and/or socio-environmental impacts.

### Business Impact (2017 - 2021)

- > Baht 200,000 saved from eliminating cost of managing hotel's organic waste
- > Baht 170,000 saved from using hotel-grown herb and vegetable at staff cafeteria
- Almost Baht 400,000 PR value from local and regional media

### Socio-Environmental Impact (2017 - 2021)

- > Baht 42,000 per year earned by each farmer participating in this project
- Additional earning for farmers through hotel's nature walk activity and purchase of produces by hotel's customers
- 5,000 kg of compost donated to farmers which saved around Baht 6,000 from buying fertilizer

## Outstanding



**Anantara Peace Haven Tangalle, Sri Lanka**  
*Outstanding Sustainability Award 2019*

## Water and Excessive Wastewater Management

Anantara Peace Haven Tangalle Resort established “Reverse Osmosis (RO)” plant in 2019, to provide free-of-charge clean and sustainable water source for the resort staff and the surrounding community members. Water produced from RO plant helps safeguard team and local community members from Chronic Kidney Disease (CKD) in vulnerable area. In addition, the excessive wastewater from RO plant is used for irrigation in the resort.

With the initial objective of utilizing RO plant’s excessive wastewater, the “Zero Waste Garden” was established in June 2019. The garden also showcased the 3R concept of “Reduce, Reuse, Recycle” by using recycled materials such as plastic bins, using of compost and providing awareness programs to internal teams, local schools, rural agriculture community, and customers. The garden provided herbs and flowers for hotel’s decoration and became a resting spot for hotel’s customers.

Amidst the COVID-19 pandemic, the hotel maintained the operation of its RO plant while taking care of the garden. Since 2020, the hotel utilized RO plant’s water to produce hand sanitizer for hotel’s employees’ internal use and donation to nearby community. In-house made hand sanitizer was approved by related government agencies for its quality and safety.

### Business Impact (2019 - 2021)

- Almost Baht 1.9 million saved from not having to purchase staff drinking water and from utilizing RO excessive wastewater for hotel’s irrigation
- > Baht 2.2 million saved from using hotel-made hand sanitizer

### Socio-Environmental Impact (2019 - 2021)

- Provided safe drinking water to safeguard employees and 200 local community members from Chronic Kidney Disease (CKD)
- Reduced > 21 tons of single-use plastic
- Reused almost 39 tons of plastic and metal
- Recycled > 93 tons of e-waste and PET bottles

Outstanding



**Supply Chain Management, Thailand**  
*Outstanding Sustainability Award 2018*

## Carbon Footprint Reduction

Minor Food Thailand's distribution center delivers raw materials to over 1,300 restaurants in 75 provinces nationwide. This required large number of trips, resulting in increases of transportation cost, fuel consumption, and carbon dioxide emission. Supply Chain Management worked with Linfox, a logistic company, in redesigning raw-material distribution model.

The old distribution model required multiple trucks transporting from central warehouse in Bangkok to stores directly. The new model - Regional cross dock distribution model - consolidated multiple long-distance truck trips into fewer, larger 18-wheel trailers which run from the central hub to regional hubs. Then regional hubs acted as regional cross dock center to transfer goods into smaller trucks (4 wheels, 6 wheels, 10 wheels) and deliver goods to all stores. Under this model, 80% of long-distance trips were transported by trailers resulting in less combined driving distance, lower fuel consumption, less carbon dioxide emission, and decreased transportation cost. It also reduced stress for truck drivers.

Business Impact (2018 - 2021)	Socio-Environmental Impact (2018 - 2021)
<ul style="list-style-type: none"> <li>• &gt; Baht 14.75 million saved in transportation cost</li> <li>• 5% increase in utilization of distribution center due to lower traffic during loading</li> <li>• Zero accident from long distance driving since project started in 2018</li> </ul>	<ul style="list-style-type: none"> <li>• &gt; 1,100 tons of CO<sub>2</sub> emission reduced</li> <li>• Less stress and fatigue for drivers from long distance driving</li> </ul>

Best



**Minor Dairy & Minor Cheese, Thailand**  
*Best Sustainability Award 2019*



## Zero Waste to Landfill

Minor Dairy & Minor Cheese (MDL & MCL) successfully implemented the “Zero Waste to Landfill” program in 2019. It undertook 3R principle (Reduce, Reuse, Recycle) throughout its operations to ensure waste were properly managed and minimized. The factories redesigned the packing of finished products to get rid of single-use materials by replacing with reusable alternatives, resulting in significant reduction of single-use packing materials.

MDL & MCL also focused on creating awareness about waste separation and recycling among their employees by embedding 3R principle in their daily lives to create a sustainable change. The recycling knowledge and waste separation procedure with different color codes used for each department were communicated to all employees via knowledge sharing sessions, emails, and bulletin boards. These initiatives contributed to income generation from sold recycled wastes, cost reduction of waste disposal, and lower carbon dioxide emission.

In 2020, the factories started to apply waste-to-energy incineration procedure for their non-recyclable waste.

Business Impact (2019 - 2021)	Socio-Environmental Impact (2019 - 2021)
<ul style="list-style-type: none"> <li>• &gt; Baht 1.3 million saved from reduction in waste disposal cost</li> <li>• &gt; Baht 1.9 million generated from sales of recyclable wastes</li> <li>• Received 3R Award and Zero Waste to Landfill Achievement Award from the Department of Industrial Works (MDL) in 2020</li> </ul>	<ul style="list-style-type: none"> <li>• &gt; 1,000 tons of CO<sub>2</sub> emission reduced</li> <li>• MDL &amp; MCL's employees educated on importance of 3R</li> </ul>

Best



**Anantara and Avani Victoria Falls, Zambia**  
*Best Sustainability Award 2016*

## Farmers' Market

In 2016, Royal Livingstone Victoria Falls Zambia Hotel by Anantara and Avani Victoria Falls Resort started their partnership with over 300 local farmers to run a "Farmers' Market" at hotels' warehouse every Monday and Friday. The objective of the Farmers' Market was to source freshly grown vegetables and fruits locally, support small-scale farmers within Livingstone and Kazungula Districts, and save cost in purchasing produces from nearby communities instead from Lusaka, a city that locates 500 km away from the hotels, contributing to reduction of carbon dioxide emission. To ensure quality of produces offered by local communities, the hotels worked with Agribusiness in Sustainable Natural African Plant Products (ASNAPP) in training local farmers on sustainable farming to reduce land degradation and increase water retention for crops.

The two hotels continued to work closely with local farmers to enhance their sustainable farming capacities. Farmers were able to expand their produce distribution to more markets, hence generating more income.

### Business Impact (2016 - 2021)

- Reduction of sourcing cost of fresh farm produces from communities 500 km away to nearby local Livingstone farmers

### Socio-Environmental Impact (2016 - 2021)

- > 300 local farmers supported
- > Baht 36.29 million revenue generated for farmer groups participating in the project

## Outstanding



**Anantara and Avani Victoria Falls, Zambia**  
*Outstanding Sustainability Award 2019*

## Bee Keeping

Royal Livingstone Victoria Falls Zambia Hotel by Anantara and Avani Victoria Falls Resort piloted a “Bee Keeping” project to support a women cooperative in Mukuni Village in 2019. The ultimate goal was to ensure food security by promoting rural livelihoods and creating additional income for rural families. The hotels’ engineering team worked on beehives structures and dispatched them to the village while staff from Zambia Forestry College (ZFC) taught villagers on honey farming. Honey collected was bottled by women in the community and sold back to the hotel at retail shop and at the monthly Food Market which were also opened to hotel guests and the public. The project brought additional income to rural communities while saving the hotels’ cost by switching to honey sourced from local community within 5 - 10 km radius, instead of imported honey.

The hotels continued to improve the project in 2020 and 2021 by supporting packing and branding designs and assisting with cooperative registration for the women group. This will allow them to commercially supply honey to local markets in 2022.

Business Impact (2019 - 2021)	Socio-Environmental Impact (2019 - 2021)
<ul style="list-style-type: none"> <li>• Almost Baht 48,000 saved from direct purchase of honey from this women group</li> <li>• Almost Baht 64,000 generated from sales of bottled honey</li> </ul>	<ul style="list-style-type: none"> <li>• 60 women offered career opportunities</li> <li>• Reduced carbon footprint as hotels stopped procuring imported honey and bought honey from local community within 5 - 10 km radius</li> </ul>

## Outstanding



## Best

**Nomad Coffee Group, Australia**

*Outstanding Sustainability Award 2016*

*Best Sustainability Award 2018*

## Sustainable Coffee Program



Nomad Coffee Group (Nomad) started the “Sustainable Coffee Program” (SCP), defined as coffee purchased via direct relationships with producers or their representatives or purchased with a global certification of sustainability (Fairtrade, Rainforest Alliance, amongst others). Moving away from sourcing coffee via traditional coffee brokers, SCP aimed to improve the traceability and transparency of the coffee Nomad roasted. The objective of the program was to pay a fair price for quality coffee, protect the environment, and have a positive impact on the coffee producing community in Brazil, Colombia, El Salvador, Honduras, India, and Peru.

In 2018, Nomad made a great stride in sustainability by moving 60% of green coffee beans buying to SCP. It continued to increase the amount of SCP coffee beans purchased and reached 95% of total green beans in 2021.

Most of Nomad’s certified coffee purchases fall under the Rainforest Alliance (RA) Certification. This certification is well known for its protection of human rights, sustainable livelihood policies, and fair payment. It also promotes climate-smart agricultural practices and provides training programs to equip farmers in climate change defense and eco-system preservation.

### Business Impact (2018 - 2021)

- Coffee Sales increase (Year-On-Year)

2018	2019	2020	2021
<b>8%</b>	<b>7%</b>	<b>3%</b>	<b>13%</b>

- Better coffee quality and traceability as partnered coffee farmers invest in their farming method to create better products for SCP

### Socio-Environmental Impact (2018 - 2021)

- Nomad’s Spending on SCP coffee:

	2018	2019	2020	2021
<b>Baht</b>	<b>&gt; 326 m</b>	<b>&gt; 336 m</b>	<b>&gt; 475 m</b>	<b>&gt; 408 m</b>

- Through work of our suppliers in targeted counties, the program has improved livelihood of coffee farmers and their communities e.g. children education, quality of life, and women empowerment

## Outstanding



**Minor Food China - Human Capital, China**  
*Outstanding Sustainability Award 2019*

## Development of Skilled Kitchen Talent for Business Needs



Minor Food China realized the significant contribution that skilled chefs have towards its business growth. Since 2019, the company has established partnership with Dong Fang Culinary School in 12 provinces and created a joint-culinary program to develop skilled kitchen talents. The program was approved by the Ministry of Labor of the People's Republic of China.

In 2019, Students who received two years of professional cooking technical training and were offered employment as “Chef Management Trainee” at Minor Food China’s Riverside restaurants. The program enabled the business to shorten training period for new recruits to 3 months from usual training period of 8 - 12 months, creating saving in training labor hours and costs.

In 2020, it expanded this partnership to 5 more Dong Fang Culinary School campuses in Eastern region in response to business expansion of additional 16 eastern stores. Due to COVID-19 situation, the 3-month training for new graduates took place at school campus instead and reduced on-the-job training period at the stores to 3 days upon Chef Management Trainees’ arrival.

The program continued to expand to more locations where business operates. In 2021, Minor Food China strengthened its partnership with the institute to establish training base in Sichuan Province in preparation for business expansion. Total of 9 Sichuan campuses offered the 3-month joint-culinary program.

### Business Impact (2019 - 2021)

- > Baht 14.6 million saved from shorter training period for new recruits
- > Baht 7.4 million PR value from media coverage

### Socio-Environmental Impact (2019 - 2021)

- > 800 new graduates employed by Minor Food China