

# Value Chain

Minor is committed to driving positive change and creating sustainable business through establishing long-term and sustainable partnerships with our key stakeholders in the value chain: suppliers, business partners, and customers. These strong relationships with our key stakeholders are vital to the sustainable growth and the competitiveness of the company especially as we prepare for recovery.



## Management Approach

Material Topics	Sustainable Supply Chain	Customer Relationship Management	Health and Wellness
 <p><b>Goals</b></p>	<p><b>Goal 1:</b> <b>100%</b> of Thailand and Australia local critical suppliers assessed on sustainability risk by 2023<sup>(1)</sup> <sup>(2)</sup></p>	<p><b>Goal 2:</b> <b>100%</b> of identified high-risk suppliers audited and developed each year</p>	<p><b>Goal 3:</b> 50 Guest Loyalty Net Score for Minor Hotels by 2024</p> <p><b>Goal 4:</b> All Minor Food brands offer at least one new sustainable or healthy menu by 2024</p>
 <p><b>2021 Performance</b></p>	<p><b>On track:</b> <b>11%</b> Total 70% since 2019</p>	<p><b>Not on track:</b> <b>0%</b></p>	<p><b>On track:</b> <b>45</b></p> <p><b>On track:</b> <b>36%</b><sup>(3)</sup></p>
 <p><b>Boundary &amp; Approach</b></p>	<p><b>Thailand and Australia:</b> Educate and assess Thailand and Australia local critical and food &amp; packaging suppliers on sustainability: Environment, Occupational health and safety, and Human rights. Expand scope to include Thailand project suppliers</p>	<p><b>Thailand and Australia:</b> Audit, monitor, and develop sustainability performances of identified high-risk suppliers against relevant local regulations to ensure their continual improvement</p>	<p><b>Worldwide:</b> Use Net Promoter Score to enhance customer loyalty for hotel properties under Anantara, Avani, Oaks, others (Private Islands, Tivoli), and NH Hotel Group</p> <p><b>Worldwide:</b> Work closely with suppliers to develop sustainable or healthy menu in response to customers' increasing preference in health and wellness and sustainable products and services</p>
 <p><b>Responsibility</b></p>	<p>Corporate Sustainability Supply Chain Management</p>	<p>Minor Hotels operations</p>	<p>Minor Food brands</p>
 <p><b>Monitoring Evaluation</b></p>	<ul style="list-style-type: none"> <li>Internal monitoring: Sustainable Supply Chain, Health and Wellness, Customer Relationship Management</li> </ul>		
 <p><b>Grievance Mechanism</b></p>	<ul style="list-style-type: none"> <li>Whistle-blower reporting Email: <a href="mailto:whistleblower@minor.com">whistleblower@minor.com</a></li> <li>Comments and suggestions Email: <a href="mailto:Feedback@minor.com">Feedback@minor.com</a></li> </ul>		<ul style="list-style-type: none"> <li>Customer feedback/complaint channel on brand's and Minor's online platforms</li> <li>Whistle-blower reporting Email: <a href="mailto:whistleblower@minor.com">whistleblower@minor.com</a></li> <li>Comments and suggestions Email: <a href="mailto:Feedback@minor.com">Feedback@minor.com</a></li> </ul>

**Remarks:**

- (1) Current scope includes Thailand and Australia's local critical food and packaging suppliers and Minor Food Thailand's project management suppliers.
- (2) Expanded scope to Minor Food Project Management in Thailand. Details of the performance are presented under "Suppliers" section.
- (3) Four of eleven key Minor Food brands offered at least one new sustainable or healthy menu in 2021:
  - a. Thailand: Sizzler, Burger King, The Coffee Club, and Dairy Queen
  - b. Australia & Middle East: The Coffee Club



91%

Local suppliers<sup>(1)</sup>



84%

Total spending on local suppliers<sup>(1)</sup>



100%

of Thailand suppliers and contractors sign Business Partners Code of Conduct<sup>(2)</sup>



> 148 million

customers served

Remarks:

(1) In Thailand, Europe, and Australia

(2) Include special approvals from C-level executives

Minor continues its efforts in safeguarding food safety and quality of products and services as our top priority. In addition, we ensure compliances to environmental, occupational health and safety, and human rights legal regulations of our upstream suppliers are adhered to. We also source sustainable and certified materials to support animal welfare, the environment, and the society. Minor employs the blockchain technology to enhance procurement and payment processes that benefit both the company and suppliers. The above initiatives help guarantee non-disrupted supplies of safe and quality food and/or services are offered to customers in our downstream value chain.

Minor vows to provide customers with quality products and/or services that can meet their expectations and desires. We aim to enhance customers loyalty by uplifting their experiences with our deep understanding of their demands and changing behaviors especially as results of COVID-19 circumstances. With this understanding, we actively connect and engage with our customers through various channels to preempt and fulfill their needs. We also invite customers to participate in our contributions to the society and the environment with our cause-related marketing campaigns.





To resonate our sustainability goal: “All Minor Food brands offer at least one new sustainable or healthy menu by 2024”, Minor Food Innovation Team (M-FIT), established in 2020, continues to develop new menus to deliver best experiences for our customers. Four of Minor Food brands in Australia, Middle East, and Thailand had fully embraced this concept and launched a total of 55 sustainable or healthy menus into the market. M-FIT and all Minor Food brands will continue to create new sustainable or healthy menus for health and environmentally conscious customers in 2022. Meanwhile, Minor Hotels remains committed in offering exceptional experiences to customers with its multi-dimensional wellness products and/or services that cover physical, mental, spiritual, emotional, social, and environmental aspects.

In addition to assuring health and safety of our employees presented in “People” section, all Minor businesses adapted our operations in response to the prolonged COVID-19 by implementing the highest standard of safety and hygiene to protect our customers. Minor Food in Thailand maintained the “Zero Touch Delivery” protocol while Minor Hotels continued to implement the health and hygiene measures such as Anantara’s Stay with Peace of Mind, AvaniSHIELD, Oaks SureStay, Elewana’s Essential Elements, and Feel Safe at NH, and enhanced hotels’ safety protocol to tighten every step of their operations. In addition, both

Minor Food and Minor Hotels in Thailand sustained their “Amazing Thailand Safety and Health Administration: SHA” certifications received since 2020. All hotel properties also obtained “SHA+” certifications in 2021 which certified business entities that provided COVID-19 vaccination to their employees. Similarly, our properties in the United Arab Emirates earned “Go Safe” certifications, issued by the Abu Dhabi government, for the implementation of cleanliness and hygiene standards designed to minimize the spread of COVID-19 virus in tourist premises.

Minor realizes the importance of creating sustainable and long-term relationships with our business partners that drives mutual growth and success. We continue to combine Minor’s well-built expertise and knowledge in hospitality and retail with our business partners’ local proficiency to sustain and develop strong foundation and maximize our performance in the market. We also actively engage with related trade and industry associations to amplify collective voice for mutual business, social, and environmental goals.

Illustrations of Value Chain initiatives which contribute to both company and socio-environmental benefits are presented in “Shared Value” chapter.

## Suppliers

Minor continues its efforts in safeguarding food safety and quality of products and services as our top priority. In addition, we ensure compliances to environmental, occupational health and safety, and human rights legal regulation of our upstream suppliers are adhered to. We also source sustainable and certified materials to support animal welfare, the environment, and the society. Minor employs the blockchain technology to enhance procurement and payment processes that benefit both the company and suppliers.

### Sustainable Supply Chain

In 2021, Minor International established a centralized Supply Chain Management Department, integrating resources from Minor Food, Minor Hotels, and Minor Lifestyle into one single function. This consolidation leads to lower administration cost, increased productivity, and better negotiation power

in the expanded marketplace. We also extend our services to Minor affiliates and external customers.

As we have already made significant progress towards achieving the goal of “100% of Thailand and Australia local critical food & packaging suppliers assessed on sustainability risk”, we have broadened the goal’s scope to include Thailand-based suppliers of Minor Food Project Management Department. This inclusion of project management suppliers results in an increase in the total critical suppliers to be assessed by 2023. Therefore in 2021, the cumulative performance is 70%, which is lower than the performance of 72% reported in 2020 that was calculated from a lower base.

Unfortunately, in 2021 we were not on track with the audit and development of identified high-risk suppliers. Due to the COVID-19 restriction, the newly identified high-risk Australian local suppliers cannot be audited and developed as access to the suppliers’ manufacturing facilities were prohibited.



## Supplier self-assessment and audit on sustainability

8 additional suppliers with high sustainability risk identified

0%<sup>(1)</sup> of Thailand and Australia's local critical tier 1 and non-tier 1 food & packaging suppliers identified as high sustainability risk audited in 2021

16%<sup>(2)</sup> of Thailand local critical tier 1 and non-tier 1 food & packaging suppliers audited on annual basis

2%<sup>(3)</sup> of Thailand's local critical tier 1 and non-tier 1 food & packaging suppliers, who have good performance, audited once every 3 years

100% of audited suppliers with identified gap have corrective action plans with appropriate timeline

50%<sup>(4)</sup> of audited suppliers with corrective action plans that have improved their sustainability performances within 12 months.

### Top 3 non-conformities: Social Impact

#### Chemical Handling

- Inadequate provision of personal protective equipment (PPE) to employees, material safety data sheets (MSDS), and emergency equipment
- No or inadequate monitoring of chemical concentration in workplace and no or inadequate health check of employees working in respective areas
- No submission of legally required chemical safety document and reports to the authorities

#### Fire Protection

- Inadequate provision and maintenance of fire protection equipment and emergency equipment
- Lower percentage of employees received basic firefighting training than legal requirement

#### Workplace Environment

- No or inadequate annual inspection of workplace environment (heat, illumination, noise) and the results are over than legal threshold limits
- No action taken for cases over threshold limits
- No or inadequate annual health check of employees working in respective areas

### Top 3 non-conformities: Environmental Impact

#### Waste Management

- Missing waste disposal permits
- Mixed storage of hazardous and non-hazardous wastes

#### Wastewater Management

- Missing parameters and inadequate monitoring of wastewater quality in compliance with legal regulations
- No appointment and relevant training of water pollution controllers
- No submission of water pollution control reports to the authority

#### Energy Management

- No appointment and relevant training of energy responsible persons
- No submission of annual energy management report to the authority

#### Remarks:

- (1) The audits of 8 Australian suppliers with identified high sustainability risk were not undertaken in 2021 due to COVID-19 pandemic
- (2) Percentage of total Thailand's local critical tier 1 and non-tier 1 food & packaging suppliers audited in 2021. To date, 100% of total Thailand's local critical tier 1 and non-tier 1 food & packaging suppliers audited since 2018
- (3) First audit of suppliers with low sustainability risk assessed in 2019 and 2020
- (4) Applicable for only suppliers who were undertaken follow-up audits within 12 months, and received higher score in 2021

### Blockchain Solution for Procure to Pay (B2P)

**Since 2019, over 200,000 invoices with combined value over Baht 3,500 million from almost 2,500 suppliers were digitized via Blockchain Solution for Procure-to-pay (B2P) platform**

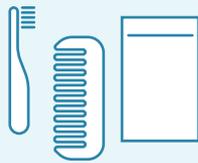
Minor, in partnership with Siam Commercial Bank, continues to replace traditionally manual procurement platform with more efficient blockchain technology. The system digitalizes processes from purchase order generation to supplier payment, which can be monitored and traced by both parties resulting in reduction of processing time and cost.

In addition, our suppliers are able to request for invoice financing directly from the bank, which benefits their cashflow management. This system also reduces paper-based documents and processing through application for e-tax invoice and receipt with the Revenue Department.



## Sustainable Sourcing

Minor Hotels continues its endeavor to lead sustainable hospitality practices with various sustainable policies and commitments such as “Heart to Hearth Policy” - sustainable sourcing and seasonal menu planning in local specialty restaurants for Anantara and Avani, [Sustainable Seafood Policy](#); and [Commitment to Sourcing Cage-free Eggs](#) by 2027 for all hotel properties.



**Almost 265,000 pcs. of Bio-corn toothbrushes, hairbrushes, shower caps, and sanitary bags were used in 12 hotel properties and plazas**

Certified sustainable materials procured in 2021 - Minor Hotels and Minor Food in Thailand and Australia:

### Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC)

- Minor Food: Minor Dairy and Minor Cheese used over 270 tons of certified packaging material and tissue
- Minor Food: The Coffee Club in Australia procured over 570 tons of certified packaging material
- Minor Hotels: In Thailand, certified copy paper used in 15 properties and plazas, certified tissue paper used in 17 properties and plazas. A total of 25,000 pcs. of certified luggage tags used in 2 properties.

### Roundtable on Sustainable Palm Oil (RSPO)

- Minor Food: Art of Baking procured almost 21,000 liters and almost 183 tons of certified palm oil and margarine respectively

- Minor Food: Minor Dairy and Minor Cheese used approx. 1.2 tons of certified palm oil
- Minor Hotels: Certified palm oil and margarine sheet used in 9 properties in Thailand

### Royal Society for the Prevention of Cruelty to Animals (RSPCA)

- Minor Food: The Coffee Club in Australia procured almost 220 tons of certified chicken products

### Marine Stewardship Council (MSC)

- Minor Food: The Coffee Club in Australia procured almost 29 tons of certified fish products

### Best Aquaculture Practices (BAP)

- Minor Food: The Coffee Club in Australia procured over 180 kg of certified prawn cutlets

- Minor Hotels: Over 4 tons of certified white shrimp PTO (Peeled Tail On) used in 3 properties in Thailand

### Cage-free eggs

- Minor Food: 100% of over 9.2 million eggs procured by The Coffee Club in Australia are cage-free
- Minor Hotels: Over 1.5 million eggs procured by NH Hotel Group in Europe are cage-free. Properties in Germany, Austria, Belgium, the Netherlands, Luxembourg, Switzerland, and Denmark used all cage-free eggs.

### Sustainable and Organic Coffee

- Nomad procured over 2,500 tons of UTZ certified coffee, over 120 tons of Fairtrade coffee, and almost 150 tons of organic coffee

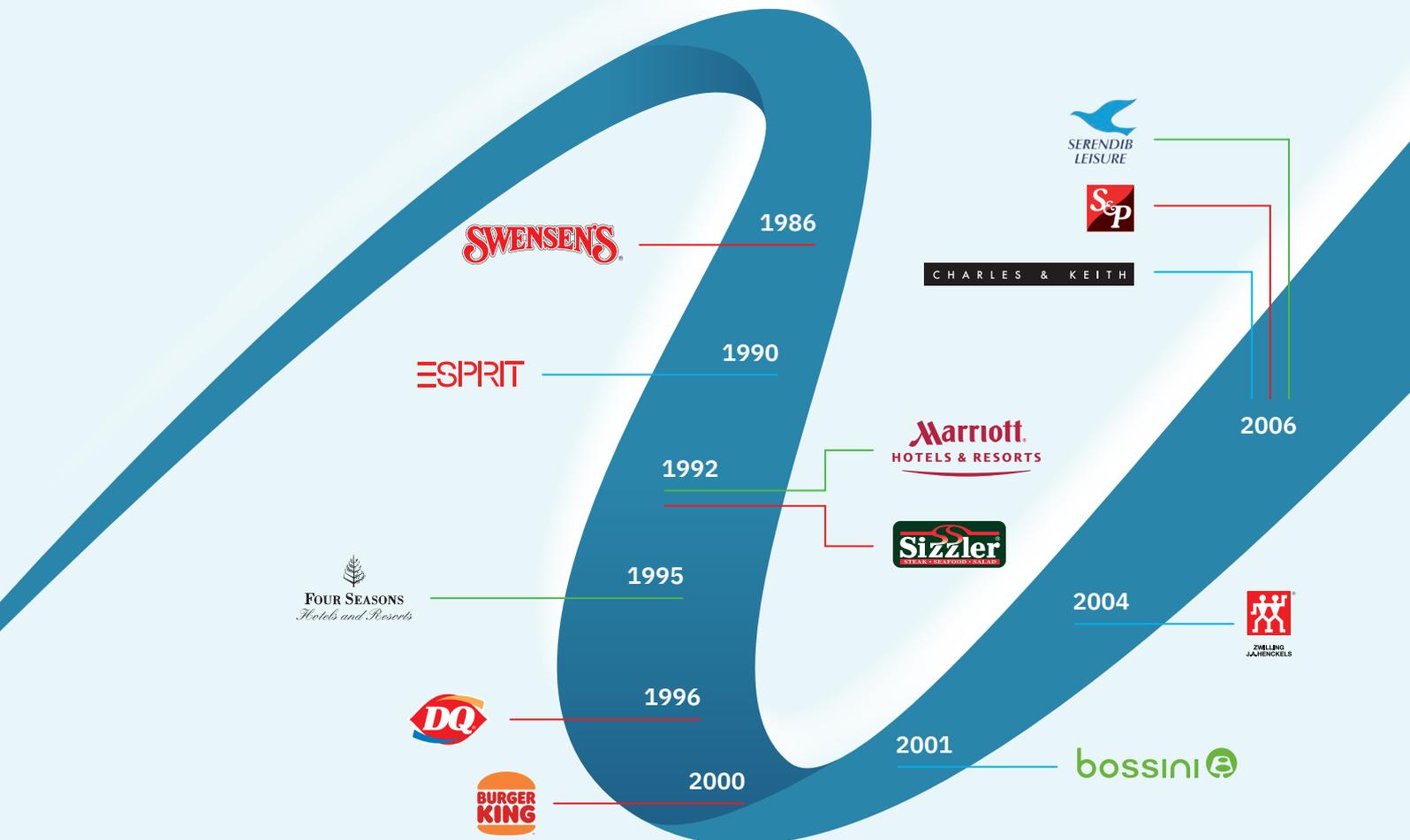
Long-term and Sustainable Partnerships | Trade & Industry Associations and Memberships |  
Collaboration with Financial Institutions on ESG

## Business Partners

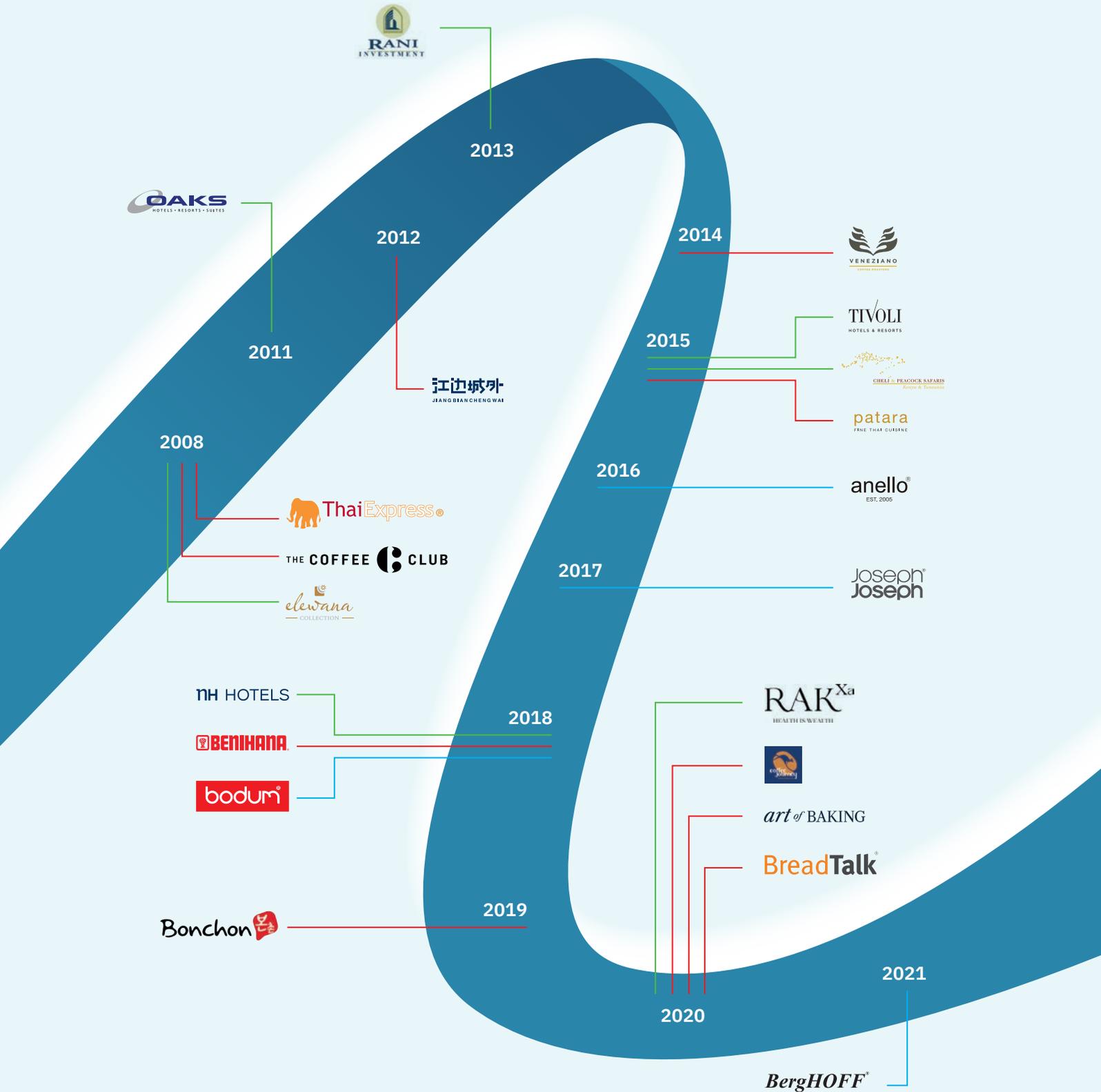
Minor is committed to creating long-term and sustainable relationships with our business partners as they are vital to the growth, competitiveness, and sustainability of our business. Strong partnership with business partners creates strong win-win synergies with the combination of Minor's well-built expertise and knowledge in hospitality and retail businesses together with our business partners' local proficiency.

### Long-term and Sustainable Partnerships

Minor establishes a strong and sustainable business through formation of sustainable and long-term business partnerships with master franchisors, franchisees, brand operators, hotel owners, joint-venture partners, and retail brand principals.



Long-term and Sustainable Partnerships | Trade & Industry Associations and Memberships | Collaboration with Financial Institutions on ESG



Long-term and Sustainable Partnerships | Trade & Industry Associations and Memberships | Collaboration with Financial Institutions on ESG

## Minor Hotels

Minor Hotels recognizes the importance of strategic partnerships with joint-venture partners, hotel owners, and hotel brand operators in helping us sustain and grow our operations, especially amidst the prolonged COVID-19 uncertainty. These partnerships allow us and partners to share experiences that contribute to local knowledge, skills, industry expertise, and brand strengths.

In June 2021, Minor Hotels announced the establishment of a hotel management joint venture agreement with China's Funiard Hotels & Resorts that will oversee business development, hotel operations, as well as the sales and marketing functions of seven Minor Hotels brands in China. This strategic partnership will offer perfect opportunity for Minor to bring quality hotel experiences and exclusive lifestyle products to Chinese consumers at the crucial time for the post-pandemic travel boom.

### Number of hotel properties by ownership as of 31 December 2021



### Asian Institute of Hospitality Management (AIHM)

Asian Institute of Hospitality Management (AIHM) was founded in 2019 by Minor Hotels, in academic association with Les Roches, a global leader in hospitality education, offering Les Roches accredited curriculum for the Bachelor of Business Administration in Global Hospitality Management. AIHM welcomed its first intake in 2021 and currently 35 students are enrolled with the institute. During 2021, several open house events, expert talks, and high school visits, both online and onsite, were hosted to over 1,000 students, parents, and school counselors. In October 2021, eight AIHM students and faculty members were invited to participate in Phuket Hotels Association's online event "Phuket Hotels for Islands Sustaining Tourism (PHIST)", under the topic of "Sustainable Asia Redefined". Along with leading CEOs across the region, AIHM students shared their thoughts and ideas on sustainability, showcasing their creativity, confidence and poise as next-generation leaders.

Long-term and Sustainable Partnerships | Trade & Industry Associations and Memberships | Collaboration with Financial Institutions on ESG

## Minor Food

Minor Food expanded and grew our business in regional and global market by offering franchise opportunities of owned brands and brands with master franchise rights to our partners. In 2021, 50% of Minor Food's 2,389 stores were franchised stores which echoes their significant roles to Minor's business success. We remain committed in developing our franchisees' capacities and creating best franchise system that ensures effectiveness in their operations.

### Number of Equity and Franchise stores - as of 31 December 2021



\* Nomad Coffee Group, Benihana

The ongoing COVID-19 pandemic engenders the necessity to adapt our franchise strategy. In 2021, to ensure continuity and survival of franchisee's business, Minor offered deferred-interest loans, marketing fee waiver, and franchise rights extension considering non-operational period. We also offered capacity development trainings to both Thailand-based and international franchisees via online and onsite platforms to maintain their development and strong alliances.

As the COVID-19 restrictions in Thailand alleviated, Minor Food organized Minor Food Franchise Award Ceremony 2021 to share Thailand franchisees' best experiences and honor those with outstanding performances. While the international travel restriction from COVID-19 continued, International Franchise team organized its meetings and trainings virtually.

Dairy Queen was awarded "Franchise of the Year" from the Thailand Franchise Award 2021 organized by Thailand's Department of Business Development, and two other awards from International DQ (IDQ): Foster Teamwork Award and Support Community Award for its outstanding performance in 2021.



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## Franchise Development Programs in 2021

### Domestic Franchise

	Minor Food Franchise Award Ceremony 2021	Franchise Academy, The Pizza Company	Franchise Academy, Coffee Journey	Basic Management Training, Swensen's	Managing Employee Performance, Swensen's
<b>Objective</b>	To maintain engagement and strong alliances, share best practices, and recognize outstanding franchisees	To provide franchisees with knowledge and technique in enhancing dine-in and take-away experiences to maximize sales	To equip franchisees with business strategy amidst new normal, focusing on delivery service as its priority	To educate franchisees on key performance drivers that lead to effective management and performance enhancement	To equip franchisees with people management strategy by enhancing their potential skills and personal performance
<b>Description</b>	A one-day event under the theme of "Minor Food Next - Rethink, Rebuild, Rebound". attended by all franchisees in Thailand, to share Minor's business vision beyond COVID-19 and exchange best practices among franchisees. Outstanding franchisees were awarded in 8 categories: Long-term Partnership, Best Entrepreneur, Best Operation, Best Customer Satisfaction, High Growth, Budget Achievement, and Franchise Social Responsibility	A 3-month virtual training to 1) equip franchisees with knowledge in managing their stores to bring out the best customer experiences, leading to high satisfaction and increase sales 2) familiarize franchisees with take-away provision in response to increasing demand of food delivery 3) develop franchisees' capacities to serve both dine-in and take-away/delivery market segments, allowing them to maximize their growth and sales	A one-day virtual training emphasizing on development of business strategy that best responds to the COVID-19 situation with focus on delivery service to serve growing market segment. Also, Coffee Journey has created a virtual communication channel to connect with all franchisees enabling them to share one another's pain points and seek for the best solution to enhance their business performance	A two-day virtual training focusing on knowledge provision of key performance drivers such as cost of good, cost of labor, and business trends essential for effective planning and management, that lead to key performance achievements.	A two-day training with one-day online and one-day live training at Minor Head Quarter. The training aimed to enhance people skills for franchisee's management team with positive management techniques to develop their employees effectively and bring constructive outcomes to their businesses
<b>Platform</b>	Onsite - Avani Riverside	Online	Online	Online	Onsite - The Park & Online
<b>Participants</b>	300 franchisees of The Pizza Company, Swensen's, Dairy Queen, and Coffee Journey	25 franchisees of The Pizza Company	30 participants from 24 franchisees of Coffee Journey	50 franchisees of Swensen's	12 franchisees of Swensen's

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## International Franchise

### International Franchise Annual Meeting

<b>Objective</b>	To maintain strong business partnerships and alliance with international franchisees, share Thailand's best practices, and provide 2022 business direction
<b>Description</b>	A month-long virtual meeting with a purpose to ensure connectivity among international franchisees and with the head quarter team. The meeting covered performance review of 2021, key learnings, and sharing of best practices implemented in Thailand that could be replicated to overseas markets e.g. pricing strategy, social media plan, and localized store design. Examples include Swensen's in Cambodia which reported 3% cost saving from changing stores' delivery procedure allowing customers to choose not to receive plastic cutlery. Marketing overview and business strategy for 2022 were also communicated during the meeting.
<b>Platform</b>	Online
<b>Participants</b>	> 40 franchisees of The Pizza Company, Swensen's, The Coffee Club in Cambodia, Myanmar, Laos, Vietnam, Bahrain, Maldives, Oman, United Arab Emirates, and Saudi Arabia



Long-term and Sustainable Partnerships | Trade & Industry Associations and Memberships | Collaboration with Financial Institutions on ESG

## Minor Lifestyle

As one of Thailand's largest distributors of lifestyle brands, Minor offers multiple brands of quality fashion, home, and kitchenware products. In 2021, Minor Lifestyle offers of products from 9 brands through its 386 outlets nationwide.



## Trade & Industry Associations and Memberships

Minor maintains relationships with our peers in the industry and in the same geographical locations where our businesses operate through participation in various trade and industry associations. We aim to strengthen our network and keep pace with industry policies and trends to amplify collective voice for mutual business, social, and environmental benefits. Our contributions to these associations are in form of membership fees and participation in relevant forums. In 2021, Minor and its subsidiaries, including NH Hotel Group, participated in over 100 trade and industry associations and contributed Baht 15.8 million in membership fees. In Europe, Minor Hotels collaborated with a number of different associations to drive against climate change and foster sustainable tourism, this includes the participation in the UN World Tourism Organization, the UN Global Compact, the World Resources Institute, the Worldwide Fund for Nature, the Sustainable Hospitality Alliance, and CDP.

## Collaboration with Financial Institutions on ESG

Minor's innovative collaborations with Siam Commercial Bank (SCB) does not limit only to blockchain solutions, but also extends to other emerging topics. In November 2021, we entered into an ESG-Linked Interest Rate Swap transaction with SCB. Minor's environmental, social, and governance (ESG) performance is used to determine the swap's interest rate, which has a positive impact on the overall cost of funds. The move is in line with the international practice where everyone takes part in mitigating climate change and moves forward together sustainably.

Food Safety and Traceability | Health and Wellness | Innovation | Customer Relationship Management | Cause-related Marketing Campaigns

## Customers

Minor is committed to offering our customers with exceptional products and services that best serve their needs, expectations, and desires. We actively engage customers to understand their demands and innovate products and services to address them.

In 2020, Minor introduced a new sustainability goal: "All Minor Food brands offer at least one new sustainable or healthy menu by 2024" in consideration of customers' increasing awareness and preference for health and wellness and sustainable consumption. Four of Minor Food brands in Thailand, Australia, and the Middle East introduced 55 new sustainable or healthy menus to the market in 2021.

We continue to enhance customer loyalty by elevating their experiences with our products and services as well as inviting them to participate in cause-related marketing campaigns, in which customers can join hands with Minor in contributing to the society and the environment.

With the COVID-19 pandemic persisting, enhanced health safeguard and hygiene procedures have become part of Minor's standard operating practices across all businesses worldwide. Our hotels continue to implement health and hygiene measures such as Anantara's Stay with Peace of Mind, AvaniSHIELD, Oaks SureStay, Elewana's Essential Elements, and Feel Safe at NH. Minor Food in Thailand carries on its "Zero Touch Delivery" protocol and maintains the "Amazing Thailand Safety and Health Administration: SHA" certification received since 2020 and additionally applied for "Amazing Thailand Safety and Health Administration: SHA+" certification.



Food Safety and Traceability | Health and Wellness | Innovation | Customer Relationship Management | Cause-related Marketing Campaigns

## **Food Safety and Traceability**

At Minor, safe and quality food is our top priority as it has significant impact on customer health. We ensure high quality and safe food is served at our hotels and restaurants through strict procedures and enhanced traceability of food supply chain.

In addition, Minor's Supply Chain Management or certified third-party auditors conduct regular supplier audits, at annual intervals or every 2 or 3 years depending on suppliers' identified risks. Food safety and quality complaints are one of the criteria. In 2021, 71% of tier 1 and critical non-tier 1 suppliers in Thailand, Australia, and Europe were audited on food safety/quality under the annual audit scheme. Gaps and issues identified need to be addressed by suppliers or else they would risk being terminated if critical food safety or quality issues are not resolved.

This practice is to guarantee the protection of customers' health as well as the business in terms of financial impact, operational continuity, and reputation.

## **Minor Hotels Worldwide**

To ensure safety of food prepared for customers, all employees in Food & Beverage Service and Culinary Departments at Minor Hotels are required to complete the Food Safety and Sanitation Training provided at every property worldwide.

## **Minor Food Thailand**

Minor Food Thailand requires all new employees working at the stores to obtain Food Safety Certificate through Food Handler Training provided by MSC Thai Culinary School, a professional culinary school accredited by Thai Ministry of Education. They must attend and pass this training within 7 days after starting their employment. In 2021, total of 16,280 employees completed the training and received the certificates which are valid for 3 years.



**Minor Food Thailand continues its collaboration with NSF International, an international independent organization specializing in health and safety standard, to provide coaching and auditing procedure at Minor Food franchised stores in Thailand. In 2021, NSF conducted audits on food safety, brand standard, and occupational health and safety, which were done through paperless system, for total of 373 stores of The Pizza Company and Swensen's.**

## **Minor Food China**

Minor Food China initiated a fish traceability project to monitor and track end-to-end supply chain of live fish used as main ingredients in its Riverside restaurants. In 2021, Minor Food China continued to develop partnership with local fish farms breeding fish species used at the restaurants and added more species to the currently traced Grass Carp and Quin Jiang fish. Due to the COVID-19 pandemic, traceability project in northern region stores was postponed and will be activated again in July 2022.

Food Safety and Traceability | **Health and Wellness** | Innovation | Customer Relationship Management | Cause-related Marketing Campaigns

## Health and Wellness

### Minor Hotels

#### Multi-dimensional Wellness Program

Minor Hotels realizes the growing trend of customers' gravitation towards wellness. To enhance our wellness products and services, we embarked upon delivering wellness through a Multi-dimensional approach to serve customers' demands for better and healthier lifestyle. We create programs covering complete nature of wellness from physical, mental, spiritual, emotional, social, to environmental dimensions. Each dimension contributes to one's own sense of wellness or quality of life as well as relationship with others. The programs started in Asia at Anantara properties in 2021.

We continue to offer essential wellness products and services such as sustainable or healthy cuisines, fitness, yoga classes, spa, and pampering treatments. However, we elevate these items to be more personalized to customers' preferences and requirements. Nutritionists are hired at our wellness clinics to provide private nutrition consultation and create nutrition plan with wellness cuisine menu supporting customers' immunity and health. Specialized therapies are developed to combine our signature treatments with local wellness wisdom that provide mindfulness experiences as well as therapeutic benefits. We also work with our gardeners in planting herbs that can be used at our wellness facilities as well as hotel's restaurants. We tap into local healing traditions, revive the hidden healing art, and create a series of local indigenous therapies, for example, Yam Khang treatment in northern Thailand. To promote mental wellness, Minor Hotels develops "sleep restoration" program to address sleep issues including sleep apnea, difficulty with switching off, and stress related issues to restore sleep wellness for customers. This program will be available at the selected properties in 2022.

We continue to pave the path forward in combining medical wellness offerings in luxury hotel and spa facilities. In 2021, we opened the first flagship Clinique La Prairie facility outside Europe. Clinique La Prairie is world-renowned for cutting-edge therapies. Our holistic approach to well-being incorporates a combination of innovative solutions, internationally trained therapists, and a collection of traditional philosophies. Our forever young treatments and healing programs have been specifically created in line with Clinique La Prairie's commitment to helping and inspiring guests to live a healthier, longer, and better life.

We trust that wellness is essential for all age groups and have developed specialized programs for kids that promotes physical movement, nutrition knowledge, and mindfulness such as tree top walking, archery, animal yoga, gardening, cooking classes, and traditional art and craft. These activities can be joined by the parents to promote family bonding while staying at our hotels.



Food Safety and Traceability | Health and Wellness | Innovation | Customer Relationship Management | Cause-related Marketing Campaigns

## Minor Hotels Health Safeguarding

All Minor Hotels' brands, including Anantara, Avani, Oaks, Tivoli, Elewana Collection, and NH Hotel Group, maintains their elevated hygiene and safety standards in response to the prolonged COVID-19 pandemic. Health safeguarding measures launched in 2020 to protect our customers and employees continued to be implemented while being updated regularly according to changing situation. In 2021, all properties in Thailand had obtained "Amazing Thailand Safety and Health Administration: SHA+" certifications, which guaranteed that sufficient hygiene and safety measures are implemented, including full COVID-19 vaccination of employees working in the operations. Similarly, our properties in the United Arab Emirates earned "Go Safe" certifications, issued by the Abu Dhabi government, for the implementation of cleanliness and hygiene standards designed to minimize the spread of COVID-19 virus in tourist premises.

 	<b>Stay with Peace of Mind</b>
	<b>AvaniSHIELD</b>
	<b>Elewana's Essential Elements</b>
	<b>Feel Safe at NH</b>
	<b>Oaks SureStay</b>



## Minor Food Preventive Measure Against COVID-19

Health and safety of our customers is Minor Food's priority for both dine-in and take-away. We implement strict hygiene measures to ensure customers and employees' health are protected. All Minor Food brands follow enhanced workplace hygiene measures for COVID-19 prevention as well as health and safety procedures.

We continue the "zero-touch" measure applied for dine-in and take-away orders, as well as Minor's own 1112 Delivery (1112D) service, to provide maximum health safeguarding to our customers. In 2021, all Minor Food stores in Thailand, with the exception of Dairy Queen kiosks and Coffee Journey stores, maintained their "Amazing Thailand Safety and Health Administration: SHA" certifications while more than 65% received SHA+ certifications.

To swiftly respond to government's temporary closure of department stores and plazas during the COVID-19 pandemic, in 2021, Minor Food initiated "Cloud Kitchens" by consolidating two to five of Minor Food brands in one location. The selection of brands includes The Pizza Company, Sizzler, Bon Chon, Swensen's, and Dairy Queen. Swensen's and Dairy Queen were sold at almost 30 outlets while Sizzler was available for customers at over 20 stand-alone Stores of The Pizza Company.

Food Safety and Traceability | Health and Wellness | Innovation | Customer Relationship Management | Cause-related Marketing Campaigns

## Minor Food Sustainable or Healthy Menu

In 2020, Minor established a new goal: “All Minor Food brands offer at least one new sustainable or healthy menu by 2024” in response to growing customer demands for environmental-friendly and healthy products. Consumers are becoming more conscious about their health as well as how the environment may be negatively impacted by food agriculture, processing and transportation. Minor Food Innovation Team (M-FIT) continues to work closely with research and development teams of Minor Food brands and our manufacturing factories to develop new products to serve our sustainability goal and address this increasing demand.

Due to continuing effects of COVID-19 on business and economy, not every brand of Minor Food could offer new sustainable or healthy menu to the market in 2021. Four out of nine brands in Thailand were able to launch total of 19 sustainable or healthy menus. Moreover, The Coffee Club in Australia and Middle East offered additional 36 sustainable or healthy menus to customers.

### Burger King - Plant-based Burger

Burger King Thailand saw the opportunity in sustainable and healthy food demand and introduced three new plant-based options for its burger to the market in 2021, including Plant-based Whopper, Plant-based Whopper Junior, and Single Plant-based Black Truffle Burger. It became the first fast food chain in Thailand to offer such option.



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#### Dairy Queen - Less Sweet Ice Cream

Dairy Queen responded to the growing demand for reduced sugar products by developing a low sugar version of its soft serve ice cream. The new product, “Less Sweet” soft serve, containing 25% less sugar than Dairy Queen’s regular ice cream was launched in November 2021 and are now available nationwide. Dairy Queen Thailand was the first and only master franchise in the world that launched this product.

#### Sizzler - Plant-based Dishes & Healthy Bread

Since 2019, Sizzler Thailand has continued to add more options of 100% plant-based menus as healthier and more environmental-friendly options for Thai consumers. In 2021, it launched two new dishes, Beyond Steak with Guacamole & Salsa and OmniMeat Laab Tod with Sticky Rice. It also offered two sandwich menus made from mixed vegetable bread with high fiber and wholemeal bread with low GI (Glycemic Index) containing lower sugar that suits people who need to control their sugar levels.



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#### The Coffee Club Australia - Vegan, Vegetarian, Low Gluten, and Low Energy Dishes & Drinks

A total of 23 healthy menus were offered to adult and kid customers in Australia by The Coffee Club in 2021 such as Low-gluten Warm Sweet Potato & Chicken Salad, Low-gluten Green Smoothie, Vegan Topped Toast with Mediterranean Veggie, Vegetable Kids' Club: Aussie Kids' Flat Grill, and Low Energy Acai Smoothie.



#### The Coffee Club Middle East - Plant-based and Vegan Dishes

The Coffee Club Middle East offered 13 Plant-based and Vegan Dishes throughout the year 2021 such as Plant-based Schnitzel, Plant-based Kung Pao, Vegan Pumpkin and Spinach Fusilli, Vegan Eggplant Steak with Marinara, and Vegan Pasta with Spinach Pesto.

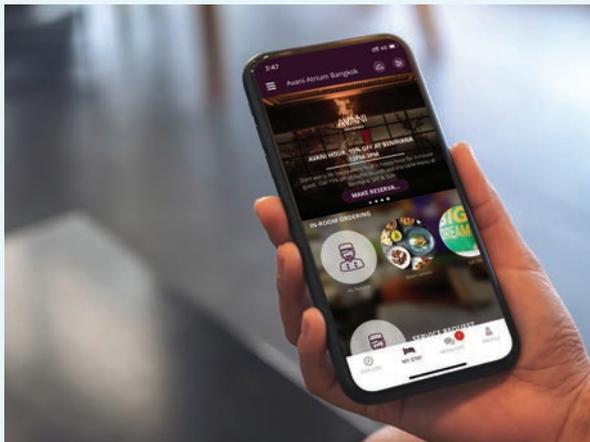
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## Innovation

Innovation is an essential for business to grow sustainably and competitively. It allows companies to stand out beyond other peers in the market and excite customer with innovative products and services while bringing new revenue streams to the company.

### Minor Hotels

Minor Hotels focuses on digitizing its booking and check-in processes to increase operational efficiency while still delivering great customers experience. We launched the “Anantara Digital Host Application” in 2020 and followed by the “Avani Digital Host Application” in 2021. In total, 18 hotel properties have utilized this digital application in which new technology and features were introduced to increase digital capability. Mobile keys and online pre-check-in were piloted at Avani Palm View Dubai. This reduces waiting time and touch points between customers and hotel staff amidst the pandemic. The mobile keys also help save materials used to produce physical keycards hence reducing carbon dioxide emission.



Minor Hotels also aims to enhance online booking experience and promote direct booking on hotels' websites, by offering more benefits and flexible payment methods to our customers. This allows us to obtain customer information and preference, upon customers' consent, and design attractive and relevant loyalty and marketing campaigns.

### Minor Food

Minor Food drives its innovations through the Minor Food Innovation Team (M-FIT) that works closely with research and development teams of Minor Food brands in Thailand as well as international franchise team. M-FIT does not only work on developing new products but also introducing new technology or approach to enhance customer experience and improve operations efficiency. Additionally, in 2021, Minor Food's Young Entrepreneur Program (YEP), a 12-month training program under GROW development umbrella, was initiated to recruit entry-level talents who are high-caliber millennials and equip them with various skills needed for successful entrepreneurs. Minor aims to create internal incubators who promote Minor's innovations and seek potential business ventures for Minor. YEP works closely with M-FIT to introduce and execute innovative ideas into commercialized scale with appropriate marketing, branding, positioning, and in-store execution. In this program, successful innovations were developed and launched such as Jooly - a cold-pressed juice brand and Naughty & Rice - a young and trendy style premium rice bowl brand, bringing in new sales opportunities for the company.

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Highlights of innovations developed by Minor Food in 2021:

### Swensen's - Concept Stores and Craft Bar Premium Ice Cream

To reinforce its leadership in ice cream with a long history, Swensen's followed the success of Kad Nan Concept Store in combining distinctive local culture with unique customer experience and introduced 2 more concept stores in 2 provinces. Located in Yala Province, the design of Yala Park Concept Store was inspired by the province's reputation as "bird city" and featured bird cages for their exterior and store decorations. The Kad Farang Concept Store in Chiang Mai Province highlights northern exterior architecture and the famous traditional Lanna festival, "Yee Peng", in store's lantern design.

Swensen's also introduced "Swensen's Craft Bar" in October 2021 at Siam Paragon Department Store in Bangkok to respond to specially customized needs and lifestyles of consumers. The store produces freshly blended ice cream crafted with quality ingredients. Six special flavors were launched: Pistachios Ferrero, Black Truffle, Reese's Peanut Butter, Creamy Peach, Rose Lychee Sorbet, and Mixed Berry Sorbet. The flavors are refreshed every two months. With this innovative concept, the store's sales increased by 75% in the 4<sup>th</sup> quarter of 2021 compared to the same quarter of 2020.



### Naughty & Rice - Healthy Poke Rice Bowl

Naughty & Rice is a new brand launched in 2021 to offer healthy "Poke" rice bowls with fresh and quality ingredients to young, trendy, and health-conscious consumers. Apart from normal toppings like salmon and tuna that are served in Japanese style, Naughty & Rice adds refreshing Thai spice and ingredients to differentiate with newness to its Poke bowls. Examples of these unique menus are "Yum? Yumm!", a Thai-style spicy salmon salad topping, and "Jim's Jaew", a topping with mixture of various Thai spices and herbs served with grilled chicken.

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### Jooly - 100% Cold-pressed Juice

Growing demand for healthy products in Thailand offers new opportunities for Minor Food to capture the market with its newly launched cold-pressed juice brand, “Jooly”. Jooly’s cold-pressed juices are made with High-Pressure Processing (HPP) technology which sterilizes and preserves juice for longer shelf life. The cold pasteurization technique retains freshness of fruits and vegetables as well as vitamins, enzymes, minerals, and antioxidants. Six juice varieties are available with different health benefits including promoting immune system and enhancing detoxification process.

### Sizzler - To Go

Launched in 2020, a grab-and-go concept “Sizzler To Go” kiosk continues its momentum to serve healthy meals and drinks to urban consumers living a fast-paced lifestyle. In 2021, Sizzler introduced five more kiosks at main transportation hubs in Bangkok. Currently, there are total of six kiosks serving consumers with convenient yet healthy meal options such as salad bowls, low GI sandwiches, and cold-pressed juices.



### 1112 Delivery

Minor Food’s delivery service, “1112 Delivery” (1112D), expanded its network to all provinces in Thailand except Mae Hong Son, serving over 1.2 million active customers in 2021, almost 70% increase from the year 2020. With new delivery platform, Zeek, the 1112D was able to improve delivery time by shortening match time and travel time. This reduced 21% of carbon dioxide emission per docket compared to 2020. The 1112D continues to enhance its service and customer experience as well as implement strict safety and hygiene standard to ensure protection of customers’ health. The 1112D service is available on website and mobile phone application and delivers orders for 17 Minor Food and non-Minor Food brands, depending on brands availability at customers’ location. For payments, in addition to cash on delivery and credit/debit cards, customers can choose to pay via TRUE money wallet. Customers can also earn points from Rabbit LINE Pay that can be redeemed as a discount. We are in process of expanding the partnerships with more payment providers in the market.



17 brands of Minor Food and other brands are offered on 1112 Delivery platform.

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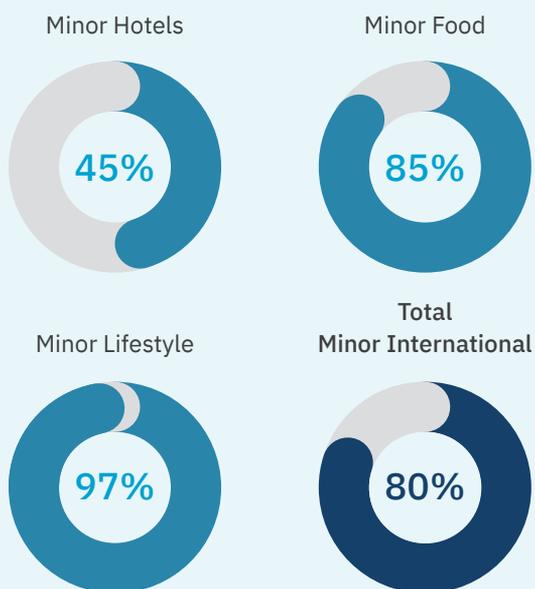
## Customer Relationship Management

Minor remains committed in building strong relationship and engagement with customers. We believe this leads to increased customer loyalty, resulting in retention and growth of the business. We track customers' loyalty towards our products and services to better understand their behavior and demands, that allows us to continuously improve our offerings. We are cognizant of the increasing utilization of digital platforms and have been focusing on elevating the platforms to ensure effective and timely customer relationship management, while enforcing strong cybersecurity and strict protection of customer privacy.

### Customer Loyalty

Minor Hotels established a 5-year goal of "50 Guest Loyalty NPS score for Minor Hotels by 2024" in the late 2019 and has continuously tracked its performance. We started to standardize and implement this standard customer loyalty measurement across all business groups, namely Minor Hotels, Minor Food, and Minor Lifestyle. We are in process of data consolidation and aim to establish a group-wide NPS goal in 2022.

### Net Promoter Scores 2021



### Corporate Communication Framework:

Minor and its affiliated entities are strictly guided by Corporate Communication Framework when communicating with external parties, particularly customers, suppliers, media, government agencies, general public, shareholders, investors, and communities, in order to build positive long-term relationships and earn their trust and confidence. The communicated information must be complied with all applicable rules and regulations and sensitive information must also be protected.

In 2021, no material non-compliance was identified on the health and safety impacts of our products and services and our marketing communications.

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## Cause-related Marketing Campaigns

Minor invites customers to take part in our cause-related campaigns to nurture relationships and engagement between customers and our businesses. We aim to cultivate continued loyalty and trust from customers while contributing to the environment and the society where we operate.

### Minor International - A Month of Giving

During the month of June, Minor International launched a cause-related marketing campaign inviting customers who ordered food through 1112 Delivery to be part in supporting frontline medical workers fighting COVID-19. Every Bath 5 collected from each order contributed to cooked meals provided to medical workers at vaccination centers in Bangkok. We raised over Bath 1.1 million towards this program.



### Minor Food

#### Sizzler's Community Support

Sizzler maintained its partnership with Food4Good, a non-profit organization that focuses on solving malnutrition among underprivileged children in Thailand. In 2021, Sizzler donated Baht 114,870 from its cause-related marketing campaign, in which Baht 10 from every order of the New York Steak is collected to support the organization.



#### The Pizza Company "Buy 1. Give 1."

The Pizza Company invited its customers who bought a pan of pizza to donate another one for free to support frontline medical workers fighting COVID-19 and underprivileged people in the communities through its "Buy One. Give One." campaign. The campaign ran from May to June 2021 and garnered donation of over 11,000 meals with value of more than Baht 1.6 million.

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### Minor Hotels - Dollars for Deeds

A long-term commercial initiative where Minor Hotels invite their customers to donate approximately USD 1 per night stay, with additional USD 1 matched from the hotel, to support its long-term community investment initiatives aiming to uplift the well-being of community members or the surrounded environment.

#### Thailand

Dollars for Deeds program in Thailand contributes to 3 beneficiary organizations: Golden Triangle Asian Elephant Foundation, Mai Khao Marine Turtle Foundation, and Princess Sirindhorn Craniofacial Center. With limited hotel activities in 2021, we were able to raise only Baht 318,990 and equally distributed to the 3 organizations to ensure continuity of their supported initiatives.



#### Vietnam

Minor Hotels' properties in Vietnam: Anantara Hoi An Resort, Anantara Quy Nhon Villas, and Avani Quy Nhon Resort & Spa continue their contributions from Dollar for Deeds program to the Kianh Foundation, a non-profit organization providing a support to children with special needs in the central region of Vietnam. In 2021, over USD 2,500 were raised from the program and donated to the Foundation where around 100 children are being taken care of.

