



**COP 24 June 2020**

**Chiva-Som International Health Resorts Co., Ltd.**

**Hua Hin, Thailand**

**11 January 2019 to 24 June 2020**

24 June 2020

To our stakeholders,

We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.

Sincerely yours,

Krip Rojanastien

Chairman & CEO

## **Human Rights**

- Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights
- Principle 2 - Make sure that they are not complicit in human rights abuses
- Women and Gender Equality
- Children's Rights
- Indigenous Peoples
- Persons with Disabilities
- Human Trafficking

## **Assessment, policy and goals**

Chiva-Som respects and agrees to follow the Universal Declaration of Human Rights for our stakeholders as well as local laws, and promotes ongoing human resource development for our employees.

## **Implementation**

Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

Chiva-Som follows the 10 principles set forth by the Global Compact. Management ensures that violations to human rights are not acceptable. Employee working hours adhere to local laws and working conditions are above average. An employee suggestion box is in place.

## **Measurement of outcomes**

Description of how the company monitors and evaluates performance.

This is the 6<sup>th</sup> COP for Chiva-Som and no incidents or violations of Universal Human Rights have occurred.

## **Labour**

- Principle 3 - Businesses should uphold freedom of association & effective recognition of the right to collective bargaining
- Principle 4 - The elimination of all forms of forced and compulsory labour
- Principle 5 - The effective abolition of child labour
- Principle 6 - Eliminate discrimination in respect of employment and occupation
- Child Labour
- Forced Labour
- Migrant Workers

## **Assessment, policy and goals**

Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

Chiva-Som recognizes the rights of employees, does not employ children and does not engage in any form of forced labor.

## **Implementation**

Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.

Chiva-Som distributes the Employee Welfare Manual to all staff outlining welfare and benefits including medical and dental insurance, meals, housing, transportation, social security, workmen's compensation, provident fund, staff loans, funeral financial assistance, scholarship provision for employees' children, annual leave, training leave, uniforms and shoes. An employee suggestion box is in place. Annual health check-ups are provided for employees. Service charge is provided in addition to monthly salary.

## **Description of how the company monitors and evaluates performance.**

Chiva-Som has had no legal cases or fines resulting from company labor practices. The company respects and employs a diversity of gender, ethnicity and age throughout the operation.

## **Environment**

- Principle 7 - Businesses should support a precautionary approach to environmental challenges
- Principle 8 - Undertake initiatives to promote greater environmental responsibility
- Principle 9 - Encourage the development and diffusion of environmentally friendly technologies
- Climate Change
- Water Sustainability
- Energy
- Biodiversity
- Environmental Stewardship
- Green Industry

## **Assessment, policy and goals**

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

## **Policy on Environmental & Social Sustainability**

Chiva-Som International Health Resorts Co., Ltd. remains committed to the preservation of our planet Earth and proactively involved in conserving our precious natural resources. Several initiatives, policies and practices are in place to sustain our organisation and grow into the future with an environmentally responsible and ethical approach. New and innovative initiatives are constantly being explored throughout the resort and we seek eco-friendly alternatives wherever possible including energy saving and natural resource conservation practices, building design, cleaning products and waste minimisation. Annual benchmarking and continual process improvement assist Chiva-Som in achieving international "best practice" performance on various levels of operation. Corporate Social Responsibility is paramount in developing our staff members and their families while reaching out with social welfare and education programmes in the local community.

## Areas of Focus

- I. Greenhouse Gas Emissions
- II. Energy Efficiency, Conservation and Management
- III. Management of Freshwater Resources
- IV. Ecosystem Conservation and Management
- V. Management of Social and Cultural Issues
- VI. Land Use Planning and Management
- VII. Air Quality Protection and Noise Control
- VIII. Waste Water Management
- IX. Waste Minimisation, Reuse and Recycling
- X. Storage and Use of Environmentally Harmful Substances
- XI. Community Well-being
- XII. Continuing Sustainability Education

## **Implementation**

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.

## **Environmental Stewardship**

The Resort shut down for renovation from 1 May to 15 October 2019. Energy-saving and water-saving fixtures and controls were installed throughout the facilities and renewable resources such as bamboo plywood were utilized for wall covering. No staff were laid off during the shutdown.

Three hundred square meters of solar water heating panels are used to preheat the water in the Resort, supplying the spa, accommodation, kitchens and laundry operations to reduce our annual gas consumption by nearly 50%.

Waste water and rainfall are collected and processed through tertiary treatment and reused in the Resort to maintain the Resort lake level and irrigate the lush, green landscape, and also used to clean paved areas and sidewalks.

The resort operates on a low waste continuum and it is our policy to reduce, reuse and recycle to minimize any waste sent to landfill. Plastic, glass, metal, wood and paper products are separated and delivered to a recycling facility and perishable food items are distributed to the local livestock producers for animal feed. Plant waste from maintaining the landscape is collected and converted into nutrient-rich compost for existing plants without applying chemicals on the soil.

Compostable food containers, biodegradable plastic products, reusable glass containers in the room minibars, and eliminating the use of bar soap to reduce soap waste are being investigated and tested as an alternative to reduce the amount of non-biodegradable waste accumulating in landfills.

In terms of our commitment to food safety, the Resort maintains GMP and HACCP Certifications and recently renovated the kitchens, receiving and storage areas to comply with Codex Alimentarius international food preparation regulations.

While growing many of our own fruits, vegetables, herbs and flowers without the use of harmful chemicals, the two Chiva-Som Organic Farms follow simple practices such as composting organic waste from the Resort to produce nutrient-rich fertilizer. The fresh produce is used in our spa cuisine as well as some organic spa treatments. Both farms received IFOAM certification in June 2020.

An on-site water filtration and bottling plant is under construction to produce our own mineral water in reusable glass bottles for the entire

operation, and it is going to be commissioned in the near future. This initiative eliminates the carbon footprint and energy consumed for roundtrip transportation of bottled water, as well as the plastic recycling process.

In terms of community engagement and inclusion, Chiva-Som remains an integral part of Hua Hin and partners with a diverse stakeholder groups under the Preserve Hua Hin movement, namely the Hua Hin Municipality, local businesses, schools, and like-minded other organizations. With focus to reduce the ecological footprint of Hua Hin's growing population, Chiva-Som formed the Preserve Hua Hin Group as a community development organization in 2004 and is under Royal Patronage of HRH Princess Maha Chakri Sirindhorn. Preserve Hua Hin organizes events such as carbon neutral, climate positive outdoor music festivals, marathons, reforestation projects and beach clean-ups to promote environmental awareness and preservation, and to increase social interaction in the local community.

Preserve Hua Hin has been organizing Mangrove Ecosystem Study Camps since 2008 to help local students gain first-hand knowledge of the mangrove ecosystem and other environmental issues including climate change and environmental degradation caused by human activity and commercial development. Recognized as Junior Ambassadors, the students learn about the symbiotic relationship between plants, animals and water to help them understand both the stability and fragility of the ecosystem, and develop respect for nature. The most recent Study Camp was held on 6 September 2019.

In our ongoing effort of environmental preservation and education, we are currently developing the 'Krailart Niwate' Mangrove Ecosystem Preservation Project in Hua Hin, Thailand in the last remaining urban mangrove in Hua Hin. The reconstructed wetland project is a public-private partnership local stakeholder groups including the scientists and academics of Silpakorn University. Chiva-Som and Preserve Hua Hin have been leading the reforestation project at the Krailart Niwate mangrove since 2007 and over 5,000 seedlings have been planted so far. Opened to the public on 19 December 2015 as the first eco-spiritual tourism science center in Hua Hin, a 1,000-meter elevated interpretive boardwalk was constructed throughout the mangrove with funding provided by Chiva-Som.

Chiva-Som expanded the mangrove area by 50% on adjacent land in June 2020 to restore the previously deforested area with the planting of 400 seedlings on World Environment Day. This area is going to become another healthy reconstructed wetland with the planting of 4,000 seedlings native to the region throughout the year of 2020.

### **Measurement of outcomes**

Description of how the company monitors and evaluates environmental performance.

This is the 6<sup>th</sup> COP by Chiva-Som. There are no legal cases or investigations concerning the environment. Chiva-Som garnered a number of international awards for corporate responsibility, sustainable development and wellness in 2018-2020.

**'One of The 50 Sustainability and Climate Leaders 2020' –**  
Bloomberg L.P.

**'Best Destination Spa'**- Condé Nast Traveller The Spa Awards 2020 (UK)

**‘Best Coastal Operation’**- Travel Daily 2019 Travel & Tourism Sustainability Awards (Australia)  
**‘1st in Best Spa’**- Traveler’s World Magazine 2019 (Germany)

**‘Top ranked Asian Spa in Top 20 Destination Spas’**- Conde Nast Traveler The Readers’ Travel Awards 2018 (UK)  
**‘Top 5 Favourite Destination Spa’**- Condé Nast Traveler Reader’s Travel Awards 2018 (India)  
**‘Thailand’s Best Wellness Retreat 2018’**- World Spa Awards (UK)

### **Anti-Corruption**

- Principle 10 - Businesses should work against all forms of corruption, including extortion and bribery.

### **Assessment, policy and goals**

Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.

Chiva-Som supports the UN Convention Against Corruption and works to ensure all employees conduct fair and ethical business practices in accordance with the Convention.

### **Implementation**

Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

A business code of conduct for anti-corruption is to be developed. A suggestion box is in place for employee opinions and concerns.

### **Measurement of outcomes**

Description of how the company monitors and evaluates anti-corruption performance.

A specific anti-corruption policy is not in place. Any risk is managed through a commercial development process. Chiva-Som has had no issues of ethical misconduct and does not engage in corruption.

### **COVID-1 Prevention Measures**

With the onset of the COVID-19 pandemic, the Resort closed down on 1 April 2020 and reopened on 12 June 2020. No staff were laid off during the closure. The management has rigorously reviewed and refined our procedures to maintain optimal cleanliness and personal hygiene throughout the Resort operation as the ‘new normal’, in conformance to government requirements to ensure the Resort is a safe environment for all of our staff and guests.

This includes deeper and more frequent cleaning in all areas with extensive training for all of our staff on efficient sanitisation, and we’ve increased our focus on sanitising all ‘touch spots’, such as reception counters, door handles, handrails, bathroom fixtures, limousines, etc. Social-distancing requirements are in place in all public areas as well as constant face mask-wearing with daily

screening of staff and guests to detect any signs of illness. Should anyone exhibit virus-like symptoms such as a body temperature of more than 37.5 degrees Celsius, they will be sent to the nearest hospital immediately for further analysis and treatment. We have not experienced any COVID-19 cases among the staff or guests in the Resort since the onset of the pandemic.

In addition to the use of personal protective equipment (PPE) and improved cleaning measures, we have implemented a rotational, 14-day quarantine programme for our service staff to ensure maximum safety for our guests. The process is in place with full cooperation from our staff.

The Marketing and Communications Department with the other key departments have launched several initiatives to support the domestic and international wellness audience through a digital wellness platform as part of the 'new normal' offerings.

Local food delivery programmes and various online wellness programmes commenced during the Resort closure period with 152 guests and interested parties having participated in the online wellness activities. The programmes delivered wellness tips, exercises and received feedback from our guests. It also helped our staff members to reduce any tension during the Resort closure period while they engaged with our guests remotely creating a new experience for all.