

CORPORATE GOVERNANCE POLICY

THAIFOODS Group Public Company Limited realizes and gives priority to the efficiency, transparency and auditability of management system that creates trust and confidence amongst all relevant parties. As a result, it leads the business to have the sustainable development under the operation with business ethics and compliance with the laws. THAIFOODS Group Public Company Limited therefore prescribed the Company's Corporate Governance Policy to enhance the existing operation to have more clarified and standardized system and distribute the good practice to all staff levels of the company that would reinforce the absolute culture in the Corporate Governance. The Company has brought the principle of Corporate Governance Code for listed companies 2017 of the Securities and Exchange Commission (SEC), as the main guideline, to adapt for maximum efficiency in the operation. However, such operation for THAIFOODS Group Public Company Limited was inclusively set for 8 (eight) sections of principles by the principles and practical guidelines are as follows;

SECTION 1 ESTABLISH CLEAR LEADERSHIP ROLE AND RESPONSIBILITES OF THE BOARD

SECTION 2 DEFINE OBJECTIVES THAT PROMOTE SUSTAINABLE VALUE CREATION

SECTION 3 STRENGTHEN BOARD EFFECTIVENESS

SECTION 4 ENSURE EFFECTIVE CHIEF EXECUTIVE OFFICER AND PEOPLE MANAGEMENT

SECTION 5 NURTURE INNOVATION AND RESPONSIBLE BUSINESS

SECTION 6 RISK MANAGERMENTS AND INTERNAL CONTROL

SECTION 7 ENSURE DISCLOSURE AND FINANCIAL INTERGRITY

SECTION 8 ENSURE ENGAGEMENT AND COMMUNICATION WITH SHAREHOLDERS

SECTION 1 ESTABLISH CLEAR LEADERSHIP ROLE AND RESPONSIBILITES OF THE BOARD

The Board of Directors realizes their role and responsibilities as the leader of organization who has the duties to control the Company to have the good management according to the good Corporate Governance for the listed companies by emphasizing on the determination in operation success simultaneously with the operation ethics, and have the responsibilities with the society and the environment apart from the financial operating performance and also include perform duties of the Directors, Executive and all staffs and employees with trustworthiness, careful responsibilities, absent from the personal Conflict of Interest, comply with the rules, regulations, laws, Articles and resolution of the Shareholders Meeting in order to get the maximum benefit towards the Company with suitable and do not perform any action that is the Company's Conflict of Interest.

The Board of Directors encourages and drives the Company to use the principle of good Corporate Governance to be a part of organizational culture for the sustainable development through the policies and practical method for the Executive Committee and employees such as good Corporate Governance Policies, Code of Conduct by significantly insisting on the Company's objective. Furthermore, the Board still prioritizes with improvement on the efficiency in all levels of operation in order to be the suitable structure and being the driven mechanism for the Company achieving the goals including communicating to the Directors, Executive and all staffs and employees for understanding and performing with clear and actual practice. Then the Board assigns the follow-up action and reviews the policies and procedures on periodically.

The Board of Directors has assigned scope, roles, duties and responsibilities for all of the Board of Directors, the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee, Corporate Governance Code, and Chief Executive Officer (CEO) including follow-up to perform the assigned duties with appropriately as follows;

The Organization Chart of THAIFOODS Group Public Company Limited comprises of four 5 committees as the Board of Directors, the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee Corporate Governance Code. Whereas THAIFOODS Group Public Company Limited prescribes the Board of Directors has the power of authority and revises the business plan.

In part of approval for investment projects or the value of transferred right over the property that more

than three (3) years and approval for acquisition and disposals of assets relating with the operation of THAIFOODS Group Public Company Limited, all abovementioned must be approved by the Board of Directors and the Executive Committee. However, the aforesaid delegation of authorities shall depend upon size of the aforesaid transactions. Whereby the Board of Directors has the authorization in level of the aforesaid delegation of authorities depend upon the value not more than 15% (fifteen percentages) of net tangible assets value of THAIFOODS Group Public Company Limited. Meanwhile, The Executive Committee has the authorization in level of the aforesaid delegation of authorities depend upon the value not more than 10% (ten percentages) of net tangible assets value of THAIFOODS Group Public Company Limited.

Furthermore, THAIFOODS Group Public Company Limited still assigns the delegation of authorities prior to conduct any transaction relating with the financial agreement such as the Executive Committee has the authorization according to level of the delegation of authorities for entering the following transactions, (a) Open the bank account (b) enter into the other credit limit agreement as Non-funding type such as the Letter of Guarantee (L/G) (c) enter into the credit limit agreement as Funding type such as Promissory Notes, Loan Agreement and Trust Receipt (T/R) that the value is not more than Baht 500 (Five Hundred) Million and (d) Signing as the Guarantor for the Subsidiaries companies with the guarantee limit not more than 3% (three percentages) of net tangible assets value of THAIFOODS Group Public Company Limited. Whereas the Board of Directors has the authorization according to level of the delegation of authorities, for entering into the credit limit agreement as Funding type and being the Guarantor for the Subsidiaries companies, as unlimited amount. Whereas the Chief Executive Officer (CEO) of THAIFOODS Group Public Company Limited has the authorization according to level of the delegation of authorities, for entering into the agreement or Memorandum of Understanding (MOU) that is the normal business practice of THAIFOODS Group Public Company Limited. Managing Director has the authorization according to level of the delegation of authorities, for entering into the agreement or Memorandum of Understanding (MOU) that is the normal business practice within the credit limit not more than Baht 20 (twenty) Million.

Whereby the varying set of the Committees of THAIFOODS Group Public Company Limited has a term to hold the position and scope of delegation of authority for each set of the committees as follows;

THE BOARD OF DIRECTORS

Term of Office for the Board of Directors

The Board of Directors has a term of office to hold the position for three (3) years since the date of appointment. As a result, since the aforesaid term to hold in the position is expired, a Director who leaved from the Office by the reason of rotation, he/she may be reappointed to take a position of the Director.

The Board of Director has approved the Board meeting plan for the year 2020 will be 10 times.

Scope of authority, duties and responsibilities of the Board of Directors

- 1) Carry out the duties in accordance with all the legal and regulatory requirements, as well as the objective, the Articles of Association of the Company, the resolution of both the Board of Directors and the Shareholders Meeting, with responsibilities, carefulness and integrity including perform as lead by example
- 2) To determine the major policies for business such as the policies relation to finance, funds management, risk management, management of information technology and to supervise the management for the implementation of policies include setting a plan for directors and management development, as well as a succession plan.
- 3) To consider and prescribe the description and approve for the following topics; the vision, mission, value, business strategy, business direction, business policies, goals, road map, action plans and budget for the Company and subsidiaries, that provided by the Executive Committee and management due to conduct and review every year.
- 4) To consider and approve matters other than which are within the authority delegated to the Chief Executive Officer (CEO), or matters which must be approved by the Board of Directors or a shareholders meeting as prescribed by the law or the relevant rules or procedures of the Company.
- 5) To supervise and appraise the management and performance result of the Executive Committee, the President, Chief Executive Officer (CEO), Managing Director, Executive and any personnel that has been assigned to do the aforesaid duties in order to comply with the policies; that were specified by the Board of Directors. To supervis and appraise the management and performance result of the Chief Executive Officer (CEO) and Managing Director perform theis

responsibilities in compliance with their fiduciary duties, duty of care, and duty of loyalty, enabling to make its decisions as a result of exercising independent judgement on corporate affairs and consider human resources management and development programmes in appropriately.

6) To follow-up the result of the Company operation with continuous in order to comply with the action plan, objective, business strategy, policies, and the Company's budget.

7) To control, supervise, review in order to possess the system for financial reporting that is transparently, accurately and sufficiently as well as provide the internal control system and internal auditing and finance and risk management according to legal, regulatory requirements, and the Articles of Association of the Company.

8) Set for preparation the balance sheet and statement of profit and loss at the year-end of accounting period of the Company and signs for affirmation on the aforesaid financial statements in order for proposed to the Shareholders Meeting in the Annual General Meeting for approved consideration, including financial and non-financial information disclosures.

9) Consider and review for selection and appointment of the external Auditor and consider for the suitable remuneration according to the proposal of the Audit Committee before proposed to the Shareholders Meeting in Annual General Meeting as approved consideration.

10) Assign to have the written policies regarding the Corporate Governance in accordance with the principle of the Good Governance, Code of Conduct and adapt using the aforesaid policies with efficiency. So as to create the confidence that the Company has the responsibilities towards all groups of stakeholders with fairness.

11) Consider for approval in appointment the person; who has the suitable qualification and has no prohibit qualification according to the Public Companies Act B.E. 2535 (including with the additional revision), the Securities and Stock Exchange Act B.E. 2535 (including with the additional revision) including the notification, regulatory requirements and/or the relevant regulation, to hold the position in case that the Director's position is vacant due to the other reason in except of the retirement as rotation. Also, they need to consider for approval in appointment the substitute Director instead of the retired Director and consider

the prescription in remuneration of Director for proposed in the Shareholders Meeting for approved consideration.

12) Appoint the Sub-committee including the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, or the other Sub-committees. Also, the Board prescribes the power of authority of the aforesaid Sub-committee for assist and supports the duties of the Board of Directors.

13) Consider to prescribe, rectify and changing the name of Director who has the authority to sign binding with the Company.

14) Formulation and reviewing the Company's management structure as well as its authorities, duties and responsibilities must be appropriate and clearly defined. The directors must be honest in their duties, have vision, ability and experience and be able devote their time to fully perform their duties for the Company under independent in their decision making. The Board of Directors must include at least one female director.

15) Consider the appointment for Executive according to the definition specified by the Securities and Exchange Commission (SEC) or the Capital Market Supervisory Board and the Company Secretary, who is to counsel assist and respond the Board of Director to ensure its compliance with all matters legal rules and regulation as required by the law and corporate governance ,including consider the remuneration of the aforesaid Executive according to the proposal of the Nomination and Remuneration Committee.

16) The Board of Directors will assign the authority, duties and responsibilities relating to daily managerial tasks to Chief Executive Officer (CEO).

17) Request for consultation as the professional opinions from the external organization if it is necessary for the suitable decision-making.

18) Encourage the Director and Executive of the Company to participate in or take the seminar courses of Thai Institute of Directors Association (IOD) in course relating with the duties and responsibilities of that Director and Executives.

19) Control the operation of the Company to consistent with the efficiency and protect any benefits relating with all group of stakeholders and achieve sustainable value creation, competitiveness and performance with long-term perspective under ethical and responsible business, while utilizing innovation and technology effectively which is good corporate citizenship and corporate resilience.

THE AUDIT COMMITTEE

Term of Office for the Audit Committee

The Audit Committee has a term of office to hold the position for three (3) years since the date of appointment. As a result, since the aforesaid term to hold in the position is expired, Chairman of Audit Committee and Audit Committees members, who leaved from the Office by the reason of rotation, may be reappointed to take a position of the Independent Director. Scope of authority, duties and responsibilities of the Audit Committee

- 1) Review the Company's financial reports for accuracy and adequate disclosure.
- 2) Review the Company's internal controls system and internal auditing for suitability, sufficiency and efficiency including considers for the Independence of the Internal Audit Division throughout approved consideration for appointment, transfer, or demotions of Chief Audit Executive or other department that take responsibilities regarding the Internal Auditing.
- 3) Review the Company's operations to comply with the laws of Securities and Stock Exchange, the regulations of the Stock Exchange of Thailand (SET) or any other laws related to the Company's business.
- 4) Consider, select and nominate the person that is independent and be responsible for an independent auditor for the Company and offer the aforesaid person for the appropriate remuneration including the Audit Committee must attend a meeting with an independent auditor without the Management group being present at least once a year.
- 5) Consider the accuracy and completeness for disclosure of the Company related transactions or transactions with being the potential Conflict of interest in order that they comply with the laws and regulations of the Stock Exchange of Thailand (SET). Whereby it should be ensure the appropriateness of the transactions and the maximum benefit towards the Company.
- 6) Prepare the Audit Committee report which is disclosed in the Company's annual report and that prepared report must be initialed by the Chairman of the Audit Committee with at least the following information;

- Comments concerning the accuracy, completeness and creditability of the Company's financial report.
- Comments concerning the sufficiency of the Company's internal control system.
- Comments concerning the compliance with the laws of Securities and Exchange, regulations of the Stock Exchange of Thailand (SET) or any other laws relating with the Company's business.
- Comments concerning the suitability of the external Auditor.
- Comments concerning the report that may have possible Conflicts of interest.
- The number of Audit Committee meetings and the attendance of each member of the Audit Committee.
- Overall opinions or remarks of the Audit Committee in compliance with the Audit Committee Charter and other items which shareholders and general investors should be informed that are within scope, duties and responsibilities assigned by the Board of Directors of the Company.

7) Perform the other duties as assignment from the Board of Directors of the Company.

8) During the process of the Audit Committee, if found or there is the suspicion whether the following transaction or any action may have the significant impact with the financial status and result of operation, the Audit Committee must report to the Company's Board of Directors for rectification or adjustment within the period that the Audit Committee deems as appropriate.

- The Conflict of Interest transactions
- Fraud or irregularity or significant deficiency of the Internal Control system
- Violation in laws of Securities and Stock Exchange, regulations of the Stock Exchange of Thailand (SET) or any other laws relating with the Company's business

If the Board of Directors or the Executive does not perform the rectification or adjustment within the period that was referred in the abovementioned paragraph, a member of the Audit Committee may report there is the transaction or any action; according to the abovementioned paragraph, to the office of the Securities and Exchange Commission (SEC) or the office of the Stock Exchange of Thailand (SET).

9) Revise and propose for additional adjustment in scope, duties and responsibilities of the Audit Committee deems as appropriate.

10) Revise the rules, regulations and the result of operation in the previous year with at least once a year.

THE EXECUTIVE COMMITTEE

Term of Office for the Executive Committee

The Executive Committee has a term of office to hold the position for three (3) years since the date of appointment. As a result, since the aforesaid term to hold in the position is expired, member of the Executive Committees, who leaved from the Office by the reason of rotation, may be reappointed to take a position of the Director.

Scope of authority, duties and responsibilities of the Executive Committee

1) Consider and prepare the policies, business strategy, goals and business plan, financial goals and budget of the Company by considering in the suitability of business factor. Then Executive Committee will present and request for approval by the Board of Directors. However, in case, the situation is changed; the Executive Committee will reconsider about the suitability of the approved budget for that situation.

2) Control, review and monitor the business operation of the Company complying with the policies, business strategy, goals and business plan, financial goals and budget of the Company, which is approved by the Committee, must be comply efficient and effective with the business condition. Herewith the committee will give an advice, supervision about the management for top executive.

3) Determine the organization structure and policies regarding with the management of the Company, nomination or transfer for the Executive of each business, consider and follow-up the succession plan for the Executive including manpower plan and determine the criteria in the remuneration payment and criteria for performance evaluation of the Executive.

4) Study the feasibility in new investment project and have the power of authority to consider and approve for investment or co-investment with the personnel, juristic person or any other business organization in the format that the Executive Committee considers as appropriate in order to conduct

the business according to the Company's objectives as well as consideration and approve spending money for the aforesaid investment, entering into the contract and/or perform any action related with the aforesaid matter until complete within the assigned credit limit, and/or the law and relevant regulation, and/or the Articles of Association of the Company.

5) Follow-up the achievement in business operation and progress of investment project in each business and report the overview either the problems and consequent obstacles and ways or guideline of improvement or rectification to the Board of Directors for acknowledgement.

6) Consider and give the recommendation or comments to the Board of Directors of Company regarding to the project, proposal or entering any transaction relating with the business operation including consideration the alternative for funding whenever it need and the funding is over than the specific credit limit and/or the laws and related criteria or the Articles of Association prescribe the Shareholders Meeting and/or the Board of Directors is the approver for those said transaction.

7) Consider and approve for entering the financial transaction with the financial institution for opening the account, borrowing, require the credit, pledge, mortgage, guarantee and other transaction, including purchasing and sales transaction and register for land ownership according to the objective useful for the business operation of the Company throughout entering into the agreement, submit the application form/proposal, coordinating, perform the juristic act with the government section in order to acquire the right of the Company and/or entering any transaction that related with the aforesaid matter until fulfill the specific credit limit and/or the laws and related criteria or the Articles of Association.

8) Consider and approve the regulation, procedures, management policy and business operation of the Company or any execution that binding with the Company.

9) Control for the compliance with the Risk Management policies, Enterprise Risk Management framework for having the Enterprise Risk Management in organization with efficiency and continuously.

10) Control and support the operational Risk Management to be consistent with the Company's strategy and the operational goals including promoting for the culture of Enterprise Risk Management in the organization.

11) Revise the system or evaluate the efficiency of Risk Management with at least once a year.

12) Report to the Board of Directors regarding Risk and managing plan to cope with the significant risk of the organization. In case there is the factor or significant event that may impact the Company with materiality, then they need to report the Board of Directors for acknowledgment and consideration as soon as possible.

13) Appoint and/or assign the Executive Director or any person or persons to perform any action within the line of authority of the Executive Committee according to the Executive Committee deems appropriate. However, the Executive Committee may cancel, withdraw or rectify or revise the aforesaid authority.

14) Have the power of authority and any responsibilities in accordance with the assignment or the policies as assignment from the Board of Directors of the Company.

15) Consider and approve the manual for delegation of authority for let the appointed person and/or the attorney acknowledges the scope of responsibilities and authorities and using as the operational manual by supporting the evidence as reference and also must comply with the systematic procedures.

THE NOMINATION AND REMUNERATION COMMITTEE

Term of Office for the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has a term of office to hold the position for three (3) years since the date of appointment. As a result, since the aforesaid term to hold in the position is expired, member of the Nomination and Remuneration Committees, who leaved from the Office by the reason of rotation, may be reappointed to take a position of the Director.

Scope of authority, duties and responsibilities of the Nomination and Remuneration Committee

1) Consider to propose the structure, the composition and the qualifications of the Board of Directors and Sub-committees.

2) Consider the criteria and nominating process and propose the name of suitable person occupy in the position as the Director. Then the Board of Directors must

consider proposing to the Shareholders Meeting in case of vacant position because of resignation from the directorship. In the other case, they must propose to the Board of Directors.

- 3) Recommend the name list of the Director occupy in the position in the each Sub-committee of the Company.
- 4) Consider to scrutinize the suitable person occupy in the position as the top Executive of the Company such as the Chairman of the Executive Committee in case of vacant position.
- 5) Consider to approve for the succession plan for the position of the Company's top Executive.
- 6) Consider the suitable format and criteria of payment for the remuneration of Directors and the Chairman of the Executive Committee.
- 7) Consider stipulating the criteria for appraisal/evaluation the Chairman of the Executive Committee and propose to the Board of Directors of the Company for approved consideration.
- 8) Appraise/evaluate the performance of the Chairman of the Executive Committee and propose to the Board of Directors of the Company for consideration.
- 9) Consider stipulating the annual remuneration of Directors and top Executives of the Company including the meeting allowance, yearly bonus, and other benefits by proposing the remuneration towards the Board of Directors.

Chairman of the Borad of Director

Scope of authority, duties and responsibilities of the Chairman of the Borad of Director

- 1) The Chairman must not be the Executive Director and must not be the same person as Managing Director and there is no any relationship with the Management group.
- 2) Encourage, assist, and supervise the business operation of the Management group through Managing Director. However, he will not overlap the routine work or daily operation; that is under the responsibilities of the Managing Director.
- 3) The Chairman act as both the Committee and in the Shareholders Meeting.

4) The Chairman is the casting vote in case that the voting vote of both parties, in the Board of Directors Meeting, is equal.

5) The Chairman is responsible as leader of the Board of Directors in controlling, follow-up and monitoring the administration work of the Executive Committee and the other Sub-committees to achieve the objective according to specified plan.

CHIEF EXECUTIVE OFFICER (CEO)

Scope of authority, duties and responsibilities of the Chief Executive Officer-CEO

1) Defines the policies, strategies, structure and authority including be responsible for preparation the strategic plan and annual budgeting plan proposed by the Management group for further consideration by the Board of Directors of the Company.

2) Control, monitor, operate and/or manage the general tasks complying with the policies, work plan and budget approved by the Board of Directors of the Company.

3) Being the Company's attorney in administer the Company's enterprise to comply with the objectives, rules, policies, regulation, requirements, order, the resolution of the Shareholders Meeting and/or the resolution of the Board of Directors.

4) Has the authority to execute and present own self as the Company representative contacting with third parties in the related enterprise and be benefit to the Company.

5) Consider for approval the operation plan of each department and consider for approval on any request from each department in case of over the command/authorization of that department.

6) Mandate or issue the order, regulation, notification, memorandum for controlling the operation to comply with the Company's policies and benefits and also maintain the working discipline and regulation of the organization.

7) Assign the authority to the employee in the management level to perform as acting authority for one or more issues as seemly appropriate.

8) Approve the appointment for advisors in varying parts that are necessary to the Company's operation and be consistent with the regulation of the Securities and Exchange Commission (SEC) or the Stock Exchange of Thailand (SET).

9) Have the authority, duties and responsibilities to manage the Subsidiaries Companies and other departments in the Company.

10) Operate in other areas assigned by the Board of Directors on occasionally.

SECTION 2 DEFINE OBJECTIVES THAT PROMOTE SUSTAINABLE VALUE CREATION

THAIFOODS Group Public Company Limited emphasizes on the business operation with sustainability. Then the Board of Directors give the importance to prescribe, supervise the objectives, goals and the core strategy of the Company throughout the annual operating plan both of intermediate and long-term plan, with conformity and create the value for the Company, all stakeholders and community, society and environment. Moreover, the Board enhances the Company to compete in the business by creating value for organization such as promote the innovation and technology to use for the business operation as appropriate. Therefore, THAIFOODS Group Public Company Limited can exist with sustainability under the opportunity and business risk of the Company. So as to have more confidence that the strategy and action plan of the Company is suitable, the Board of Directors has assigned the Executive Committee, Chief Executive Officer (CEO) to be the responsible person and properly report to the Board of Directors. Furthermore, the Board of Directors has set the analysis on the environment and varying risk factors that may impact with the business operation of the Company including the resources allocation and control the operation with appropriately. After all, they must properly report the situation to the Board of Directors for acknowledgement. Moreover, the Board of Directors encourages the action in order to confident that the objective, goals, and the Company's strategy must be communicated through all levels of staffs and employees of the Company for understanding and becomes the organization culture.

SECTION 3 STRENGTHEN BOARD EFFECTIVENESS

The Board of Directors emphasize on role in Corporate Governance of THAIFOODS Group Public Company Limited. Then The Board has set the structure, authority, duties and responsibilities with clear and appropriate including set up Corporate Governance for business operation of the Subsidiaries companies and affiliated company in order for maximum benefit for THAIFOODS Group Public Company Limited as follows;

INDEPENDENT DIRECTORS

THAIFOODS Group Public Company Limited prescribed the composition of the Board of Directors by consisting of the Independent Directors with at least one-third (1/3) of the total number of Directors in the Company. The Board of Directors or the Shareholders Meeting (as the case may be) will be the authority to appoint the Independent Directors participating in the Board of Directors. As a result, THAIFOODS Group Public Company Limited have the policy to appoint the Independent Directors with at least one-third (1/3) of the total number of Directors and there is the Independent Directors not less than three (3) Directors. The criteria in selection for the Independent Directors will comply with the criteria in selection for the Board of Directors. The qualification of any person, who will act as the Independent Director, must consider from the qualification and prohibited aspects of the Director according to the laws of Public Company Act and laws of Securities and Stock Exchange including the notification, articles and/or related regulation. The Independent Directors must have the educational background, technical skill, working experiences and other appropriateness composing altogether for proposed to the Shareholders Meeting for further consideration in appointment as the Company Director. However, if any of Independent Director who leaved from the Office before the expiry period, the Board of Directors may appoint the Independent Director who has the aforesaid qualification to occupy in the position as the replacement. Therefore, the new Independent Director will have the term of office only for the remaining period of the replaced Independent Director.

The Board of Directors has assigned the qualifications of the Independent Directors as follows;

- 1) A person who owns equity holdings of not more than 1% (one percentage) of the total number of votingshares of the Company and its Subsidiaries, the Parent company and the JV companies, the majority Shareholder, or a person with a controlling power over the Company; whereby such equity holdings includes

those held in the name of persons connected with or related to the Independent Director.

2) Not being a person or a Director who is, or has been, involved in the management of, an employee or staff of, an advisor (with a monthly regular salary) to, as well as a person with a controlling authority or power over, the Company and its Subsidiaries, the Parent company, the JV companies, a Subsidiary of parallel status with the majority Shareholder, or belongs to a person with a controlling authority or power over the Company, unless not less than 2 (two) years have passed since the date of submission for authorized issued and offered the security. Whereby the aforesaid prohibited characters are not included in case that the Independent Director has been the government officer, or the advisor of the government unit with that person being the majority Shareholder or a person with a controlling power over the Company.

3) Not being a person, related by blood or through legal registration, with the status of a father or mother, spouse, siblings and children as well as including spouses of the children, of the other Director, of members of the Management group, the majority Shareholder, those with a controlling power over, as well as of someone about to be appointed a Director or a member of Management of or with a controlling power over the Company or its Subsidiaries.

4) Not being a person who has or had business relationships with the Company and its Subsidiaries, the Parent company, the JV companies or the majority Shareholder or a person with a controlling power of the applicant, in a manner that may result being a hindrance to the exercise of a fully independent judgment on his/her part; as well as not being a significant Shareholder or a person with a controlling power of someone who has business relationships with the Company and its Subsidiaries, the Parent company, the JV companies, a majority Shareholder or a person with a controlling power of the applicant. Unless not less than 2 (two) years have passed since the date of submission for authorized issued and offered the security.

5) Not being a person who is or has been an external Auditor of the Company and its Subsidiaries, the Parent company and the JV companies, the majority Shareholder, or a person with a controlling power over the Company, as well as not being a significant Shareholder, a person with a controlling power or a Managing Partner of an Audit firm in which the Auditor of the Company and its Subsidiaries, the Parent company, the JV companies, the majority Shareholder or a person with a controlling power over the Company. Unless not less than 2 (two)

years have passed since the date of submission for authorized issued and offered the security.

6) Not being a person who has or had provided any type of professional services (including legal or financial advisory services) to and receiving total fees payment being more than Baht 2.0 million for such services per year from the Company and its Subsidiaries, the Parent company, the JV companies, the majority Shareholder or a person with a controlling power over the Company, as well as not being a significant Shareholder, a person with a controlling power or a Managing Partner of any such legal entity providing the abovementioned professional services. Unless not less than 2 (two) years have passed since the date of submission for authorized issued and offered the security.

7) Not being a Director who has been appointed to represent a Director of the Company, or the majority Shareholder as well as a Shareholder connected to the majority Shareholder of the Company.

8) Not being conducted the similar business as that of the Company and significant business competitor of the Company or its Subsidiaries; or a person who is a significant partner in a Partnership, as well as a part of the Management group, staff and employee, an advisor with a monthly regular salary, or a Shareholder with a shareholding in excess of 1% (one percentage) of the total voting rights, of another company operating a business similar to that of the Company and its Subsidiaries.

9) Not having any other qualifications and/or status that will not enable the giving of fully independent opinions regarding to the operations of the Company.

10) Not being a Director, may be assigned by the Board of Directors to make the decisions regarding to the operations of the Company and its Subsidiaries, the Parent company the JV companies, as well as Subsidiaries companies of a parallel status of the majority Shareholder and/or a person with a controlling power over the Company.

11) Not being a Director of the Subsidiaries companies or Subsidiaries companies of a parallel status especially of the listed companies.

Whereby the Independent Directors will need to examine and certify their self-independent qualification with at least once a year, then inform and report the history information of the Director at the Annual Statement of the Company

information (Form 56-1) and the annual report of THAIFOODS Group Public Company Limited.

NOMINATION FOR THE DIRECTORS

During the nomination for the Directors, there are 2 (two) members of the Nomination and Remuneration Committee, as Independent Directors, from total 3 (three) of members of the Nomination and Remuneration Committee, are responsible for considering in nomination and screening the suitable individual according to the Articles of Association of the Company. Also, they will be the nominator for the name of the person who has the suitable qualification to be the professional Director and have the diversification. Then they will give their comments to the Board of Directors for approved consideration. After that there is the proposal the name of aforesaid Director to the Shareholders Meeting for further appointment as the Director according to the criteria.

The Nomination and Remuneration Committee have considered the nature of business and future plan then specify the qualification of the Director. He must have the good knowledge in business of the Company. The Nomination and Remuneration Committee will give the opportunity for the Director and the Shareholders to participate in nomination the name list of the Director who has the suitable qualification.

Nomination for the Directors has the criteria and procedures as follows;

- 1) During the voting process for election the Director, it will be assumed that one (1) Shareholder has one (1) voting right per one (1) share.
- 2) During the voting process for election the Director, each Shareholder will spend all voting right according to the above-mentioned in (1) for election either one person or persons to be the Director. In case of election for persons to be the Directors, it cannot divide the voting right to any person more or less than the possessed right of own self.
- 3) Any person, who has received the highest voting right respectively, he will be elected as the Director equals to the number of Director should be elected in that time. In case the person, who has been elected in the following under sequence, has the equally voting right but more than the number of Director should be elected in that time, then the Chairman in the meeting will be the casting vote. In case that there is the vacant position of Director because of the other cause except of retire by rotation, then the Nomination and Remuneration Committee

select the person, who has the qualification and has no prohibited aspects of the Director according to the laws of Public Company Act and laws of Securities and Stock Exchange, to be replaced as the Director in the next following Board of Directors Meeting. Unless the term of that retired Director remains less than 2 (two) months, then the person, who come to replace as the aforesaid Director, will stay in the position of Director only for the remaining period of the replaced Director.

The resolution of the Board of Directors in accordance with the first paragraph must comprise the voting vote not less than three from four (3/4) of the remaining number of the Director.

STRUCTURE OF THE BOARD OF DIRECTORS

1. Composition of the Board of Directors

1.1 The Board of Directors of THAIFOODS Group Public Company Limited consist of at least 5 (five) Directors. At least one-third (1/3) of the total number of Directors, but not less than 3 (three) Directors, must be Independent Directors that conform to the criteria of the Securities and Exchange Commission (SEC). Whereby, the Board of Directors of THAIFOODS Group Public Company Limited is the professional for part of business, accounting and finance that related and supports the business of the Company. THAIFOODS Group Public Company Limited have the another 3 (three) sets of Sub-committees such as the Audit Committee, the Executive Committee and the Nomination and Remuneration Committee.

1.2 Chairman of the Board of Directors, Chief Executive Officer (CEO), Chairman of the Executive Director and Managing Director have the different duties and responsibilities. The Board of Directors has clearly assigned the authority, duties and responsibilities of the Chairman of the Board of Director, Chief Executive Officer (CEO), Chairman of the Executive Director and Managing Director and no one of the abovementioned position will be protected from having the authority with unlimited stage.

1.3 THAIFOODS Group Public Company Limited has appointed the Company Secretary to give advice on issues regarding laws and other regulations for acknowledgement by the Board of Directors. Also, he/she has performed duties to take care of the activities of the Board of

Directors including coordination for compliance with the resolution of the Board of Directors.

2. Qualifications of Directors

2.1 All Directors must possess the qualifications, and have no prohibited characteristics, as prescribed by the law on public limited companies, law on securities and exchange and notifications of the regulatory authorities.

2.2 All Directors have the experience, knowledge, capabilities in related fields of business and industry for the overall interests of the Company, and must be able to perform duties in an efficient manner, to present the point of view; which will be benefit to the handling of significant risks. Moreover, they must have the honesty, trustworthy and good ethical behavior.

3. Board of Directors Meetings

3.1 THAIFOODS Group Public Company Limited has regularly held the Board of Directors Meetings with at least three (3) months per time for every period of one (1) year and there may have the additional Extraordinary meeting as necessary that determined advance schedule on January every year. All members of the Board of Directors give priority attending in every meeting unless otherwise in the necessary case. THAIFOODS Group Public Company Limited should deliver the invitation letter or notice for meeting with clearly specified the agenda in advance before the date of meeting at least seven (7) days in order for the Director have enough time to consider or study the meeting agenda and the supporting documents for the meeting.

3.2 During the Board of Directors Meeting, all Directors can express their opinions with clearly and independence. There is the written record as the minute of the meeting and be kept the minute of the meeting; that was certified by the Board of Directors for the Director and the relevant party to verify. In addition, the top Executive may participate in some agenda of the meeting to give the detailed information or more helpful information as the concern party. He/she may acknowledge the policies directly in capable to perform with the efficiency.

3.3 The President is the person who considers selecting the issues into the agenda of the Board of Directors Meeting and all Directors have independence to propose the issue into the meeting agenda.

3.4 The Board of Directors have the access right entering to the information, in case of additional require and necessary, by requested from Managing Director or the Company Secretary or the other Executive has been assigned within the specific extent of policies. In the necessary case, the Board of Directors may prepare for the independent opinion from the advisor or the outside professional services with the Company's expense.

3.5 During the process for resolution in the meeting, the Board of Directors has held the majority vote by one (1) Director has one (1) voting right. Whereas the Director, who has the issue as the Conflict of Interest, will not attend in the meeting and does not use the right to vote for that issue. If there is the equality in voting right, Chairman in the meeting will use his additional one (1) vote as casting vote.

3.6 During each meeting, the Secretary of the Board of Directors attends in the meeting as the recorder for minute of the meeting and submits to the President of the Company signing for attestation and proposes for affirmative by the meeting in the 1st agenda of the next meeting. Moreover, he/she will be the information collector or keep the documents regarding the meetings for convenience to explore with reference.

ORIENTATION FOR THE NEW DIRECTOR

THAIFOODS Group Public Company Limited has determined the orientation for newly appointed Director by providing the explanation for presenting the overview of company business to newly appointed Director for acknowledgement in the following topics;

- 1) Business entity framework (Laws, Articles of Association of the Company, regulation)
- 2) Information about the business operation and activities
- 3) Significant projects
- 4) Organization development, business development

5) Good Corporate Governance

6) Social Responsibilities

SELF-ASSESSMENT OF THE BOARD OF DIRECTORS

THAIFOODS Group Public Company Limited have the policies for the Board of Directors to evaluate the result of self-assessment with at least once a year in order to assist the Board of Directors considering or revising their work or performance, the issues and the other obstacles during the previous year. In addition, it will increase the working efficiency of the Board of Directors. Then, it will prepare in two (2) aspects as follows;

1) The entire board performance evaluation will evaluate in various parts such as

- 1) Structure and Characteristics of The Board
- 2) Roles, Duties and Responsibilities of the Board
- 3) The Board of Directors Meetings preparation
- 4) The Board's performance of duties
- 5) Relationship with management
- 6) Self-development of Directors and Executives Development

2) The individual performance evaluation for each member of the Board will evaluate in various parts such as

- 1) Preparation of the Director
- 2) Strategic planning and business planning
- 3) Risk Management and Internal Controls
- 4) Caring for matter relating to conflict of interest
- 5) Follow-up the financial reports and operation
- 6) The Board of Directors Meetings
- 7) Others, etc.

SECTION 4 ENSURE EFFECTIVE CHIEF EXECUTIVE OFFICER AND PEOPLE MANAGEMENT

THAIFOODS Group Public Company Limited prioritized with all levels of personnel since level of Director, Executive and all employees in order for having the confidence that the Company shall be driven by the personnel; who possess the knowledge, capability, skill and the necessary experience, that bring the Company into effect with achievement in setup objective and target.

The Board of Directors assigns the Nomination and Remuneration Committee as the regulator set the criteria and method for recruiting the person who has the appropriate qualification along with study the suitability of succession plan for top Executive and reported to the Board of Directors for acknowledgement.

THE NOMINATION FOR TOP EXECUTIVES

In case of the nomination for the personnel occupy in the position of Chief Executive Officer (CEO) / Chairman of Executive Committee then the Executive Committee will be the preliminary consideration in screening the nomination the person who has the complete and suitable qualification, capabilities, skill and experience useful for the operating of THAIFOODS Group Public Company Limited. Also, he would have the clearly understanding the business as well as capable to manage the work to achieve the objective, goals that specified by the Board of Directors. After that it will be proposed to the Nomination and Remuneration Committee for approval consideration before they will propose the result to the Board of Directors for further approved.

REMUNERATION OF THE DIRECTORS AND THE EXECUTIVES

1) Assign the remuneration of the Directors to be in the comparable aspects with the industrial level, experience, Accountability and Responsibility including the expected benefits from each Director. While the Director who has been assigned more duties and responsibilities such as the member of the Sub-committee, that person should take more and suitable remuneration.

2) Assign the remuneration of the Managing Director and top Executive to be in line with the principle and policy specified by the Board of Directors and for maximum benefit for the Company. While the level of remuneration such as salary, bonus and attractive compensation will be conform to the performance result of each Executive and must consider with the benefit received by Shareholders.

3) All of non-executive Directors or the Nomination and Remuneration Committee will be the appraiser for the Director and the Executive in every year using as remuneration consideration for the Directors and the Executive by using the agreed criterion in advance with the Director and the Executive according to substantial criteria including the financial performance result, compliance with objective for long term strategy and development of the Executive, etc. Also, they will propose the result of aforesaid evaluation to the Board of Directors for approved consideration and the President or Senior Director should communicate the result of consideration to Managing Director for acknowledgement.

DEVELOPMENT OF THE DIRECTORS AND THE EXECUTIVES

1) Encourage and facilitate to have the training and education for all related concerns regarding to the Corporate Governance of the Company such as Directors, members of the Audit Committee, Executives, the Company Secretary, etc. Training and education will enable all aforesaid concerns to improve their performance continuously, and it can be set either In-house course of the Company or use the training service by outsource institute.

2) The Management group should provide all documents and useful information in performing duties for the new Directors, in every time of the appointment, including an introduction about the Company regarding to the nature of business and guideline for business operation to new Directors.

OVERSIGHT FOR THE OPERATION OF THE SUBSIDIARIES COMPANIES AND THE JV COMPANIES

Oversight for the business operation of those Subsidiaries companies, the Company has sent the Company representative to be the Director in the Subsidiaries companies. As a result, the aforesaid person must have the suitable qualification and experience for those businesses and there is no Conflict of Interest in business. However, the aforesaid representative must administer and manage the business of the Subsidiaries companies according to the policies that was approved by the Company and by the criteria and regulation specified in the Articles of Association of the Company and by the rules of the relevant Subsidiaries companies.

Besides, the Company will closely follow-up the operating performance and business operation of the aforesaid entity and present the analysis result including comments or recommendation to the Board of Directors of the

Subsidiaries companies or the JV companies or the entity that jointly control as supporting for consideration in setting policies or improvement or enhancement for the business of the Subsidiaries companies or the JV companies or the entity that jointly control, to have the development and grow up with consecutively.

SECTION 5 NURTURE INNOVATION AND RESPONSIBLE BUSINESS

THAIFOODS Group Public Company Limited promotes for building innovation and creating the value for the business concurrently with building the maximum benefit for all stakeholders under the responsibilities towards the community, society and environment. The Company would encourage the innovation to conform to the objectives, target, and strategic plan throughout existing in the Operational plan. Furthermore, the Company gives priority to the resources allocation to have the efficiency and effectiveness, management for information technology at the organizational level to add more chance and develop the business operation including with the Risk Management in order to achieve the objective and specific goals. The Company set the mechanism and practical guideline and other policies as follows;

Policies and guideline towards the employees

THAIFOODS Group Public Company Limited realizes that employees are the key success factor for target achievement of the Company with extreme values. Then it is the Company policy to treat the employees with fairness regarding the remuneration, nomination, transfers along with the competency development in order to comply with the aforesaid policy, so there are the following practical procedures;

- 1) Treat the employees with politeness and respect to the individuality.
- 2) Offer the remuneration to employees with fairness and set up the provident fund for employees and also prioritize concerning with the employee welfare.
- 3) Maintain the working environment to have more security in life and employees' assets.
- 4) Give the importance with the development in knowledge and capability of employees by giving the opportunity with thoroughly and properly in order for developing the employee's competency to support the growth of the organization.
- 5) Strictly comply with the laws and other regulations relating with the employees.

Policies and guideline towards the customers

THAIFOODS Group Public Company Limited realizes that the customer is important so that the Company assigns the policy to treat with the customer as follows;

- 1) Provide the control system to monitor regarding to the production process and procurement for the product with good quality for customers including prioritizes in the improvement and development in the production technology and the inspection for the quality of product should be update.
- 2) Provide the control system to monitor the compliance with the customer's agreement with honesty, carefulness and regularity.
- 3) Provide the control system to monitor the confidential treatment for customer information, likewise the Company's secrecy and do not use for own benefit or misuse by relevant person.

Policies and guideline towards the business partner and/or creditors

THAIFOODS Group Public Company Limited has the policies for the employee performing towards the business partner and/or the creditors with fairness, honesty and do not exploit the business partner by taking in account for the maximum benefit for the Company. Basic of return for both parties is equitable and avoid the situation that cause for the conflict of interest. Besides, the negotiation for solving the problem will keep depending on the fundamental of business relationship. Then the practical methods are as follows;

- 1) Do not call or take or pay any benefit illegal in commerce with the business partner and/or creditors.
- 2) Comply with any agreed conditions. In case that the Company cannot comply with any condition, so all concerns will consider altogether to solve the aforesaid problem.

Policies and guideline towards the competitors

THAIFOODS Group Public Company Limited has the policies to perform towards trading competitors by non-violate the secrecy or foresee the trading competitors' secrecy with fraudulent method. So, the Company prescribes the principles of policies as follows;

- 1) Perform or act under the rules or framework for the good competition.

2) Do not seek for any secret information of trading competitors by the illegal method.

3) Do not perform or act with intentionally to destroy the reputation of trading competitors by accuse of scandalous.

Policies and guideline towards the society and/or the community

THAIFOODS Group Public Company Limited has the policies to conduct the business that beneficial to the economy and society and adhere to conduct oneself as the good citizen and fully comply with the laws and related regulation. THAIFOODS Group Public Company Limited intents on the development, encouragement and raise the quality of life for society and community; that the Company located in, to have the better quality along with the Company's growth.

Policies towards the Environment and efficiency use of the resources

THAIFOODS Group Public Company Limited conducts the business as food manufacturer that considers the safety towards the environment in every process starting from the survey and strictly prepares the report for Environmental Impact Assessment (EIA) by setting the system and the operating procedures not to create the impact towards the environment both internal and around the area. Moreover, there is the arrangement for the knowledge enhancement, training for all personnel in regard to the preserving the environment, also give the priority to the enhancement for resources usage with efficiency and create the maximum benefit by considering the impact towards the environment and assign the preventive measurement and relieve the incurred impact with systematic.

Policies on Occupational Health, Safety and Workplace Safety

THAIFOODS Group Public Company Limited adhere to set the protection regarding the occupational health, safety and workplace safety for personnel, properties and working procedures, then the Company has the policies to support any activities encouraging the safety, occupational health through preserving the workplace safety to be always secure with life and employee's asset, community and social participation. Then the Committee for occupational health, safety and workplace safety was set up and prescribe the relevant policies to develop the safety management system and control, improve and rectify the danger or accidents occurring as a result of the staff carrying out their work. Also,

the Company set the activities to enhance the knowledge and understanding in regard to the safety in working for all personnel.

Policies on Non-infringement of Intellectual Property

THAIFOODS Group Public Company Limited has the policies and procedures regarding to the legal rights in the Intellectual Property, such as trademark, patent, copyright, trade secret and other Intellectual Properties specified by laws. The Company prescribes the Company, the Executive, staff and employees of the Company to comply with the Code of conduct regarding to the Intellectual Property or copyright.

Anti Corruption Policies

THAIFOODS Group Public Company Limited engages the business operation with transparency under the principle in Good Corporate Governance; opposes the bribery and the corruption, support all level of personnel to consider as the importance and also has the consciousness to oppose the corruption. Furthermore, THAIFOODS Group Public Company Limited announced its intentions to be an alliance of the Thai Private Sector in opposing corruption (Collective Action Coalition, CAC). Moreover, the Company prescribes the Anti Corruption Policies in writing for being the guideline for the Directors, the Executive and all staffs and employees strictly to perform.

Guideline in Protection and Anti Corruption

Any action performs along with the Anti Corruption Policies must be used the guideline according to the handbook for the Company's business code of conduct, policies, and practical guideline for each varying group of stakeholders including the regulation and relevant operational handbook throughout the other practical guideline that specified by the Company. So as to clarify in execution with the high level of fraudulent risk, then the Company has set the following policies;

1. General discussion

- 1.1 Strictly comply with the policies that conform to the Protection and Anti Corruption including rules, regulation and requirements in all format; either direct or indirect method.
- 1.2 Do not perform any action that intents to be fraudulent to the stakeholders, whom relate with the Company, in subject to own

duties or responsibilities; either direct or indirect method, to acquire the benefit for the organization, oneself or the concerns.

- 1.3 Do not neglect or ignore since found any action; be within the scope of fraudulent relating with the Company, then it will be considered as the suitable duty informing to the Secretary of the Corporate Governance Committee or the other whistle blowing channel of the Company as appropriate and should give the cooperation to examine the facts.
- 1.4 The Company will support and encourage all levels of personnel to consider this as importance and have the consciousness in Anti Corruption including providing the internal controls for protection in all formats of fraudulent and in all countries that the Company enter to invest.
- 1.5 Any person, who commits the fraud case, will be investigated, no matter what is the position of that person, because it is considered as commit a crime according to the working regulations governing the personnel management, is enforced with all classes of employee. Therefore, that person must be considered the specified discipline including may be punished by laws, if that action is illegal, too.
- 1.6 The Company will give fairness and protect employees or any person who informs the clue or fraud evidence regarding the Company or a staff who refuses to commit fraud according to the measurement to protect the complainant or cooperator in reporting the fraud case according to the policies relating with the complaint and protection to the complainant.
- 1.7 The Company will regularly review the guideline and operational measurement for conform to the changing in laws and nature of

2. Political Contribution

The Company is the politically neutral organization, not aligning with any political parties, political groups or any politician and adheres to the democracy regime. The Company still has the policies not offering the financial support, properties, any other privilege or participate in the political parties, any politician or any person who deals with the politic,

either direct or indirect method, for benefit to the Company's business. Whereby, the Company realizes that employees have the right and duties in the democracy regime to engage in or support the political activities with independence under the constitutional provisions, laws and relevant regulation.

Policies and guideline towards Charity Donation and Funding

THAIFOODS Group Public Company Limited will have more careful in transaction of charity donation and funding because it is the activities regarding spending money without the tangible compensation and lead to be the fraud risk. Then every charity donation and funding of the Company must be transparent, must not be against the laws and morality, and that transaction must be approved by the Company's authorized person with reviewable and traceable for all documents as evidence. However, charity donation and funding must be under the following conditions as shown the source and clear objective of that operating project such as record the requestor in application form, name of project owner, objective, success, benefit received from the project and attached with the supporting documents. Besides, that project must not have the characteristic presenting any action; having the other benefits that tend to be the fraud case.

Policies and guideline towards Giving or Receiving Gifts, Entertainment and other expenses

- THAIFOODS Group Public Company Limited has set guidelines for the following transaction; Giving or Receiving Gift, and/or Entertainment and/or other expenses, to/from any person, must be comply with type and worth, and have the suitable in accordance with the traditions.
- Prohibit all levels of staffs and employees to request or receive the gifts, entertainment, other services charge with unsuitable in order for persuading to practice or ignore the practice including any benefits from the contractor, subcontractor, customer, sub-customer, trader, supplier, joint venture or all groups of the Company's stakeholders, no matter what is the case.
- If the Company is in the process of price bidding, then the employee must not receive the gift, entertainment, other services charge or any benefits from the company that participated in the bidding.

Channels for contacts and communication

THAIFOODS Group Public Company Limited has the channels for the stakeholders to submit the recommendation, opinion, comments or ask the questions including complaints to the Company via the enclosed letter to the Board of Directors or Chief Executive Officer (CEO) or send e-mail to the President, Chairman of the Audit Committee and Corporate Governance Committee as apparent in the Company website (www.tfg.co.th) under the topic “Whistle Blowing Channel”. Whereby, the Company has the measurement for keeping the information of the complainant to be secret in order to create the confidence for the complainant.

Whistle Blowing Policies and mechanism to safeguard the whistle-blower

The Board of Directors has prescribed the channel for whistle blowing into 2 levels by 1st Channel in level of the Executive such as the chief/commander or supervisor in each level, Internal Audit Division and 2nd Channel in level of the Company Director such as The Board of Directors, the Audit Committee. The Company prepares the channel for receiving complaints, comments and recommendation throughout the clue of illegal action or performs the wrong code of conduct and also misconduct of the person in the Company or behavior which tends to be fraud. Moreover, the Board prioritizes on keeping the information as the complaint to be secret and it will be recognized only the appointed group of persons in order for creating the confidence for the complainant.

SECTION 6 RISK MANAGERMENTS AND INTERNAL CONTROL

Supervision regarding Use of the inside information

THAIFOODS Group Public Company Limited supervises the matter regarding use of the inside information in accordance with the principle of Good Corporate Governance by setting in written in the handbook of the policies to use of the inside information; that was delivered up to the Directors, the Executive and employees since the first date of working. So, the important policies can be summarized as follows;

- 1) THAIFOODS Group Public Company Limited shall give knowledge for Directors and the Executive of the Company and its Subsidiaries companies regarding the duties to give a declaration report of holding the Company security by oneself, spouse and under-aged children to the

office of the Securities and Exchange Commission (SEC) according to the Article 59 and the punishment in Article 275 of the Securities and Stock Exchange Act. Moreover, they must also give the declaration report of acquisition or distribution for the Company security by oneself, spouse and under-aged children to the office of the Securities and Exchange Commission (SEC) according to the Article 246 and the punishment in Article 298 of the Securities and Stock Exchange Act.

- 2) Inform the Directors and the Executives of THAIFOODS Group Public Company Limited, including with the spouse and under-aged children, to prepare and disclose the declaration report of holding Company security and the report of changing in holding the Company security to the office of the Securities and Exchange Commission (SEC) according to the Article 59 and the punishment in Article 275 of the Securities and Stock Exchange Act and submit the copy of this report to THAIFOODS Group Public Company Limited on the same date as the date of sending such report to the Securities and Exchange Commission (SEC).
- 3) The Company assigns the Directors, the Executives including the incumbent in management level from field of Accounting or Finance as the level of Department Manager above or equivalent and the relevant officer, who acknowledges the significant inside information; that may impact with the changing in stock price, must suspend the buy and sell transaction for the Company security during the period before disclosure of the financial statements or disclosure regarding the financial status and the Company status until the Company has already disclosed the information to the public. The Company will inform the Directors, the Executives including the incumbent in management level from field of Accounting or Finance as the level of Department Manager above or equivalent, abstain in written, from the buy and sell transaction for the Company security, with at least 30 (thirty) days in advance before the disclosure for the information to the public and should wait for at least 24 (twenty-four) hours after the disclosure for the information to the public, and also prohibits not to disclose that significant information to the other persons.
- 4) The Company has set the discipline in case there is the violence for use the inside information to acquire the benefit's oneself by starting from give the written warning, deduct the wages, temporary suspend from

work without pay the wages, or leave the job. Those aforesaid punishments will be considered by depending on the intention to perform and the gravity of the wrong action.

- 5) Prohibit the Directors, the Executive, employees of the Company to use of inside information of the Company, that have or may have impact to changing of the Company's stock price, and still does not disclose to the public, but that person foresee by the position or by the status, use it for purchase or sale or offer to purchase or offer to sale, or persuade the other person to purchase or sale, or offer to purchase or offer to sale share or other securities (if any) of the Company; either direct or indirect method, and no matter how the aforesaid action will act for own benefit or others, or bring the facts to disclose for the other person to do that said action, whether that person receives the benefit or compensation or not.
- 6) Prohibit the Directors, the Executives, the employees of the Company or the ex-Directors, the ex-Executive and the resigned employees to disclose the inside information or the Company's secrecy throughout the confidential information of the business partner, that person acknowledged from performed the duties, to third parties for acknowledgement. Even though the disclosure for the aforesaid information may not incur the damage to the Company or the business partner of the Company.
- 7) Directors, the Executives and employees of the Company or the ex-Directors, the ex-Executive and the resigned employees have the duties to keep the secret and/or the inside information, and have the duties to use of inside information only for benefit to the business operation of the Company. Whereby, prohibit the Directors, the Executives and employees of the Company brings the secrecy and/or the inside information of the Company to use as benefit for the other company that oneself is the shareholder, director, executive, staff and employee.

Conflict of interest

The Board of Directors has the policies regarding protection for Conflict of Interest on basic of any decision in conducting the business activities; it must be done only for the maximum benefit of the Company. So, it should avoid the action; that may incur the Conflict of Interest by assigning the relevant concerns

or the stakeholder on the considered transaction, all those must inform the Company about the relationship or their own Conflict of Interest in the aforesaid transaction and they must not enter to participate in consideration for decision-making including have no authorization in that transaction.

If there is any transaction that may incur the Conflict of Interest but not the operation as normal business or non-comply with the general trade condition, then it should be proposed to the Board of Directors Meeting for approved consideration. The Audit Committee should be assigned for consideration on the suitability with careful for propose to the Board of Directors Meeting. However, the Company must comply with the criteria of the office of the Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET).

Business Code of Conduct

The Board of Directors provides the code of conduct as the guideline and being the good code of conduct for the Director, the Executive throughout the employees to abide as the guideline to perform duties according to the Company's mission with honesty, trustworthy and justice in terms of performing to the Company, all groups of the stakeholders including set the follow-up action system to monitor the aforesaid guideline with regularly. In addition, the Company continually arranges the training for employees to acknowledge about the practice in accordance with the business code of conduct. So, the Director, the Executive and employees have the duties strictly to comply with the code of conduct. Whereas the supervisor in all levels has the duty to observe and promote his subordinates to comply with the specific code of conduct and behave oneself as the good sample to encourage the employees to comply. The Company has distributed the Code of Conduct within the Company website (www.tfg.co.th).

Risk Management

The Board of Directors set the target in business operation with clearly and measurable performance. The Management group will regularly compare the actual performance with the specific target. By the appraisal for the risk factor derived from internal or external source, analyze the factor as the root cause and set the measurement in follow-up the situation as the cause of risk factor, the measurement in reduce the risk including assigned the relevant unit to follow-up that risk with regularly and also report the progress to the chief, commander or supervisor.

Internal Controls and Internal Auditing

THAIFOODS Group Public Company Limited has the regulatory system, Risk Management and internal control with efficiency and effectiveness and be consistent with the international standards. The Audit Committee has the duties to set the supervisory policy to enable the Internal Auditing task having the Independency. Whereas the internal control and Internal Auditing will be performed by the Internal Audit Division and proposed the audit result to the Audit Committee for approved consideration before further report to the Board of Directors.

Compliance with the regulations

THAIFOODS Group Public Company Limited has the Compliance Unit to responsible for monitoring and follow-up in order for risk management in the compliance with the laws, other regulations (Compliance Risk) including with the compliance with the Anti Corruption Policies and other policies. Remuneration of the external Auditor During the Extraordinary Shareholders Meeting No. 4/2557 dated on 5th August 2014, the Company had appointed the PricewaterhouseCoopers ABS Co., Ltd as the Company's Auditor for the year ended 31st December 2014 with the Auditing fee at a total not over than Baht 6.5 Million (Six Million Baht) per year for THAIFOODS Group Public Company Limited and its Subsidiaries companies located in Thailand for 9 (nine) companies and in amount not over than 21,500 US Dollars per year for one (1) subsidiary company operating in Vietnam (The Company had appointed PricewaterhouseCoopers (Vietnam) Limited as the Auditor).

During the Annual General Meeting of Shareholders for the year 2015 dated on 9th March 2015, the Company had appointed the PricewaterhouseCoopers ABS Co., Ltd that is the certified public accountant, certified by the office of the Securities and Exchange Commission (SEC), for being the Company's Auditor for the year 2015 with the Auditing fee by auditing only the Company's financial statements, quarterly review for the financial statements and consolidated financial statements totaling amount Baht 1.38 Million (One Million Three Hundred Eighty Thousand Baht only). During the Annual General Meeting of Shareholders for the year 2016 dated on 28th April 2016, the Company had appointed the KPMG Phoomchai Auditing Co., Ltd that is the audit firm with independent and expertise in auditing and there is no relationship or no conflict of interest with the Company, Executive, the majority Shareholders or the related party, for being the Company's Auditor for the year 2016 with auditing fee in

auditing the Company and its Subsidiaries companies totaling amount Baht 8.94 Million (Eight Million Nine Hundred Forty Thousand Baht only).

During the Annual General Meeting of Shareholders for the year 2017 dated on 21st April 2017, the Company had appointed the KPMG Phoomchai Auditing Co., Ltd that is the audit firm with independent and expertise in auditing and there is no relationship or no conflict of interest with the Company, Executive, the majority Shareholders or the related party, for being the Company's Auditor for the year 2017 with auditing fee in auditing the Company and its Subsidiaries companies totaling amount Baht 9.79 Million (Nine Million Seven Hundred Ninety Thousand Baht only).

During the Annual General Meeting of Shareholders for the year 2018 dated on 23st April 2018, the Company had appointed the KPMG Phoomchai Auditing Co., Ltd that is the audit firm with independent and expertise in auditing and there is no relationship or no conflict of interest with the Company, Executive, the majority Shareholders or the related party, for being the Company's Auditor for the year 2018 with auditing fee in auditing the Company and its Subsidiaries companies totaling amount Baht 11.75 Million and other cost about 0.86 Million

During the Annual General Meeting of Shareholders for the year 2019 dated on 29st April 2019, the Company had appointed the KPMG Phoomchai Auditing Co., Ltd that is the audit firm with independent and expertise in auditing and there is no relationship or no conflict of interest with the Company, Executive, the majority Shareholders or the related party, for being the Company's Auditor for the year 2019 with auditing fee in auditing the Company and its Subsidiaries companies totaling amount Baht 11.45 and other cost about 0.62 Million

SECTION 7 ENSURE DISCLOSURE AND FINANCIAL INTERGRITY

THAIFOODS Group Public Company Limited prioritizes the disclosure in the significant information relating with the Company both financial information and non-financial information with accurate, complete, timely and transparent according to the criteria specified by The Stock Exchange of Thailand (SET) and the office of Securities and Exchange Commission (SEC) and other information that may have the impact towards the stock price of the Company. All aforesaid information has effected with the decision-making process of the investor and the Company's stakeholders. The Board of Directors will follow-up and control in order to have the following execution;

- 1) Mechanism, which will create the confidence in communication and report; disclosed to the investor and the stakeholders must be correct, do not make misunderstanding and sufficient for the decision of the investor. The Investor Relation of the Company, must have knowledge, skill and experience, is the responsible person in preparing the report and disclose the information. In addition, the aforesaid disclosure will consider the varying relevant factors such as conformity to the objective, main target, strategy, and the Company's policies, Audit Committee's comments including with the result of sufficiency evaluation of the internal control system, Auditor's opinion in the financial reports and Auditor's notice regarding the internal control system in order to have confident that the communication and disclosure of information, either the stakeholders or third parties, must be suitable and equalize under the protection for secret information and information that have impact towards the stock price in order to have the efficiency in communication and disclosure of information.
- 2) Follow-up system will be used for evaluation the sufficiency of the financial liquidity and debt payment capability such as evaluate and reports the financial status of the Company to the Board of Directors with regularly in order for planning, being the mechanism or managing guideline in conducting the business with the careful approach, reasonableness and timely. Moreover, it should concern with the fairness to all groups of the stakeholders. In addition, the authorization for executing any transaction or proposes the comments to the Shareholders Meeting for approval, the Board of Directors should be confident that executing the aforesaid transaction; will not impact to the continuity in operating the enterprise, the financial liquidity or debt payment capability.
- 3) Report for the Corporate Governance Policies, Business Code of Conduct, other policies such as Risk Management Policies, Policies regarding on caring the environment and society, Anti Corruption Policies, Policies and guideline for the employees and stakeholders, Policies regarding human rights that was comment as the summary. The result of compliance with the aforesaid policies, which reflects to the operation, may bring into creating worthy for the organization with sustainability. However, in the case that it cannot comply with the aforesaid policies, so it should have the supported reason. All those may report through the channel of the information technology such as the Annual Report, the Annual

Sustainability Report and the Company website by both Thai and English language.

- 4) Disclose the report regarding the responsibilities of the Board of Directors towards the financial report and coupled with the Auditor report in the Annual report. If the information in any transaction relating specifically to any Director, then that Director should disclose his/her own information for completeness and accuracy such as Information about Shareholders of his/her group, the disclosure in the part connecting with the Shareholders' agreement of his/her group.
- 5) The system which gives the confidence that preparation for the financial report and disclosure for the significant information, must be accurate, sufficient, timely and comply with the criteria, standard and the relevant practice. The disclosure for the aforesaid information, includes the financial statements, the Annual Statement of the Company information (Form 56-1), the annual report (Form 56-2), must sufficiently reflect the financial status and the operating performance. It should have the management discussion and analysis (MD&A) comprising the financial statement disclosure in order to acknowledge the information and understand the financial status and the operating performance of the Company not only the figure information in the financial statement.
- 6) Disclose the Audit fees and other service fees that provided by the external Auditor.
- 7) Disclose the roles and duties of both Board of Directors and the Sub-committees, the number of meetings, the number of each Director attended in the meeting in the previous year, and comments in performing their duties, including the information about the Board of Directors continue to attend the training and develop their professional knowledge and presented in the annual report.
- 8) Disclose the policies regarding remuneration payment to the Directors and top Executive that reflects the undertaking and each responsibilities and also format or aspects of the remuneration. However, the amount of disclosed remuneration should include the remuneration that each Director received from being the Director of the Subsidiaries companies and the remuneration of the external Auditor, too.

- 9) Not only disclosure for the information according to the specified criteria and via channel of The Stock Exchange of Thailand (SET), the Annual Statement of the Company information (Form 56-1) and the annual report (Form 56-2), The Board of Directors will consider to disclose the information both Thai and English language via the other channel such as the Company website including presenting the up-to-date information.

SECTION 8 ENSURE ENGAGEMENT AND COMMUNICATION WITH SHAREHOLDERS

THAIFOODS Group Public Company Limited realizes the importance to supervise and concern with all classes of stakeholders, not only the inside stakeholders such as the shareholders, the Company executive and employees but the outside stakeholders such as the customer, the creditors, the business partner, the competitors, government sector, society, community. The Company realizes that the contribution and opinion from all classes of the stakeholders will be useful in the operation and the Company's business development. Therefore, the Company must comply with the laws and related conditions for taking care the right of aforesaid stakeholders and do not perform any action that being the violation in right of the stakeholders. Moreover, the Company operation must be considered the right of all classes of the stakeholders according to the following guidelines;

Policies and guideline towards the shareholders

THAIFOODS Group Public Company Limited always reminds the shareholders as the proprietor and the Company has the duties to boost the long-term shareholder value. Then the Company assigns the Directors, Executive or Management and employees must comply with the following procedures;

- 1) Perform the duties with honesty along with the decision to execute any transaction relied on the professional principles with carefulness, cautiousness and fairness towards the major Shareholder or the minority Shareholders for maximize the benefit with overall Shareholders.
- 2) Present the report of the Company position, the operating performance, and the statement of financial position, accounting and other reports with proper, complete and agreed with the fact.
- 3) Prohibit not seeking the benefit for own self or the other person from using any Company information that still not disclose for public or perform any action in aspect of incurring the Conflict of Interest with the Company.

The Company has supported and prioritized for the Shareholders having confidence that they have participated in the significant issues of the Company according to the right of Shareholders; that is not limited only for the specific legal right. As a result, the Company does not perform any action that is the violation or derogate the right of Shareholders. The Company emphasizes with promotion to Shareholders using their own right, for example, the preliminary right of Shareholders such as share purchase/sales or share transfer, the Company profit sharing, participation, getting news and information and sufficient communication between Shareholders and the Company, attending to the meeting for use voting right in the Shareholders Meeting in order for appointment or withdrawal the Director, appoint the external Auditor and matter impacts with the Company such as dividend allocation, appointments or amendments to the Articles of Association of the Company and Memorandum of Association of the Company, decreases or increases in shares capital and approval for the extraordinary transactions. Furthermore, The Board of Directors emphasize the important matter both legal and others that may impact with the working of the Company; that is considered or approved by the Shareholders depending upon the case of the Shareholders Meeting. Not only the aforesaid basic rights, the Company still prescribe the practical guideline in any matter to encourage and facilitate the Shareholders to use their right along with the policies to facilitate and encourage attending in the Annual General Meeting of Shareholders and it includes the following matters;

- 1 Disclose the policies to support or encourage all groups of the Shareholders attending in the Shareholders Meeting.
- 2) Inform the information about date, time, place and agenda in the meeting with the narration and reason attached in each agenda or attached with the requested resolution; that specified in the invitation letter for the Annual General Meeting of Shareholders and Extraordinary Meeting of Shareholders or inside the attachment of the meeting agenda. Also, there should not have any action as the limitation in the opportunity of the Shareholders to study for company information.
- 3) Facilitate the shareholders to use their right attending in the meeting with fully votes and abstains any action which is the limitation for the opportunity attending into the Shareholders Meeting such as attending into the meeting for voting as resolution should not be the complicated

method, the place for arranging the Shareholders Meeting should be comfort with the transportation.

- 4) The presiding Chairman shall allocate the appropriate time and encourage the Shareholders to have a chance to express their opinion and ask the question towards the meeting regarding the issues related with the Company. Moreover, the Chairman gives the chance for the Shareholders to submit the question in advance before the meeting date by clearly setting the criteria to submit the question in advance. He should inform the Shareholders to acknowledge together with delivery for the invitation letter for attending in the Shareholders Meeting and also promulgating the aforesaid criteria to submit the question in advance on website of THAIFOODS Group Public Company Limited, too.
- 5) Support the Shareholders to use of proxy forms on which the Shareholders are able to specify the direction of their votes. The Company nominates the name of Independent Director with at least one (1) person as the alternative to propose the Shareholders for a proxy.
- 6) Enhance the Director including all executives or management team attending in the Shareholders Meeting to answer the Shareholders' question.
- 7) Provide the resolution in the Shareholders Meeting for each item in case of that agenda has many items such as the agenda for election of Directors.
- 8) Execute to bring the technology; using in the Shareholders Meeting both Shareholders registration, counting the vote and demonstrate the result, in order for managing the meeting with speedy, correct and accuracy.
- 9) Encourage the Company to appoint a free individual as independent party of inspectors or scrutineers in the Annual General Meeting of Shareholders and Extraordinary Meeting of Shareholders. These scrutineers should be disclosed in the meeting for acknowledgement with recorded in the minute of the meeting.
- 10) Provide the minute of the Shareholders Meeting for recording the explanation on voting tabulating procedures, methodology to display the voting result for acknowledgement by the meeting before meeting execution. Moreover, it is the opportunity for the Shareholders to raise

the issues or ask the questions and records the questions and answers, resolutions, voting results of each agenda item containing approving, dissenting, and abstaining votes including records the list of the Board members who attended or quitted from the meetings.

- 11) Disclose to the public for acknowledgement in the result of voting of each agenda in the Annual General Meeting of Shareholders and Extraordinary Meeting of Shareholders in the following day on website of THAIFOODS Group Public Company Limited and website of Stock Exchange of Thailand (SET).

Not only has the Board of Directors monitored the Shareholders Meeting to be tidy, transparent and efficient and sub serve the Shareholders to use their right as the aforesaid mention, the Board of Directors still set the policy to manage the equitable treatment and fairness for all Shareholders, a Shareholder with management positions, non-executive Shareholders or the majority Shareholders and the minority Shareholders including foreign Shareholders. Therefore, the resolution of the meeting and preparation for the minute of the Shareholders Meeting shall be disclosed with correct and complete, and then there are the following procedures;

- 1) Submit the invitation letter for the Shareholders Meeting with specified the agenda and the opinion of the Board of Directors towards the Stock Exchange of Thailand (SET) and also promulgating this on website of THAIFOODS Group Public Company Limited with at least 28 days (twenty-eight) before the appointment date of the Shareholders Meeting and also promulgating together with the invitation letter for the Shareholders Meeting; issued in Thai edition and English edition.
- 2) Inform the Shareholders to acknowledge the criteria using in the meeting, procedures for voting as the resolution including the voting rights in accordance with each category of shares.
- 3) Prescribe the criteria for the minority Shareholders to propose or add the meeting agenda in advance before the date of the Shareholders Meeting with clear in advance in order to present the fairness and transparency in consideration; whether it is suitable to add the said agenda of the minority Shareholders or not. Moreover, a Shareholder with management positions should not add the meeting agenda that is not informed in advance with unnecessary, especially the important agenda

which the Shareholders must take time to study or explore the information before decision making.

- 4) Set the methods for the minority Shareholders to nominate the name of candidates; who has the suitable qualification in order to take a position of the Director, by nominating that name via the Nomination and Remuneration Committee in advance before the date of Shareholders Meeting together with the supporting information for consideration in aspect of the candidates' qualification and their consent.
- 5) Give an opportunity for the Shareholders to use their right to appoint the Director as individual.
- 6) Assign all Directors and the Executive; who have the duty to report their ownership of the Company's shares according to the regulation should regularly submit to the Board an aforesaid report and also should disclose within annual report of the Company.
- 7) Prescribe the written procedures concerning the preservation and protection against abuse of inside information with improperly and notify the aforesaid procedures to all concerns in the Company for compliance. Moreover, it prohibits any person, that involved with the inside information, to trade the Company's securities within one (1) month before disclosure of the quarterly financial statements and annual financial statements and also pending security trade for 24 (twenty-four) hours after disclosure of the significant information.
- 8) Assign the Directors to report their conflicts of interest regarding each agenda item before consideration by the Board and record in the minute of the Board of Directors Meeting. Also, in the case of the Director who has a significant conflict of interest; that may let such Director do not give the free opinion, so the Board should require that Director abstain from participating in the board discussion on a particular agenda item.

During the year 2020 the Company did not receive any complaints relating with disrespect towards the basic shareholder rights. The Company has the equitable treatment of Shareholders.

Revision and improvement of policy

The Company will set the revision on this policy regularly for at least once a year or whenever there is a significant change in order to be consistent with the Company's operation.

Notified on 26th April, 2021