



Corporate Governance Handbook
for the year 2020

Siam Food Products Public Company Limited

Introduction

With the intention of being an organization with good corporate governance, integrity, transparency, control, effective management system. Siam Food Products Public Company Limited (“The company”) has prepared the Corporate Governance Principles guideline in full compliance with the relevant regulations. To achieve the objectives.

1. To guide the Board of Directors, executives and employees at all levels to strictly adhere to and strictly adherence to good corporate governance.
2. To build confidence for investors. Regulatory Authority Stakeholders And the linkage of the framework. To be equally productive. It is a tool to promote the achievement of company goals. To maximize value for all parties involved.
3. To promote a good, transparent, and transparent management system that will help the company and subsidiary company. Be able to compete and living in a dependable business.

SIAM FOOD PRODUCTS PUBLIC COMPANY LIMITED

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Vision

To be leader of the internationally recognized pineapple manufacturer and processed fruits.

Mission

- Intend to develop the production process to be efficient, modern and quality products including with the safe products for consumption, quality as customer's specifications, preform accordingly with the relevant laws, environmentally friendly and society.
- Increase the income of non-pineapple products at least 30% by focusing on improving the original products and developing new products such as healthy products and bio-technology.
- Aim to strengthen the farmers by cooperating and boosting farmer's income, provide career stability on the basis of systematic and sustainable development.
- Develop personnel and management with information technology to increasing the business operations capability.
- To be a sustainable growth organization by operating with good governance, including with responsible for social, stakeholders and environmental protection.

Common Definitions

Quality is priority

QUALITY POLICY

1. Quality - The Company is committed to produce safe food and quality products to meet customer's specification and requirements, regulation of customer's country, international regulations in accordance with food security and established international standards together with continuous quality improvement implementation and effective cost control.
2. Customers - The Company is dedicated to high business ethics in marketing our products with innovations while ensuring quality consistency and food safety.
3. Suppliers and Farmers - The Company cooperates with farmers to support and to develop yield per rai while improving quality and maintaining competitive cost.
4. Employees - The Company promotes education and training to employees at all levels, to encourage participation in thinking and creativity in order to achieve continuous improvements applying systematic working procedure with safety and professionalism.
5. Shareholders - The Management team is dedicated to efficiency to ensure that shareholders will receive reasonable and steady return on investment.
6. Community and Society - The Company promotes and establishes a good reputation by participation in environment conservation activities and supporting the community and the public.

Good governance policy of Siam Food Products Public Co., Ltd.

The Board of Directors has greatly emphasized on the compliance with good governance and good practice for the Board of Directors of the listed company according to the direction of SET and SEC, and the company has complied with the principles of good corporate governance in accordance with the principles of good corporate governance of the Stock Exchange of Thailand.

In the year 2020, the Board of Directors has approved to improve the policy of the principles of good corporate governance of the company by developing and improving according to the principles of good corporate governance For listed companies in the year 2012 of the Stock Exchange of Thailand ("Stock Exchange") Good Corporate Governance Principles for Listed Companies 2017 (CG Code) of the Office of the Securities and Exchange Commission ("SEC") and rules for listed companies corporate governance survey project Thai Of the Thai Institute of Directors Association in accordance with the changing conditions occurring in the capital market society raise the level of corporate governance to a higher level, the company announced to all directors, executives and employee of the company and subsidiary company of acknowledge and comply.

However, the Board of Directors has established a written corporate governance policy. And approve the policy And the Board reviews the policy and the implementation of such policy at least once a year

Compliance with the Good Corporate 30 Governance Principles

The Board of Directors had approved to improve Compliance with the Good Corporate Governance Principles in accordance with the International Standard the content thereof was classified into 5 sections, as follows: -

1) Rights of the shareholders

The Board of Directors realizes and focuses on the shareholders' rights, protection of shareholders' rights and encourages all shareholders to exercise their rights by covering the basic rights according to the law and not to do acts as the violation or derogation of the shareholders' rights.

The Board of Directors encouraged and focused on the shareholders' meeting. The Board of Directors as well as the audit committee and independent directors attended the meeting and invited the concerned person to attend the meeting i.e. auditor of the company in order to provide the information for the shareholders and consider the reports adequately, including promoting and supporting all groups of shareholders, including institutional investors, attending the shareholders' meeting to exercise the right to make decisions on important matters affecting or relating to rights and benefits.

The company recorded the data, date, time, place and agenda of the meeting by giving explanations and reasons in each agenda or support the resolution as being provided in the invitation for the shareholders' meeting in advance adequately and the Board of Directors gives opportunities to the shareholders to send questions in advance before the date of meeting by providing the criteria of sending questions in advance obviously and notified the shareholders as well as sent the invitation letter for the shareholders' meeting. The company propagated the criteria of sending questions in advance on the website of the company.

The Board of Directors encouraged the shareholders, who are inconvenient to attend the meeting themselves, to exercise rights of voting by authorizing other person to attend the meeting and vote instead. The company nominated at least 1 independent director as the option of authorization for attending the meeting and voting instead of the shareholder. The company encouraged the shareholders to use the power of attorney in form, which the shareholders could determine the direction of voting.

The company president or chairman of the meeting notified the shareholders about the criteria used on the meeting, procedures of voting for resolution, allotting the proper time and giving opportunities to the shareholders to exercise rights equally on inquiry, expressing the opinions or suggestions to the meeting according to the agenda of the meeting and submitted manner.

The Board of Directors encouraged the use of the voting card in every agenda and provided the resolution individually for the appointment of director as well as designated the independent person to count or examine the votes on the shareholders' meeting and clearly disclosed all votes including agree, disagree and abstain to the meeting and the shareholder's meeting.

The minutes of the shareholders' meeting, which recorded the data accurately and completely, has been sent the Securities and Exchange Commission, SET, Ministry of commerce the minutes of the shareholders' meeting has been propagated within 14 days since the date of shareholders' meeting. The resolution of the meeting and the voting result in each agenda have been disclosed on SET Link of The Securities Exchange of Thailand and the company's website within 9 o' clock in the next working day.

2) Equal treat to the shareholders

Shareholder's meeting

The Board of Directors promoted the shareholder who is inconvenient to personally attend the Meeting to exercise its right to vote by its proxy. The company proposed at least the name of 1 independent director as alternative for attend the Meeting and entitled to vote on behalf of the shareholder. In this regard, the company encouraged the shareholder to use Power of Attorney in the form where the shareholder could determine voting direction. However, should the shareholder may use other form of Power of Attorney as prescribed by Department of Business Development.

The invitation letter for the shareholders' meeting is done both in Thai and English language in order to give notice of the meeting schedule together with the agenda and opinions of the Board of Directors by mean of propagation through the company's website at least 30 days before the appointed date for the shareholders' meeting.

The Board of Directors gives opportunity to the minority shareholders to add the agenda and nominate the individual to assume the position of Director as well as gives opportunity to the shareholders to send questions in advance before the date of shareholders' meeting by propagating the criteria and giving prior notice to the shareholders through the website of the company at least 3 months before the date of shareholders' meeting.

The Board of Directors held the shareholders' meeting based on the sequence of agenda being given in the invitation letter for the meeting and had the policies not to add the agenda in the meeting without prior notice to the shareholders, so that the shareholders have the opportunities to study the supporting data of agenda before making decision. For voting, the company provides the shareholder to vote by the number of shares held (One share: one vote) and the Scorecard in all agendas and could examine it in case of conflicts at later time.

Insider Trading policy

The Board of Directors provides the policies about the prevention of internal data use and provides the measures to ensure that the policies are acknowledged, observed and regularly follow up (complete) such as the Board of Directors has set a policy to manage insider trading that affects the price of securities as follow: -

Directors, executives, employees of the Company who related to insider trading. (Including spouse or unmarried couples) not to buy/sell stock of the company or other listed company which related to insider trading within 1 month prior to quarterly and annual financial statements disclosure.

In addition, in the case of directors, executives, employees, companies in the relevant departments of the information. (Including spouse, the information is not disclosed, which may affect the stock price of the company or other listed companies related to internal information. Trading of securities of such companies is prohibited until all information is publicly available.

If anyone knows insider trading and sell or buy the stock but the insider trading has not been reported to publication, this action is taking advantage of outsiders which is in the period or not. The person who commits such action shall remain liable under the Securities and Exchange Act BE 2553 and the Securities and Exchange Act (No. 5) BE 2559 by the Office of the Securities and Exchange Commission.

Policy of holding securities report

The Board of Directors provides the policies that the directors and executives have the duties to prepare and disclose the report to securities holding in the owns company, the spouse or unmarried couples, minor children, director and executive have to report to executive board about their stock of spouse, minor children at least 1 day in advance before the trade is reported to publication by application letter to the company president in order to report the securities trade to the meeting of the Board of Directors on the next meeting and annual report.

Policy of Disclosure

The Board of Directors determined policy stipulating the directors and executives to prepare and disclose report of benefit of themselves including the persons related to the directors and executives to the company's secretary in order to further submit copy of such report to the President within 7 days commencing from such report is received by the secretary.

In case any director or executive has interest in the subject matter being considered the stakeholders do not have to attend the meeting and abstain in order to make independent and fair decisions of the Board of Directors and executives, in accordance with the procedures or measures for approving inter-company transactions.

3) Roles of Stakeholders

The Company recognizes the importance of all parties with interests in the Company by protecting their rights and ensuring equal, fair treatment for all. The Company addresses the rights of persons with interests in the business as follows.

Shareholder: The company has a policy to strive to perform its duties by using full knowledge and experience with honesty, transparency and fairness to all shareholders. The company adheres to conducting business in accordance with the principles of good corporate governance without infringing on or prejudice the rights of shareholders. The company aims to encourage shareholders to exercise their fundamental rights through shareholders' meetings as well as not to conflict of interest and to not seek benefits for themselves and

related parties by using inside information that has not yet been disclosed to the public. The company ensures that financial and non-financial information is reported to all groups of shareholders accurately and completely.

Practices: As a guideline for adherence, the company has outlined excellent corporate governance principles and business ethics.

Employees: The importance of employees at every level of the organization is emphasized, irrespective of nationality, religion or gender. All employees have equal rights and receive equal treatment. Appropriate remuneration and benefits are provided to all employees, comprising a salary, employees provident fund, social security, medical expense coverage and life insurance. An employee benefits committee has also been established to oversee the rights of personal in a just manner.

Practices: Comply with the laws and regulations concerning employees and basic human rights of international standards without discrimination regardless of birthplace, nationality, gender, religion, education and manage human resources in accordance with and in support of business strategies, goals and financial management and investment in provident funds training.

Customers: The Company has a policy dedicate to install the production process at world class standard for food safety to improving the efficiency of its services; fair pricing; as well as honesty and integrity when entering into contracts.

Practices: Commit to the development of products and services, the company products are accredited according to the following standards: GMP, HACCP, BRCGS, IFS, ISO 9001, ISO 14001, SMETA-SEDEX and BSCI to provide good quality and satisfaction to our customers forever and regularly assessing customer satisfaction.

Trading partners: The Company has a policy consider equality and honesty in the conduct of business. Protect the interests in collaboration with the business partners by observing the laws and the rules agreed upon by both parties, and by conducting ethical business.

Practices: The Company has a manual has been compiled which clearly specifies operating procedures for the procurement of products and services and procedures to select the trading partners. The Company observes the conditions of trade and contracts of which it is a party to; payments are promptly arranged; and

full cooperation is provided to the sellers of products and services regarding essential information and encourage partners to pursue sustainable business practices with a commitment to social and environmental responsibility.

Competitors: The Company has a policy treat business competitors as per the international principles within the framework of the laws on trade competition and fair competition are strictly observed and involvement in disinformation which could potentially damage the reputation of its competitors is actively discouraged.

Practices: Operate within the framework of free and fair competition with the competition framework is to be guided by appropriate practice.

Banks: The Company complies with the lending conditions specified in its agreements and its obligations to business banks.

Practices: The company provides the framework on approval for the shareholding list, and the guarantee must be subject to approval from the Executive Committee. In addition, the company has the policies of strict fund management to prevent any defaulted payment to the financial institute in whatever cases.

Government and regulatory agencies: The company strictly adheres to its business operations and management within the framework of relevant laws and regulations when dealing with government officials or agencies as well as to cooperate in academic matters, support activities, and listen to opinions and suggestions from government agencies.

Communities, Society and Environment: The company gives focus and respect on the lifestyle of the community, supports and participates into the activities of environment protection and social and public interests support.

Practices: The company's policies, taking consideration of the concerned parties, have been announced to the employees and generally observed as follows:

Policy of social responsibility (CSR): the company which has operation continuous follow The Standard of Corporate Social Responsibility, which is the standard of Department of Industrial Work, Ministry of Industry. The standard is closely to international standard ISO 26000 - Social Responsibility.

Practices: Operate CSR-DIW standard is based on 7 principles; Accountability, Transparency, Ethical behavior, Respect for stakeholder interest, Respect for the rule of law, Respect for international norms of behavior, Respect for human right.

Non-violation of human rights policy: The business has concentrated on this policy. It is the cornerstone of operating a business sustainably. As the cornerstone of quality and valuable company operations, the Company considers how employees and all stakeholders are treated with respect for their human rights and dignity.

Practices: The business respects everyone's individual differences and does not discriminate against its workers, clients, communities, suppliers, partners, or joint ventures. For instance, the business embraces individuals with disabilities, forbids the use of child labor, and considers human rights in general without infringing on the fundamental rights of people of color, women, children, people with disabilities, etc.

Policy and Treatment of intellectual property: the company with the right in property, intellectual property, copyright, patent, moral right.

Practices: Promote executives, employees to use resource and property of UV Group efficiently in order to increase the competition ability and to provide a good service to customers, to use products and service with legal copyright and do not support products or action that is intellectual property right infringement for example Illegal software is a violence of intellectual property and strongly prohibited.

Policy of anti-corruption and no bribery for the business interests of the company: The Company places great importance on countering corruption while encouraging our personnel at all levels to be aware of corruption in all forms.

Practices: Personnel at all levels of Company and its subsidiaries must perform their duties in compliance with the following practices:

1. Abide by the Anti-Corruption and Anti-Bribery Policy, the Business Code of Conduct, and the rules, regulations and articles of association of the Company without involvement in any forms of corruption, either directly or indirectly.

2. Do not act in any way that indicates an intent of corruption, including giving or taking bribes to and from stakeholders of PTT Global Chemical Group. This includes any act through the work function of personnel carried out under their responsibilities, either directly or indirectly, in order to gain benefits to the organization, employees or involving persons.

3. Do not neglect or ignore any acts that are witnessed, which could be within the scope of corruption involving the Company and its subsidiaries. It is the duty of all employees to report such a matter to their supervisors or responsible persons, and fully cooperate in any investigation that may follow.

Policy of environment, hygiene and safety:

The Company is a world-renowned manufacturer of premium quality food with high safety standards, meeting international requirement of environmental, occupational, health and safety management system with employees' participation for customer satisfaction and the society as a whole. Top management communicates to all employees for understanding and implementation and also communicates to all concerns.

Practices: We do as follow to commit our policy:

1. To continuous the prevention and improvement the environmental management system by reduced and recycled resources.

2. To promote good health, prevent dangerous and illness from medium risk of employees and subcontractors' activities, prevent accident and near-miss which will affect to life, resources and processing.

3. To develop the environmental, occupational, health and safety management system to compliance with legal requirements, and other requirements that concern with environmental aspect of activities or products in the scope of environmental management system.

4. To establish, review objective and target to compliance with environmental aspect and medium risk.

5. To promote and support business partner, contractors to use raw material and services with highly concern with environmental, occupational, health and safety management system.

6. To training and awareness on environmental, occupational, health and safety management system for all level of employees.

7. To support the human resource, timing, training, evaluation, improvement environmental, occupational, health and safety management system continuously.

Policy of energy conservation: The company realizes the importance of energy. It is the responsibility of all employees to cooperate in energy conservation. This will result in continuous and sustainable energy development.

Resolution:

1. To set up an energy management system as a part of the company's operations.
2. To define an annual energy conservation plans and targets for the Company's energy use, communicate to the employees of the company to understand and perform correctly.
3. The company considers the energy conservation as the responsibility of all employees and all levels have to cooperate in the compliance with the laws relating to the energy conservation and energy management.
4. To support the allocate resources, personnel, budget, working hours, training for the energy conservation
5. To improve the energy efficiency continuously. There will be ongoing the review of policy, goals and energy management plans.

Whistle Blowing Policy or Complaint and Protection of information: The company provides the channel for receipt and management of the complaints of the interested parties through the audit committee of the company directly at Siam Food Produce Public Co., Ltd., 195, 43rd Floor, Empire Tower, Sathon Tai Road, Yannawa Sub-district, Sathon District, Bangkok 10120 or at the e-mail address: Auditcommittee@siamfood.co.th as well as data propagation in the website of the company; www.siamfood.co.th. The company has the process of examination and investigation of the complaints based on the procedures to ensure that the complaints shall be considered carefully, accurately and fairly and reported to the Board of Directors respectively.

If the employee is complained that he commits offense, the company has the policies and guidelines to provide fairness to the employee and the whistle blower not to affect against the individual rights according to the law of all parties.

Information technology policy: The company is aware of the importance of using information technology in business management. Therefore, has set information technology policy in order to have a good corporate governance and management framework for information technology at the organizational level by referring to principles from guidelines and guidelines for establishing information technology systems Security Information Security Practice Guidelines for the Securities and Exchange Commission as well as other relevant laws to adapt to suit the business context of the company

Practices: The company has established policies and guidelines for the following areas:

- 1) Policy on information technology resource allocation and management
- 2) Information technology risk management and management policy
- 3) Information security system security policy

Announcement for employees to know and practice in general Including the dissemination of information on the company website www.siamfood.co.th

Compensation and welfare policy

Guidelines: The company has a policy to pay staff compensation. By considering the appropriateness, fairness according to knowledge, capability and the performance of each employee and depends on the company's performance.

In addition, the company provides various benefits. To employees as required by law and other benefits that are necessary to enhance the quality of life for employees.

Privacy policy: The company has prioritized in compliance with corporate governance principles and fundamentals of ethics and integrity with accountability to all stakeholders. The company has focused on complying with the Personal Data Protection Act to prevent any unlawful manipulation of personal data to cause a breach and affect the data subject. Therefore, the company has set the Privacy Policy as a guideline of the company and its subsidiaries which has been published on the Company's official website. www.siamfood.co.th

Framework for Development toward Sustainability: It is SFP's conviction to conduct business with fairness and responsibility towards each stakeholder for sustainable mutual benefits. As such, the Company has formulated SFP Framework for Development toward Sustainability, based on international guidelines encompassing economic, social, and environmental aspects, under the principle of Corporate Governance to bring about aligned operation across the Company's businesses, continuously creating values for society through its fully environmentally-friendly business conduct and is ready to transfer its existing bodies of knowledge, experience, and success to stakeholders through participation such as transferring knowledge to Contract Farming under the SFP Model, and to study and apply new innovations to develop the business. The Executive Board is responsible for monitoring the results. And advice on how to do it every month. To supervise sustainability together.

4. Disclosure of data and transparency

The Board of Directors had policy to disclose data and information both the monetary and non-monetary information related to business operation and result of operation of the company which was true, complete, sufficient, regular, in time and indicate the operating status and actual financial status of the company including the future of company's business.

The Board of Directors had duties to supervise the disclosure of company's data to be strictly in accordance with law, rules, regulation related to disclosure of date and transparency and following the update regularly to ensure that the law, the rules and regulations of the company are correct and also assigned the company secretary to equally communicate with the shareholders, investors and general security analyst as contactable at the company office, e-mail address: pornpun.p@siamfood.co.th or Tel. 0-2287-7009 and at www.siamfood.co.th. So that the investors and the concerned persons as the shareholders and prospective shareholders could use the data to support the investment decision i.e. preparation of the Management Discussion and analysis or MD & A) to support the disclosure of the financial statements of all quarters. The investors could acknowledge the data and understand the changes occurring to the financial status and operation result of the company in each quarter better in addition to the figures data in the financial statement only.

The Board of Directors had assigned the Audit Committee which was consisted of independent director as the caretaker who is responsible for the quality of financial report and internal control system. The comment of Audit Committee about this matter was shown in report of the Audit Committee as shown in annual report.

The Board of Directors had duties and responsibilities to report their responsibilities toward financial report as shown with the auditor report in annual report.

The company has disclosed the roles and duties of the Board of Directors and sub-committee, frequency of the meeting and number of times to attend the meeting in the past year and opinions from performing the duties as well as training and continuous development of professional knowledge of the committee in the Form 561 and in the annual report of the company as well as propagated the certificate and company's rules in addition to the policy of good business supervision in the website of the company.

5. Responsibilities of the Board of Directors

The roles, duties and responsibilities of the Board of Directors shall be as being provided by law, Memorandum of Association, Articles of Association and resolution of the shareholders' meeting. The Board of Directors must perform the duties faithfully (Fiduciary Duties), supervise the business management of the company carefully (Duty of Care) with skills by adhering to the reasons, ethical principles, focusing on the benefits and value addition for the company. Therefore, it is necessary to supervise the management efficiently to cause the effectiveness for the company.

The Board of Directors plays important roles to provide the policies of the company jointly with the top executives, plan the short-term and long-term working as well as provides the financial policies, risk management and perspective of the organization with important roles of supervision, examination and assessment, operation of the company and performance result of the top executives to correspond with the plan systematically.

In addition, the Board of Directors appoints the sub-committee, so that the shareholders ensure that the company operated the business and did review carefully i.e., Audit Committee, Compensation & Recruitment Committee, Risk Management Committee and Good Business Supervision Committee to perform the specific duties and submit to the Board of Directors for consideration or acknowledgment.

- **Conflict of benefits**

The Board of Directors focuses on the management about the conflict of benefits which the structure of the shareholding is transparent and there is no cross shareholding with major shareholders to avoid conflicts of interest to any one party. The shareholding structure of the Company and its subsidiaries is disclosed in the Annual Report.

- **Internal Control and Internal Audit**

The company's Board of Directors places great importance on the setting of internal control systems at all levels, from the management level to the operational level. The Board of Directors set the duties and operational authority of each employee and had them put in writing. The working group and evaluation group were completely separate to ensure fairness and balance, and allow for the appropriate cross investigation between the two groups.

The audit committee was set up by the Board to consider the appropriateness of the company's internal control system and to review the results of any actions performed by both the internal auditors and the company's certified public accountant. In addition, the internal auditors met every quarter to exchange ideas and present the results of their audit. Such reports considered the relevance and effectiveness of the company's systems and operational plan as well as any limitation of responsibility. The results were later presented to the company's Board of Directors for review and approval.

The Board of Directors jointly with the audit committee did assessment of the adequacy of the internal control based on the Assessment Form provided by the Securities and Exchange Commission (SEC) by disclosing in the annual report of the company.

- **Risk management system**

The Board of Directors focuses on the risk management of the organization by providing the policy of risk management covering the work performance of the whole organization by assigning the Management to comply with the policy and report to the Board of Directors regularly as well as do the system review or assessment of the efficiency of the risk management 1 time per year. If the risk level is found to be in higher

level, the Operational Section must analyze the causes and provide the guidelines for solution as well as do close and continuous follow-up. The company discloses it in the annual report and Form 56-1 of the company.

- **Connected transaction**

Board of Directors Be aware of the importance of conducting business with transparency and consider all stakeholders. Therefore, the Company has set the policy and procedures for conducting connected transactions to be clear. Transparency No conflict of interest and the most benefit to the company. The Code of Conduct the Company's policy on connected transactions is the Board of Directors. The Audit Committee is responsible for considering the appropriateness of the transaction. Considering the benefits of the company as well as compliance with the law. The rules of the SEC and the SET are determined by the price and conditions as they enter into transactions with third parties under the arm's length basis, where the stakeholders are not involved in the decision. The Board of Directors is responsible for overseeing compliance with the regulations on the procedures and disclosure of transactions that may cause conflict of interests to be accurate and complete. The details of the transaction, the parties, the reasons and the necessity. Please refer to the policy on inter-company transactions, annual report and Form 56-1

- **Mechanism in charge of the affiliate company and associated company**

Board of Directors focus on priority to management in subsidiaries and associates to protect the interests of the company's investments various operations as follows

1. To assign the directors or executives of the company that have appropriate qualifications to be directors in the subsidiaries and associates at least according to the company's shareholding proportion in order to be a company representative in policy making and monitoring the business operations of subsidiaries and associates by controlling the management in accordance with the main policies of the company comply with the laws, notifications and rules of the Stock Exchange of Thailand.

2. The directors or executives representing the company are able to perform their duties in accordance with the scope of duties and responsibilities in order to protect the best interests of the company, including reporting business results or significant changes in various areas of the subsidiaries and associates to the Board of Directors meeting every quarter, in addition, when a subsidiary or associated company will request

approval for important matters such as acquisition or disposition Important assets, joint venture, capital increase and capital reduction, etc., must also be submitted to the Board of Directors for approval.

3. The company will ensure that the subsidiaries comply with the rules, regulations and notifications of the Stock Exchange of Thailand and the Office of the SEC, such as transactions between connected persons acquisition and disposition of assets or making other important transactions Disclosure and transaction must be made in a similar manner to the rules of the company.

4. The company will ensure that the subsidiary and the company have an accurate accounting and financial reporting in accordance with relevant laws and generally accepted accounting standards and able to compile consolidated financial statements on time

5. The company encourages its subsidiaries to strictly apply the principles of good corporate governance and business ethics, such as anti-corruption practices and Corporate Social Responsibility (CSR)

6. The company requires the internal audit department of the company to assess the effectiveness of the risk management oversight and internal control of subsidiaries and present the assessment results to the Audit Committee meeting and the Board of Directors annually.

In addition, the Board of Directors has appointed various subcommittees so that the shareholders can be confident that the company has implemented and carefully screened, namely the audit committee Compensation and Nomination Committee Risk Management Committee and the Corporate Governance Committee to perform specific duties and propose matters to the Board of Directors for consideration or acknowledgment

5.1 Board of Directors' Structure

The company consists of the Board of Directors by selecting from the persons, who have the knowledge, abilities, multiple qualifications, skills and experiences of business operation.

The Board of Directors authorized the compensation and recruitment committee to select the suitable person to assume the position of director from the persons, who have knowledge, abilities, professionalism, specific expertise and necessary skills in the committee by requiring the qualifications to be consistent with the business strategies of the company without restriction of sex and with qualification as being provided in

the criteria of the Stock Exchange of Thailand based on the varied policy in the structure of the Board of Directors (Board Diversity).

The directors are elected from the shareholders' meeting, who determines the number of Board of Directors, 11 persons, consisting of:

- Independent Directors 4 persons
- Executive Directors 7 persons (1 female directors)

The independent Directors are the Audit Committee, and some of them are the Remuneration and Nominating Committee which is also in compliance with the requirements of The Stock Exchange of Thailand.

The Board of Directors has the agenda for assuming the position of 3 years each and could be re-elected. The company could not determine the agenda to assume the position or number of the independent directors take position not over 9 years because the company believes that the business-related abilities and skills of the Board of Directors do not depend on the number of agendas or number of the companies assuming the position in other company because the company believes that the business abilities and skills of the company directors do not depend on the number of agendas or number of the independent directors, but depend on the abilities to provide the policies of business operation, consultations and solutions based on the standard expected by the company and as far as the directors could devote time for the company completely. The power of decision to elect the person to assume the position of director belongs to the rights of direct shareholders, who shall select them to perform the duties instead to provide the policies and control the company owned b them. However, the company specified the number of years to assume the position of director of each director in the annual report and on the website of the company.

5.2 Independence of the Board of Directors

The directors must have independence to express the opinions, voting and have power to make decision. In case of decision on any matter, if any director is involved, the company shall notify such director to omit voting and leave the meeting room, so that the Board of Directors could grant consideration and give opinions independently.

The independent director has the qualifications according to the announcement of the Securities and Exchange Commission of Thailand (SEC) and Stock Exchange of Thailand, so that the independent directors could be in charge of the benefits of the shareholders and the involved persons independently in proportion as 1 of 3 of the number of all directors. Most independent directors assume the positions of audit director. It results in counterbalance, and the management could be reviewed independently.

- **Gathering or separation of the position**

The Company has a policy for the President and Managing Director of the company are not the same person and could divide the duties between the supervision of policies and duties of regular management obviously and the Board of Directors determines the scope of power and responsibility of the President and Managing Director differently and obviously, so that they have no unlimited power by determining the scope of power of the director as follows:

Scope of power and duties of the Chairman

1. Being responsible as the leader of the committee on the supervision monitoring and ensuring that the performance of the Board is effective. And achieve the objectives and goals of the organization.
2. ensuring that All directors participate in the promotion of ethical corporate culture. And good corporate governance.
3. To set the agenda of the Board of Directors' meeting by discussing with the President and taking measures to ensure that matters are included in the agenda.
4. sufficient time allocated by the management to provide sufficient and sufficient information for the directors to discuss the issues carefully, encourage directors to exercise their discretion and comment freely.
5. Strengthening good relationships between executive directors and non-executive directors, and between the board of directors and the management.
6. Acting as the chairman of meeting of the Board of Directors and shareholders of the company.
7. Acting as the final voter if the meeting of the Board of Directors does voting and the votes of 2 parties are same.

Authorities and Duties of the President

1. Control and oversee the company, and ensure that it is operated in such a way as to be of maximum benefit, in addition to being always aware of the company's up-to-the-minute situation. The President is also responsible for following the policy as laid out by the company's Board of Directors.

2. Set up a annual goal and business plan, by considering the various business risks, for the approval of the Board of Directors.

3. Manage the work of the management team to meet any established targets.

4. Find resources and select potential human resources to increase business competitiveness.

5. Consider new project investment that will benefit the company, for the approval by the Board of Directors.

6. Prepare a monthly financial status and operational performance report, for the consideration of the Executive Board.

7. Prepare an annual and investment budget for the Board of Executive Director's consideration, which is later sent to the Board of Directors for approval.

8. Support and create a corporate culture conducive for business growth.

9. Take command and perform in accordance with the command of the Executive Board of Directors for improvement and problem solving to meet the company's interests.

5.3 Independent Committee

The Board of Directors' emphasis on Good Corporate Governance is in line with the standards and policies of The Stock Exchange of Thailand. Made up of the company's board members and management personnel, the Independent Committee was given ample opportunity to study the details and refine the works in order to come up with a highly suitable solution. Independent Committee comprises

5.4 Roles, Duties and Responsibilities

The Board of Directors spearheads company growth and the making of important decisions in several areas with the scope of power as specified as follows:

Authorities and Duties of the company's Board of Directors

1. The company's Board of Directors are required to adhere to the laws, objectives and
2. regulations of the company, and the resolutions of the shareholders' meeting, while performing their duties with loyalty and honesty and maintaining the benefits of shareholders in the short and long run. The board must also perform its duties in accordance with the rules and regulations of The Stock Exchange of Thailand (SET) and The Securities and Exchange Committee (SEC). Responsible for the shareholders in terms of business operations and overseeing the management to ensure that the goals and methods lead to the achievement of maximum shareholder benefits, the Board of Directors also has to perform its duties ethically and fairly.
3. Consideration and approval of matters important to company operations, such as vision, mission, financial goal strategies, risks, work plans and budgets, etc.
4. Following up to ensure the efficient and effective implementation of the policies and plans established and monitor financial liquidity and debt repayment capability, include a plan or mechanism to resolve the problem.
5. Monitor and manage potential conflicts of interest between the Company and its shareholders, Board of Directors or management supervise the prevention of unauthorized use of property and transactions with connected persons in an unreasonable manner.
6. Ensure that the Company complies with the disclosure policy. Management of confidential information not to leak. This may affect market price information (market sensitive information)
7. Supervise and support the creation of value-added innovations for the company, along with creating benefits for stakeholders.
8. Supervise the management of information technology and maintenance measures.
9. Ensure that the system of financial reporting and disclosure of important events is accurate, adequate, timely and in accordance with relevant rules and guidelines.
10. Internal Control and Risk Management Include a mechanism to receive complaints and actions to address clues.
11. Continuing business continuity Including employee development plan. Succession Plan.

5.5 Subsidiary Committee

The Board of Directors' emphasis on Good Corporate Governance is in line with the standards and policies of The Stock Exchange of Thailand. Assigned of the company's board members and management personnel, the Independent Committee was given ample opportunity to study the details and refine the works in order to come up with a highly suitable solution. Independent Committee comprises:

- **Audit Committee**

Established on 30 March 1999 which would assume the position 3 years per rotation. The Audit Committee is comprised of at least three Independent Directors with at least one of them having accounting / financial knowledge. The Audit Committee which all were appointed by the Board of Directors' Meeting or Shareholders' Meeting with the scope of power as follows:

Authorities and Duties of the Audit Committee

1. The audit committee performed the duties corresponding with the practices of required by the Stock Exchange, The Securities and Exchange Commission and the law relating to the company's business regularly.
2. To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee, in its performance of duties under the first paragraph.

- **The Remuneration and Nominating Committee**

Established on November 29, 2002, the position is held for 3 years, with at least 3 members appointed by the Board of Directors and at least one half must be independent directors. The Chairman of the Remuneration and Nomination Committee have to be an independent director.

On 26 November 2019, the Board of Directors approved the improvement of the role of the Nominating Committee as follows:

Authorities and Duties of the Remuneration and Nomination Committee

1. To specify methods and criteria for nominating directors in order to be transparent by
2. table of the skills matrix of the board of directors and president in accordance with the company's business strategy

3. To consider the nomination of directors to be appointed as directors. Replacement of directors or president or the chief financial officer (CFO) who retire by rotation or otherwise. To propose to the Board of Directors Or the shareholders meeting. To perform the appointment Taking into account the composition of the Board of Directors, knowledge, ability and experience that is beneficial to the Company. There is no conflict of interest (conflict of interest) with the qualifications of the directors to be recruited. Must be consistent with the business strategy of the company.

4. To consider and nominate the director To serve as a director. Qualifications and knowledge of directors. Appropriate to perform specific duties. And submit to the Board of Directors. Appointment for the Board of Directors except for the Nomination Committee. Will be appointed.

5. Review the performance appraisal system of the Board of Directors.

6. Perform other duties. As assigned by the Board of Directors.

Scope of authority and responsibilities of the Remuneration Committee

1. Consider the criteria for approval of compensation.

2. To review the changes and trends in the Board of Directors' remuneration. Including the management of the company. To propose a compensation policy that motivates the management of the company to progress. We can keep the good and the good to stay with the company.

3. Perform other duties. As assigned by the Board of Directors.

The method of nominating a person to be appointed as the director.

The Nominating Committee determines the qualifications of the directors to be recruited for the composition and Relevant legal / regulatory requirements and eligibility criteria.

Nominating committee, The Nominating and Nominating Committee will propose to the Board of Directors for approval.

The Board of Directors selects qualified persons according to the names of the Board of Directors. Nomination for appointment as director or proposed to the shareholders meeting. For approval

- **Risk Management Committee**

Established on 30th September 2003, and the Board of Directors No. 212 on Wednesday, 6th August 2014, resolved to restructure the Risk management Committee by appointing from the Board of Directors at least 4 persons, including the managing Director ex officio. The Risk Management Committee assumes the position for 3 years each time with the scope of power as follows:

Authorities and Duties of the Risk Management Committee

1. Provide the policies and guidelines of risk management and submit to the Board of Directors to grant consideration, opinions and approval.
2. Consider and give opinions to provide the acceptable risk level i.e. Risk Appetite or deviation of the Risk Tolerance of the organization as well as the risk level, which affects against the company and affiliate company on the strategy, finance and work performance before submitting to the Board of Directors in order to grant consideration, opinions and approval.
3. Acknowledge, consider and give opinions on the risk assessment result, guidelines and measures of risk management and action plan to manage the remaining risks of the company to ensure that the company has the adequate and proper risk management.
4. Maintain and support the risk management, successful organization, suggest the prevention and reduction of the risk level to be acceptable, follow up the action plan to reduce the risks continuously and suitably for the business circumstance, to ensure that the risk is managed adequately and suitably.
5. Recommend the risk management in the organizational level as well as support and encourage the improvement and development of the risk management system within the organization continuously and regularly.
6. Support and encourage the examination and review of the policy and risk management framework of the organization at least every year.
7. Report the important risk of the organization as well as the status of the risk, guidelines for the risk management, progress and result of the risk management to the Board of Directors.
8. Communicate and exchange the data, provide coordination about the risks and internal control with the audit committee at least 1 time per year.

- Corporate Governance Committee

Established on 24th February 2014, assume the position for 3 years each time by appointing from the Board of Directors, The Corporate Governance Committee is comprised of at least three Directors and more than half being Independent Directors. The Chairman of the Corporate Governance Committee must be an Independent Director, with the scope of power as follows:

Authorities and Duties of the Corporate Governance Committee

1. Propose corporate governance (CG) guidelines to the Board.
2. Revise guidelines for SFP's CG against those of international organizations and present its recommendations to the Board.
3. Monitor the CG and report its findings to the Board.

5.6 Company secretary

The board of director has appointed Mr. Kiartisak Lertsiriamorn to be the Company secretary and also responsible for the secretary of Board of Directors with the Managing Director Office support function of the work of company secretary goes according to the principle of operating of a good company as well as to operate the company more efficiently.

The company discloses the qualifications of the company secretary from the meeting of the Board of Directors in the annual report and on the company's website.

The company encourages the company secretary to receive the training and develop the knowledge regularly as being disclosed in the annual report of the company.

5.7 The Board Meeting

The dates of the board meetings, which are usually held on 1 – 3 months per time basis, are fixed annually, to give the board members and management sufficient notice. Normally, each meeting lasts between an hour and a half to two hours. They are usually held at the company's head office. The company recorded details of the minutes in writing, filed the report of the meeting which was approved by the board, and submitted to the board and concerned parties for an examination.

The President of Board of Directors and Managing Director jointly consider the selection the matter to enter into the agenda of the meeting of the committee by giving opportunity to each director to have freedom to submit the useful matter for the company to enter into the agenda of the meeting.

The management sent out the invitation letter, agenda and other relevant documents not less than seven days before the date of the meeting, to give the Board of Directors enough time to study, analyses and consider all the relevant information. Should more information be required, they were encouraged to contact either the President or the company secretary.

The Board of Directors determined the Meeting between independent committee and non-executive director regularly at least once a year to independently debate or express comment about the management of interested matter.

On meeting of the Board of Directors, the Managing Director and top executives shall join the meeting to give additional details as being directly related to the problem.

5.8 Assessment of the work performance of the directors and Managing Director

To comply with the principles of good business supervision, the Board of Directors required to prepare the work assessment form of the Board of Directors at least 1 time per year to be used as the guideline to consider the achievement, know the problems to do improvement and increase the work efficiency of the Board of Directors. In the year 2014, the Board of directors still provides the assessment in 2 forms, both individual assessment form (by oneself) and assessment of the adequacy of the internal control system, which refer to the assessment form of the Thai Institute of Directors Association (IOD).

In addition, the Board of Directors did assessment of the work performance result of the Managing Director regularly every year by using the assessment criteria relating to the business plan of that year to determine the proper compensation and incentives.

5.9 Remuneration to Directors and Management

The company provides the policy of the director's compensation obviously and transparently by considering the operation result, responsibility of the director, financial status of the company or as being

suitable and comparing the compensation of the similar industry to be good enough to attract and maintain the qualified director at that time and obtain approval from the shareholders about the paid compensation and disclose it.

- *Director Remuneration*

The company's remuneration policy is clear, with remuneration for the Board of Directors being based on performance and responsibilities as well as the financial well-being of the company. Also considered is the appropriateness of the remuneration package as compared to those given to directors in similar industries, so as to attract well-qualified directors to serve on the Board. The company also seeks the approval of the shareholders on this matter, before revealing the sum to the public.

- *Management Remuneration*

Management remuneration is in accordance with the policy and criteria set by the Board of Directors which is linked to the company's performance and the performance of each executive. The Remuneration and Nomination Committee will consider compensation according to work done or compared with the goals proposed to the Board of Directors or the performance of other companies with similar businesses or as appropriate for the company's business to proceed well.

In the annual report, The Board of Directors has disclosed the compensation policy and the amount of remuneration for the directors and executive level in cases received from the Company and subsidiaries as per the notification of the Securities and Exchange Commission and the stock market

5.10 Directors' and Management knowledge

- **Directors' and Management knowledge and ability development**

The company supported the directors and high executives to attend the seminar in the course benefiting their performance both the course arranged by the training unit of the company and arranged by government or independent organization, such as, the course of Thai Institute of Directors which SEC had prescribed that the directors of listed company must successfully passed at least one course, such as, Director Certification Program (DCP); Director Accreditation Program (DAP) and Audit Committee Program (ACP) in order to apply knowledge and experience to further develop the company onwards.

- **Orientation of new directors**

The Board of Director provides the orientation of all new company directors, so that the new company directors being appointed have the opportunities to cause the knowledge and understanding of the company's business, company's policies as well as the roles, duties and responsibilities of the Board of Directors in details by providing the orientation of new directors as the explanatory document of the training, seminar and visit of the place of operation of the projects of the company, so that the company directors could experience the actual business condition of the company.

5.11 Succession Plan

The Company plans to recruit personnel in charge of senior management positions for all key positions properly and transparently to ensure that the Company has a professional management that administers independently from major shareholder or any shareholder. Then the nomination has been proposed to the Board of Directors for appointment. The recruitment process for senior executives of The Company is to consider selecting those with the right qualified candidates with good education, experience and seniority to join the team with the emphasis on getting young people who are competent to make way for everyone to be promoted to the executive level in the future. Through the evaluation process with high potential, everyone will be developed as planned individually with challenging assignments and job rotation to develop leadership skills and knowledge in all aspects. The preparation of personnel of The Company is conducted with employees at all levels to be ready to replace in case of vacancies in a timely manner and for the purpose of continuous working as well.

The Board of Directors required the Managing Director to develop the personnel of the organization to be prepared to take over the position if they could not perform the duties.

Business Ethics

The company recruited the Board of Directors and executives, who have knowledge, abilities and experiences on the business with the policy of faithful management, ethics, fairness and morality. The company

plans to operate the business continuously, has the relationship with all concerned parties, good understanding and responsibility for the public.

The Board of Directors encourages for preparation of the business ethics in writing, so that the directors, executives and all employees understand the ethical standard used by the company on the business operation and follow up the serious compliance with the ethics.

Regarding the ethics and practices of the employee, the company announced the guideline to be observed by the employee. The Management is in charge of all subordinate employee to observe the requirements strictly. with the Code of Conduct handbook of the company for more information, visit <http://www.siamfood.co.th/conduct-th.html>
