



Charoen Pokphand Foods Public Limited Company and Subsidiaries



Anti-Corruption Policy

Charoen Pokphand Foods Public Company Limited (the "Company") believes that the conduct of businesses in a fair, honest, and transparent manner, with responsibility towards all groups of stakeholders, will essentially support the sustainable growth of its businesses. The Company has signed the Declaration of Intent to join Thailand's Private-Sector Collective Action Coalition Against Corruption, in order to express its commitment to prevent and counter all forms of corruption, and to cooperate with the public sector, civil society, mass media, and international organizations in establishing clean business practice standards.

To ensure the conduct of businesses in line with the intent stated above, the Company establishes this Anti-Corruption Policy (this "Policy") in a written form, to serve as a framework for the conduct of business activities by its respective business units.

Definition

"Corruption" means any form of bribery, be it an act of offering, undertaking to give, giving, promising to give, requesting or accepting money, property, or any other improper advantage to, or from, public officials, government agencies, private entities, persons in charge, or the Company's management members or employees, whether directly or indirectly, in order to induce them to do, or omit to do, any act in the performance of their duties, to secure or retain business, to direct business to the Company, or to secure any improper advantage, unless permitted by laws, regulations, notifications, rules, local customs, or common business practices.

Anti-Corruption Policy

The Company's directors, management members, and employees shall not accept or tolerate any form of corruption, whether directly or indirectly, in any of the Company's businesses and units, and shall ensure regular audit of the compliance with this Policy, as well as review of the practice guidelines and implementation requirements, in compliance with any changes in businesses, rules, regulations, or legal requirements.

Roles and Responsibilities

1. The Board of Directors has duties and responsibilities to establish a policy, conduct monitoring, and provide a system for supporting efficient anti-corruption efforts,



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in order to ensure that all management members and employees are aware of, and recognize, the importance of anti-corruption efforts, as well as to foster anti-corruption values as part of the organization's culture.

2. The Audit Committee has duties and responsibilities to review the financial and accounting reporting system, internal control system, internal audit system, and risk management system, to ensure that they comply with international standards and are expedient, appropriate, and up-to-date, and that all reporting is complete and correct.

3. The Corporate Governance Committee has duties and responsibilities to review the practice guidelines and implementation requirements, in compliance with the changes in businesses, or any relevant rules, regulations, or laws, and to approve the revisions or amendments thereto before submitting them to the Board of Directors for further consideration and approval, as well as to provide opinions and recommendations that will benefit the management in preparing work plans and implementing this Policy.

4. The President and the Management Committee have duties and responsibilities to set up a system, to promote and support the implementation of this Policy and the anti-corruption practice guidelines, by communicating them to all employees and concerned persons, as well as to review the appropriateness of the system, work process, and various measures, in compliance with the changes in businesses, rules, regulations, or legal requirements.

5. The Internal Audit Office has duties and responsibilities to review the Company's internal control system, to ensure that it can adequately and appropriately address any possible risks of corruption, as well as to review compliance with the internal control system, including, but not limited to, this Policy, the practice guidelines, implementation requirements, rules, regulations, laws, and stipulations of the regulatory authorities, and to report the findings to the Audit Committee.

Practice Guidelines

1. The Company's directors, management members, and employees at all levels must comply with this Policy and the employee code of ethics, and must not directly or indirectly take part in any act that constitutes corruption for the benefit of the Company or themselves, their family members, friends, or acquaintances.

2. The Company's directors, management members, and employees at all levels shall not disregard or neglect any act that constitutes corruption related to the Company when that act is detected by them, and shall report it to their supervisor or a person in charge of monitoring compliance with the employee code of ethics, and collaborate in an investigation of facts. Should there be any doubt or question, the employee shall consult with the supervisor or the person in charge, through designated channels.

3. The Company shall provide fairness and protection to employees who deny an act that constitutes corruption, or report an incident of corruption related to the Company,



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according to the guidelines for protecting employees or whistleblowers, as established by the Company, even if that act will cause a loss of business opportunity to the Company.

4. An act of corruption is a violation of the Company's business ethics. Persons who commit such an act will be subject to disciplinary measures according to the Company's regulations and, if the act is unlawful, may also be subject to penalty according to law.

5. The Company emphasizes dissemination of knowledge to, and creation of, understanding with third parties engaging in business transactions with, or having any interest in, the Company, on matters that must comply with this Policy, as well as the disclosure of this Policy to the public.

6. The Company communicates this Policy, including its internal channels for whistleblowing, lodging complaints, or providing recommendations, through various means and channels, such as director and employee orientation, and intranet, etc., in order to provide knowledge and understanding on the implementation of this Policy.

Implementation Requirements

1. The Company shall have in place human resource management processes that reflect its commitment to this Policy, e.g. personnel recruitment, training, performance evaluation, compensation, promotion, as well as an organizational structure with appropriate segregation of duties to ensure checks and balances, and shall take steps to ensure that it has sufficient and appropriate resources and skilled personnel to implement this Policy.

2. Any acts under this Policy shall follow the practice guidelines established under the employee code of ethics, corporate governance policy, and policy and practice guidelines relating to various groups of stakeholders, including the Company's applicable regulations and operating manual, as well as any other practice guidelines to be established by the Company.

3. For the purpose of clarity in dealing with matters that are exposed to a high risk of corruption, the Company's directors, management members, and employees at all levels must be careful when dealing with the following:

3.1 Gifts, hospitality and expenses

Offering, giving, or receiving gifts or hospitality must be in accordance with the employee code of ethics.

3.2 Charitable contributions or sponsorships

Giving or receiving charitable contributions or sponsorships must be transparent and lawful. The Company must ensure that no charitable contribution or sponsorship is used as a subterfuge for bribery.

3.3 Business relationships and government procurement

Offering or receiving bribery in all kinds of business is prohibited. All dealings and interactions with the public sector must be transparent and honest, and must comply with applicable laws.



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This document was developed in order to set up the certain principle and clear procedures that comply with Finance Regulations, Anti-corruption Policy, and any other legal requirements.

1. Policy and procedures for hospitality disbursement

- 1.1 Must be according to tradition that will provide commercial benefit, this shall not be self-expenditures or the gratuitous gift.**
- 1.2 Must be direct hospitality transactions such as gifts, accommodations, meals, drinks, entertainment, sporting events.**
- 1.3 Must not be the group's employees unless they are responsible to join the activities.**
- 1.4 The disbursement mentioned herein must receive the approval from authorized person.**

2. Policy and procedures for Gift Acceptance

Gifts are anything of value provided as a courtesy, for support or as a donation intended as a reward to related business partners in order to build relationships in an appropriate manner with an appropriate value and in accordance with traditions and applicable laws.

2.1 Gift Acceptance Procedures

- 2.1.1 Gift acceptance must be appropriate, in accordance with traditions acceptable in conducting business or traditions during festive seasons; however, gift acceptance must not affect any decision making by employees and must only be accepted with no expectation of receiving favorable treatment in return as this may potentially constitute fraud or corruption.**
- 2.1.2 Gift acceptance must not violate the Finance Regulations and Anti-Fraud Procedures as well as any legal requirements.**
- 2.1.3 The value of gifts accepted from each individual must not exceed THB 3,000. CPF Employees must immediately inform their supervisor about the details of accepted gifts in the case where the value or amount exceeds THB 3,000.**

2.2 Gift Acceptance Register

- 2.2.1 Each department must maintain a Gift Acceptance Register which identifies the name of the organization or person who provided the gifts, the objectives of the gift, details of the gift and the value in the case where the gift has a value exceeding THB 3,000.**



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3. Policy and procedures for Charitable Contribution

3.1 Must be the donation to the public as follows:

3.1.1 The donation for public benefits for instance, donation to foundations, associations, temples etc.

3.1.2 The education or sports donation to schools or sports organisations.

3.2 Charitable Contribution must be reviewed and approved by the authorized person.

3.3 In order for each Charitable Contributions of CPF group to be properly recognised, the donations shall take place via the Office of Executive Vice President- General Administration Unit only. Except under the circumstances of community relations donations which not excluding from the budget being approved such as Kathin fee, Union saffron robes offering fee, student's lunch project etc.

4. Policy and procedures for Political Contributions

Political Contributions are defined for the purpose of these procedures as support, either cash or non-cash, to a political party, a political party's representative, politician, politician's representative, political related-personnel or political activities. The Company has adopted a "political neutrality" policy to maintain the independence of management and operations from political activities. Nonetheless, employees have rights and freedom to make political contributions, as long as they are done on a personal basis. Employees are prohibited from providing political contributions on the Company's behalf.

4.1 Political Contributions must only be made with the objective of supporting democracy. The contributions must not be made with the expectation of receiving favorable treatment in return as this may potentially constitute fraud or corruption.

4.2 Political Contributions must not violate Finance Regulations and Anti-Fraud Procedures as well as any legal requirements.

4.3 Political Contributions must be reviewed and approved by the authorized person.

5. Policy and procedures for Sponsorships

Sponsorships are the providing of money or the Company's assets in order to support activities or projects for business purposes, branding, or the promotion of a good image and reputation.

5.1 Sponsorships must have the objective of supporting the Company's operations; either directly or indirectly, and must not be made with the expectation of receiving favorable treatment in return as this may potentially constitute fraud or corruption.



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5.2 Sponsorships must not violate Finance Regulations and Anti-Fraud Procedures as well as any legal requirements.

5.3 Sponsorships must be made on behalf of the Company only. Sponsorships must only be donated to reliable and traceable organizations or institutions.

5.4 Sponsorships must be reviewed and approved by the authorized person.

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