PUT OUR HEART INTO FOOD
Definition: "The Company" in this Annual Review refers to Charoen Pokphand Foods Public Company Limited ("CPF") and its subsidiaries. Further information of the Company are available in:

- Business Overview
- Our Performance
- Message from Executives
- Our Purpose
- Business Structure
- CPF Worldwide
- Business at a Glance
- Milestone and Development
- Nature of Business
- Business Growth for Sustainability
- Innovation from the Heart to the Table
- 2020 Performance Highlights
- Awards and Recognitions in 2020
- Management Structure
- Corporate Governance
- Board of Directors
- Risk Management
- Sustainability Report
- Annual Report
- 2020 (56-1 One Report)
- Management and Corporate Governance
- Corporate Governance
- Board of Directors
- Risk Management
- Capital and Shareholders Structure
- Contact Us
Message from Executives

In 2020, The Company underwent drastic changes due to the novel coronavirus 19 (COVID-19) pandemic. Disruptive technology, rapidly changing behavior of customers in line with the new normal lifestyles as well as more extreme climate events have materially impacted the global economy. They also brought about intensified challenges for the Company to overcome while driving for business growth and ensuring overall wellbeing of our stakeholders.

The Company engages in fully integrated agro-industrial and food businesses, with investments in 17 countries around the world, and beaconed by the vision of being “the Kitchen of the World”.

The company aims to achieve food security through its continual innovations that deliver top quality products and services. Concurrently, we strive to maintain the balance of business success and the value delivered to all stakeholders in alignment with the Three Benefits Principle, the benefit for the nation, for the people, and for the organization.

Our operation firmly supports the United Nations Sustainable Development Goals (UNSDGs); and ensures compliance with good corporate governance.

Mr. Soopakij Chearavanont
Chairman

Mr. Prasit Boondoungprasert
Chief Executive Officer
In 2020, The Company underwent drastic changes due to the novel coronavirus 19 (COVID-19) pandemic. Disruptive technology, rapidly changing behavior of customers in line with the new normal lifestyles as well as more extreme climate events have materially impacted the global economy. They also brought about intensified challenges for the Company to overcome while driving for business growth and ensuring overall wellbeing of our stakeholders.

The Company engages in fully integrated agro-industrial and food businesses, with investments in 17 countries around the world, and beaconed by the vision of being “the Kitchen of the World”. The company aims to achieve food security through its continual innovations that deliver top quality products and services. Concurrently, we strive to maintain the balance of business success and the value delivered to all stakeholders in alignment with the Three Benefits Principle, the benefit for the nation, for the people, and for the organization. Our operation firmly supports the United Nations Sustainable Development Goals (UNSDGs); and ensures compliance with good corporate governance.
The Company is a large market capitalization company in the Stock Exchange of Thailand. In 2020, the Company reported sales revenue of 589,713 million baht, total assets of 761,719 million baht, net profit of 26,022 million baht, and tax paid of 9,038 million baht. The Board of Directors resolved to propose to the 2020 Annual General Meeting of Shareholders for the approval of 2020 dividend payment at the rate of 1.00 baht per share, comprising the interim dividend of 0.40 baht per share paid on September 11, 2020, and the final dividend to be paid on May 28, 2021 totaling 0.60 baht per share.

Albeit the impacts from COVID-19 crisis which hindered the purchasing power of several economies and brought the business to a halt during the state’s lockdown period, the Company stood strong and continued to deliver healthy performance with its net profit growth of 41%. This was the fruitful result of business expansion in various economies, accomplished by systematic crisis management as well as efficient preventive system in our farming business. In addition, the aquaculture business performance in Thailand further improved mainly due to the adjustment in marketing strategies and business operations.

The year 2020 also saw significant investments of the Company for the purpose of business expansion and operating advancements. Among them were 1) the merger of feed and swine businesses in China1 which become one of the five largest swine businesses in China; and 2) the investment in Tesco Asia Group1, a leading retailer in Thailand and Malaysia.

Remark:

1 Detail of the transaction can be found in Note to Financial Statement Year 2020
Regarding the management during the COVID-19 pandemic, the Company applied the maximum level of disease preventive measures in order to ensure continuity of production and operations while the safety and hygiene of employees remained its priority. The Company worked with the governments in all countries in which it has presence to provide food support for healthcare workers at over 200 public hospitals and surrounding communities. Additionally, we responded to the government policy to drive the Thai economy by means of new graduate employment; and we shortened the payment term from 60 to 30 days to enhance liquidity of 6,000 SMEs business partners.

Climate change is among priorities of the global community. the Company focused on contributing to the solution based on the circular economy principle, embedded as an element in its business planning. Renewable energy, water management, food waste reduction and zero food waste management, reduction of single-use plastic containers throughout the supply chain, and restoration of mangrove and watershed forest, which are the key resources of the nation, were inclusively included in our consideration.

On behalf of the Board of Directors, executives, and employees, we would like to express gratitude toward all stakeholders for their long-established trust. The Company is committed to produce quality products to strengthen food safety and food securities along with enhancing efficiency by using innovation to increase competitiveness to its core businesses, while promote sustainable growth of the Company and contribute to the nation and the people in its capability of the “Kitchen of the World”.

Mr. Soopakij Chearavanont
Chairman

Mr. Prasit Boondoungprasert
Chief Executive Officer
CPF pushes forward our innovation and creation of top-quality products with high safety standards to achieve food security for global consumers along with sustainability for all.
CPF pushes forward our innovation and creation of top-quality products with high safety standards to achieve food security for global consumers along with sustainability for all.
Innovation

We put love into innovation
We believe that “love” can be felt in all senses, which inspires us to “put our heart” into innovation throughout value chain to deliver products of top quality and safety for consumers in every corner of the world.

Planet

We put our soul into saving the world
We “contribute to” and “care for” better air quality. Our production process promotes environmental care, optimal use of resources, and zero waste based on the circular economy principles to preserve the balance of nature in a sustainable manner.
People

We put a smile on every face

We endeavors to put a “smile” on the face of all stakeholders sharing their journey with us, including farmers, employees, business partners, shareholders, and consumers. We put our heart into delighting all stakeholders while rooting firmly on the good governance principle.
Our Purpose

Vision: Kitchen of the World
To deliver top quality products to consumers in every corner of the world.

Mission:
The Company operates vertically integrated agro-industrial and food businesses to offer top quality products in terms of nutrition, taste, food safety, and traceability. The Company is determined to build business growth in strategic locations with the focus to maintain world-class, modern production process as well as efficient and ecofriendly consumption of natural resources in order to enhance its competencies and competitive edge on an international level. We take into account the interests of all stakeholders to ensure sustainable growth, while being able to continuously generate appropriate returns to shareholders.
Our Purpose

Business Structure

Vision: Kitchen of the World
To deliver top quality products to consumers in every corner of the world.

Mission:
The Company operates vertically integrated agro-industrial and food businesses to offer top quality products in terms of nutrition, taste, food safety, and traceability. The Company is determined to build business growth in strategic locations with the focus to maintain world-class, modern production process as well as efficient and ecofriendly consumption of natural resources in order to enhance its competencies and competitive edge on an international level. We take into account the interests of all stakeholders to ensure sustainable growth, while being able to continuously generate appropriate returns to shareholders.

Note:
(1) % of sales revenue 2020 represent both direct and indirect holding
(2) Operate under C.P. Pokphand Co., Ltd. (CPP)
(3) Ranked by sales revenue size
(4) Investment completed since December 18, 2020
(5) CTI is an associate of CPP operates feed and swine farm in China. Investment completed since December 1, 2020.
(6) Group of associates and join ventures of CPP. Details can be found in Note to financial statements for year 2020.
CPF Worldwide

Operate in 17 Countries
Export to more than 40 Countries
Across 5 continents

Including Associates and JCE

Feed
Farm and Processing
Food

North America
2 Countries
USA
Canada

South America
1 Country
Brazil

North America
South America
Europe

5 Countries

- England
- Russia
- Turkey
- Belgium
- Poland

Asia

9 Countries

- Thailand
- China
- Republic of China (Taiwan)
- Vietnam
- India
- Cambodia
- Philippines
- Malaysia
- Laos
- Sri Lanka

Export to more than 40 Countries

Operate in 17 Countries Including Associates and JCE

Feed

Swine Poultry Aquaculture

FoodFarm and Processing

Across 13 Continents

North America

2 Countries

Europe

5 Countries

Asia

9 Countries
Milestone and Development

A 4-Decades Journey of food quality and innovation beaconed by the vision of being “the Kitchen of World”

1977 – 1986

1978
Registered under the name ‘Charoen Pokphand Feedmill Company Limited’ to produce and distribute animal feed in Thailand.

1987
Listed ordinary shares on the Stock Exchange of Thailand (SET) with the trading symbol “CPF”.

1992
Investment in aquaculture feed and farm business in India.

1994
Registered as a public company limited on March 27, 1994.

1997–2006

1998
Investment in Vietnam, focusing in production and distribution of animal feed, farm and processed food.

1999
Renamed as ‘Charoen Pokphand Foods Public Company Limited’ and announced CPF vision of becoming the ‘Kitchen of the World’.

2002
Investment in United Kingdom, focusing in production and distribution of chilled food for distribution in the European Union (EU).
Investment in China, focusing in the manufacturing and distribution of animal feed as well as aquatic farming
Investment in Belgium, focusing in import and distribution of processed meat and food in the European Union (EU).

2004
Investment in Turkey, focusing in the manufacturing and distribution of livestock feed, and a fully-integrated chicken business.

2005
Investment in Malaysia, focusing in the manufacturing and distribution of aquamarine feed, and a fully integrated shrimp farming and processing business.

2006
Investment in Russia, focusing in the manufacturing and distribution of livestock feed and farming business
Investment in Laos, focusing in the manufacturing and distribution of livestock feed and farming business.
1977 – 1986
February: The Board of Directors approved the acquisition of remaining shares of Charoen Pokphand Holding (Malaysia) Sdn. Bhd. (CPHM), from the existing 49.75% to 100%. CPHM engages in the an integrated broiler business, ranging from feeds production, broiler farming, processing plant and processed food production in Malaysia.

March: The Board of Directors approved the investment in Tesco Asia Group in the proportion of 20% through C.P. Merchandising Co., Ltd. (Thailand) (CPM) to engage in retail business. The acquisition was completed on December 18, 2020.

September: The Board of Directors passed a resolution to propose the investment in swine business in China by Chia Tai Investment Co., Ltd. (CTI), an indirect subsidiary in China, for the purpose of swine business expansion, to the Extraordinary General Meeting for consideration and approval. The acquisition was completed on December 1, 2020.

2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020

1998
1999
2002
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020

2007-2016

2007
Investment in Philippines, focusing on manufacturing and distribution of animal feed as well as animal farming.

2008

2009
Acquisition of issued shares in Charoen Pokphand Enterprise (Taiwan) Co., Ltd. (CPE), a listed company on the Taiwan Stock Exchange with the “TWSE: 1215” ticker, focusing on manufacturing and distribution of animal feed, as well as animal farming and food processing in Republic of China (Taiwan).

2010

2011
Investment in Cambodia, focusing on the manufacturing and distribution of animal feed, as well as animal farming and food processing.

2012
Acquisition of issued shares in C.P. Pokphand Co., Ltd. (CPP), listed on the Hong Kong Stock Exchange with the “HKSE: 00043” ticker, which currently operates business in the manufacturing and distribution of animal feed in China, as well as the agro-industrial and fully-integrated livestock and aquaculture businesses in Vietnam.

2013

2014

2015

2016
Investment in United States of America, focusing on manufacturing and distribution of manufacturing and sale of single serve frozen entrée.


2017-2019

2017
Investment in Poland, focusing on broiler farming and food business.

2018
Investment in Brazil, focusing on manufacturing and distribution of shrimp farms and primary shrimp processing business.

2019
Investment in Canada, focusing on full-scale swine business, ranging from swine feeds production, farming, and primary processing.

2020

February:
The Board of Directors approved the acquisition of remaining shares of Charoen Pokphand Holding (Malaysia) Sdn. Bhd. (CPHM), from the existing 49.75% to 100%. CPHM engages in the an integrated broiler business, ranging from feeds production, broiler farming, processing plant and processed food production in Malaysia.

March:
The Board of Directors approved the investment in Tesco Asia Group in the proportion of 20% through C.P. Merchandising Co., Ltd. (Thailand) (CPM) to engage in retail business. The acquisition was completed on December 18, 2020.

September:
The Board of Directors passed a resolution to propose the investment in swine business in China by Chia Tai Investment Co., Ltd. (CTI), an indirect subsidiary in China, for the purpose of swine business expansion, to the Extraordinary General Meeting for consideration and approval. The acquisition was completed on December 1, 2020.
Business at a Glance

The Company operates vertically integrated agro-industrial and food businesses as follows:

1. **Feed business** – production and distribution of animal feed
2. **Farm and processing business** – animal breeding, farming and primary meat processing
3. **Food business** – production of semi-cooked and cooked products as well as ready to eat meals, and food distribution channels, including restaurants.

**Business operations**

**Thailand operations**
Operates a vertically-integrated agro-industrial and food businesses for domestic distribution and export to more than 40 countries around the world.

**International operations**
Operates an agro-industrial and food businesses in 16 countries outside Thailand, namely China including Republic of China (Taiwan), Vietnam, United Kingdom, India, United States of America, Cambodia, Russia, Turkey, Philippines, Malaysia, Laos, Belgium, Sri Lanka, Poland, and investment in Canada and Brazil.
1) Feed Business - Animal Feed production and distribution
2) Farm and Processing Business - Breeding, Animal farming, and primary processing
3) Food Business - Production of semi-cooked and cooked products and ready to eat meals

Distribution Channels i.e. wholesaler, retailer, restaurant, and food outlet
Nature of Business

Feed Business

Feed business belongs to the upstream part of the meat and food production supply chain. To ensure top quality, the Company has continuously driven for innovations that sustain our feed production with the international standards while maintaining competitive cost and affordable price for farmers. The Company’s core products are swine feed, chicken feed, duck feed, shrimp feed, and fish feed in various formats, including feed concentrate, powdered feed, and tablet, which are locally produced and distributed mainly in the local market.

The Company engages in the feed business in 11 countries around the world i.e., Thailand, China, including Republic of China (Taiwan), Vietnam, Russia, India, Cambodia, Turkey, Philippines, Malaysia, Laos, and a joint venture in Canada.

Total sales of the feed business in the year 2020 was 218,191 million baht or 37% of total sales of the Company.
6 Success factors of feed business

1. Quality raw materials
2. Right feed formulation for right animal types and right nutrition for animals at each age
3. Clean facilities equipped with advanced production technology certified by international standards
4. Top quality products with full traceability
5. Competitive cost
6. Sharing of advanced know-how and knowledge base with farmers

The Company emphasizes the importance of **location and design of its facilities**. The right location is carefully selected to ensure complete utilities, adequate water resource, and contamination prevention based on the health and safety principles. The factory is thus designed based on the green factory concept, taking into account the environment and surrounding communities, and equipped with dust and odor management in case of emission from the feed production process.

**Feed formula**, the Company places importance on top quality of feed and formula that offers nutrition suitable for animals of different ages and stages so as to promote healthy growth and feed conversion ratios.

**Raw materials**, main raw materials comprise corn, soybean meals, fish meal, rice bran, as well as vitamins and minerals. Our top quality products begin with procurement of raw materials of high quality and certification of product standards; and our procurement policy prioritizes purchasing from local sources in order to support local farmers.

**Production and quality control**, the Company constantly integrates automation into its operations; and the automated manufacturing process is with international standards and certified by independent third-party organizations.

**Sales and after-sales services**, the Company understands that the success of animal farmers leads to mutual sustainable growth of our partners and our business. Thus, the Company stresses on knowledge sharing in animal farming and proper feed usage. The Company engages in direct distribution of feed products to farmers through the Company’s point of sales and dealers.

The feed market has seen continued growth in line with the rising demand of meat consumption and the expanding modern industrial farming.
The Company engages in animal farm and processing business which comprises animal breeds, animal farming, and primary processed meat production. The Company select and develops animal breeds in response to the market demand. At the same time, we incorporate advanced and eco-friendly technology throughout the farming procedures and focus on animal wellbeing in compliance with the international animal welfare principles in order to deliver products of high quality and food safety. Our core product categories are animal breeds, live animals, primary processed meat (meat parts) and eggs; and our core animals comprise swine, broiler, layer, duck, shrimp, and fish.

The Company operates the farm and processing business in 15 countries i.e., Thailand, China, including Republic of China (Taiwan), Vietnam, United States of America, Russia, India, Cambodia, Turkey, Philippines, Malaysia, Laos, Sri Lanka, Poland, and a joint venture in Canada and Brazil. Each entity adopts different business approaches based on the market opportunity and suitability. Total sales of the farm and processing business in the year 2020 was 274,691 million baht or 47% of total sales of the Company.
7 Success factors of the farm and processing business

1. Strong breeds
2. High quality feeds
3. Proper facilities and equipments
4. Good farm management
5. Safe production procedures certified by international standards
6. Efficient logistic system
7. Biosecurity system throughout supply chain

The right farm location is meticulously selected to match farming requirements, taking to account the adequacy of basic infrastructure and the impact on the environment and community. In addition, the facilities are designed to enable a surveillance network to prevent disease transmission and assure animal wellbeing.

The Company also select and develops animal breeds which adapt well to different environment and in demand in each market which the Company has presence. The breeding improvement is based on natural genetic traits to produce stronger breeds with high disease resistance characteristics.

The Company continually develops its farming systems and technology to remain on par with the related standards. The Company operates in alignment with the Five Freedoms principle while maintaining the farming efficiency ratio; and animals are raised in a hormone-free environment.

Primary meat processing, the Company compile with the animal welfare principle and standards during animal transportation and meat processing.

Packaging, the Company opts for eco-friendly containers to minimize the environmental impact; for example, bioplastic trays made from renewable resources called polylactic acid (PLA).

Sales, the distribution channels for breeds and live animals are mainly at the farms while that of meat parts, meat products, eggs, and by-products are distributed by traditional market dealers and modern trade stores.

The farming business has enjoyed high growth in line with consumer demands due to rising numbers of population and enhanced access to affordable meat.

The 5 freedoms principle

1. Freedom from hunger and thirst
2. Freedom from discomfort
3. Freedom from pain, injury or disease
4. Freedom from fear and distress
5. Freedom to express normal behavior
The Company sees significance in research and development that pave way to production of top quality food which offers abundant nutrition and flavor. Products are manufactured with assured safety throughout the manufacturing supply chain, which promotes good health of consumers at affordable price as well as varieties in alignment with the demands of global consumers of all ages and localities. The Company aims to enhance convenience for customers through its extensive distribution channels. Food business consists of processed food, ready-to-eat food, and distribution businesses.

The Company operates food business in 15 countries i.e., Thailand, China, including Republic of China (Taiwan), Vietnam, United Kingdom, United States of America, Russia, India, Cambodia, Turkey, Philippines, Malaysia, Laos, Sri Lanka, Belgium, and Poland.

Total sales of the food business in the year 2020 was 96,831 million baht or 16% of total sales of the Company.

The Company firmly believes that good food comes from quality raw materials. Apart from top quality meat products of the Company, which are the main ingredient of its food production, the Company also procures other raw materials from third-party suppliers and partners with local farmers to co-create value through various initiatives to support their agricultural produce for use in its food production. The Company concurrently shares knowledge and know-how of sustainable farming with the farmers.

Production is carried out on par with the quality and safety standards throughout production process, which always has been the priority. Bearing this in mind, the Company devotes to research and innovate to elevate the operating efficiency, and to advance in the food quality and food safety.
forefront. Robotics and automation have also been in focus, which inspired the Company to establish the CPF Food Research and Development Center in Thailand to push forth innovation and new product development of the food business that better respond to the market demands while maintaining its efficient and sustainable practice.

Packaging approved by the Company are those which can completely maintain the product quality and prolong the shelf life of such goods to minimize food waste and food loss. Furthermore, the Company promotes healthy living by stating nutrition value and guideline daily amounts (GDA) in its product labeling.

Distribution is made through various channels, including 1.) traditional trade namely wet markets 2.) modern trade namely convenient store, supermarket, and wholesaler 3.) food service namely hotel, restaurant, quick serve restaurant, food court, and catering service. The Company also ensure its distribution agility via its own stores, which serve as distribution points to various types of restaurants and food courts. Furthermore, the Company exports food products to overseas via the Company's sales offices, dealers, and local importers for overseas distribution.

The overall food business environment is rapidly changing as consumers are trending toward packaged foods for utmost convenience in daily life. At the same time, they demand quality and variety, especially those of healthy food, along with full traceability and product accreditation. Hence, food producers must be able to match the market demand in line with the changing consumer behavior.

Standards

“The quality and safety” throughout the production process is the key to good health

The fully integrated business allows the Company to exercise absolute quality control and assurance throughout the production process. The Company obtained various international standards as well as those required for different customers from third-party accreditation organization, all of which are applied in production of feeds, farming, and food businesses in conjunction with compliance with laws, rules, and regulations of each country in which the Company has business operations.

<table>
<thead>
<tr>
<th>Production standards</th>
<th>Feed business</th>
<th>Farm and processing business</th>
<th>Food business</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMP</td>
<td>GMP+ B1 B2 B3</td>
<td>GAP</td>
<td>GAP</td>
</tr>
<tr>
<td>HACCP</td>
<td>FAMI-QS</td>
<td>HACCP</td>
<td>BRC</td>
</tr>
<tr>
<td>ISO 9001</td>
<td>AI Compartment</td>
<td>QS</td>
<td>ISO 9001</td>
</tr>
<tr>
<td>ISO 22000</td>
<td>RWA</td>
<td>Halal Standard</td>
<td>ALO</td>
</tr>
<tr>
<td>ISO/IEC 17025</td>
<td>ALO</td>
<td>Halal Standard</td>
<td>ISO 9001</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sustainability standards</th>
<th>Farm and processing business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global GAP</td>
<td>Global GAP</td>
</tr>
<tr>
<td>BAP</td>
<td>BAP</td>
</tr>
<tr>
<td>IFFO RS CoC</td>
<td>CoC Dept. of Fisheries</td>
</tr>
<tr>
<td>MSC</td>
<td>Register Poultry Scheme</td>
</tr>
<tr>
<td>RSP0</td>
<td></td>
</tr>
<tr>
<td>BAP</td>
<td>ASC</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Environment standards</th>
<th>Food business</th>
</tr>
</thead>
<tbody>
<tr>
<td>ISO 1400</td>
<td>ISO 14046</td>
</tr>
<tr>
<td>ISO 14067</td>
<td>ISO 14046</td>
</tr>
<tr>
<td>ISO 50001</td>
<td></td>
</tr>
<tr>
<td>ISO 14044</td>
<td>AEMAS</td>
</tr>
<tr>
<td>ISO 14046</td>
<td></td>
</tr>
</tbody>
</table>

Occupational safety standards

| Good Labour Practice (GLP) | TLS 8001-2010 | OHSAS18001 | CPF SHE&En Standard |

Note: Policies and guidelines of the Company are in compliance with the above standards. In this regard, the operation in each country will decide on application with third-party organization for standard certification as deemed appropriate based on the country’s laws as well as requirements of the Company and customers.
We put our heart into food

Bakery

Chicken Products

Egg Products

Duck Products

Soup and Sauces

Supplemental Nutrition Dinks
We put our heart into food to deliver great food and good health to the World.

Chicken Products
Duck Products
Egg Products
Pork Products
Shrimp Products
Sausage Products
Wonton and Noodle Products
Ready Meal
Beverage

To deliver great food and good health to the World

Note: Product displayed on this page are samples products
Innovation from the Heart to the Table

The Company cultivates innovative spirit of its people by embracing the concept into the organization culture. All business units are encouraged to push the boundaries of innovation they can achieve in production process, product development, work process and business model as well as innovation for the society and environment. Such effort maximizes competitiveness of the Company while maintaining the equilibrium of nature and social responsibility. Outstanding innovations in 2020 were summarized as follow.

At CPF... we put our heart into selection of the right animal breeds, comprehensive nutrition from carefully chosen raw materials and feed formula, and innovative farming to produce strong, healthy and disease-free animals.

Breeding research

CP Super Laying Duck

CP Super Layer Duck was developed by breeding experts that combined dominant features of 3 different types of layer ducks. Chosen breeder ducks with high productivity and large-sized eggs gave birth to CP Super Layer Ducks whose outstanding characteristics are their lean shape, brown feather, voracious eating habit, low-maintenance, and big-sized eggs. They produce 20-30 eggs/layer/year higher than average, adapt easily to all climates, and have strong disease-resistance quality.

Feed formula innovation

Hi-Gro 558 F swine feed

Hi-Gro 558 F swine feed is one of the Company’s innovation derived from its extensive research development. The formula offers comprehensive nutrition, especially vitamins and antioxidant, highly suitable for breeder sows to enhance transmission of great genetic traits due to its special characteristics that help increasing the sows’ sperm by 12% and higher volume of semen by 10-20%. The formula is integral to the success the Company’s swine business.

Eco-friendly feeds formula for laying hens

This feed formula was developed based on specifically selected amino balance and the right enzyme for animals of different ages, aiming to enhance digestion efficiency of animals that promotes their healthiness, growth efficiency, and zero waste emission. In parallel, raw materials such as corn and protein were effectively reduced, resulting in less animal excrement in line with optimized ingredients of the feeds to minimize any excess in animal dietary needs. The eco-friendly feeds formula for laying hens could reduce nitrogen emission by 12-13% and carbon dioxide emission of around 103 tons per year.
AI in Farming and Biosecurity Dashboard

AI is leveraged in the farming and biosecurity dashboard to enable a close surveillance system for employees having contact with animals as well as third-party vehicles and staff, which could expose the farm to disease transmission. Their movements are constantly monitored to ensure they remain in the safety zone. The system scans and differentiate employees from their uniform color to detect whether any staff under surveillance trails off from the restricted zone. Any breach will be immediately notified to the office and governing officers of the farming facility.

Advance farm monitoring system

Smart Farm Solution

The Company has developed the smart farm solution system by leveraging the 4.0 technology, especially the Internet of Things, which enables AI to provide the right advices to farmers and increases farming efficiency and cost effectiveness.
At CPF... we have confidence in our food production, which delivers complete nutrition and food safety compliance with international manufacturing standards. We make steady progress in food innovations for all consumers to enjoy great food and good health.

**Research for prevention or detection of pathogens in food**

**Introduction of duplex listeria/listeria monocytogenes DNA strip test for detection of pathogens in food**

The recent development ensures the food safety and zero contamination prior to food distribution to consumers, especially Salmonella spp., E. coli and L. monocytogenes. Usually, the international certification standard test requires a separate test kit for each pathogen and a long period of time is required for the test result. To minimize the required time and eliminate redundancy, the Company sets out to develop the rapid test kit applicable for all 3 pathogens, which reduced the test period from over 2-7 days to only 5-10 minutes (provided that there are adequate pathogen volume) or 25 hours while the DNA accuracy was augmented in a shorter period of time required in a test.

**Healthy food**

**Healthy soup for patients and seniors**

“The smart soup” is the chicken soup with pumpkin and egg. The formula is designed in response to the nutrition requirement and standard of Ramathibodhi Hospital. The smart soup is categorized as healthy food, suitable for patients which required tube feeding, normal-feeding patients, and senior consumers. The product has high growth potential, since Thailand is becoming an aging society.

**Cheeva pork**

Cheeva pork was the winner of the THAIFEX Taste Innovation Show from ThaiFex-Anuga Asia 2020. Cheeva pork, is the World’s First Omega 3 pork, fed with super food such as flaxseed, seaweed, and deep sea fish oil; and it contains 2.5 times more Omega-3 than average. Cheeva pork helps decrease the exposure to cardiovascular disease; and it is chemical-free and raised without antibiotics certified by NSF.
At CPF... we believe that good environment builds a solid fundamental for wellbeing, caring for and saving the world thus is the mission of us all

**Optimal use of resource and energy**

**Fresh food chillers of CP Fresh Mart**

The Company co-designed fresh food chillers of CP Fresh Mart with business partners to obtain the best quality chiller embedded with advanced technology and high efficiency. The chiller is equipped with auto timer and round flow system to preserve juiciness and tenderness of the meat by preventing freezing; and it is the first of its kind to utilize the R-290 that save electricity cost by 50% when compared to normal chiller. As such, the chiller’s useful life has been extended by 40% while reducing carbon dioxide emission to the atmosphere. Thus, we can deliver fresh food to consumers with absolute confidence. This innovation was registered as intellectual property with the Department of Intellectual Property in Thailand.

**Minimized waste**

**The digital egg**

The digital egg solution was introduced to detect crack problem in the egg transport and egg sizing processes. A sensor was invented in an egg shape, equipped with sensors measuring vibration, temperature, and relative humidity which helped to identify the root cause and particular areas where eggs were damaged. Consequently, the problems were addressed and the volume of damaged goods as well as waste were minimized.

**Adoption of renewable energy and minimization of environmental impact**

**Introduction of the “Continuous Stirred Tank Reactor” (CSTR)**

The CSTR was installed at the Korat chicken processing plant, resulting in the enhanced efficiency of wastewater management, cost effectiveness as well as reduction of chemical for fat elimination by 30% percent and reduction of sludge from fat elimination by 20% when compared to the existing system. Furthermore, the Company focused on production of biogas to replace the use of furnace oil, and it was awarded with carbon credit certification from Thailand’s Greenhouse Gas Management Organization (Public Organization) as well as the sustainable waste management award from the Department of Industrial Works.
Business Growth for Sustainability

The Company places significance on driving business growth for sustainability. The business strategy is determined to deliver appropriate returns for shareholders; concurrently, the sustainability strategy is incorporated among 3 core pillars—“Food Security, Self-Sufficient Society, and Balance of Nature”, based on the foundation of good corporate governance and respect for human right and labour practice. The Company aims to achieve health and hygiene of consumers, stability as well as happiness of employees, and to co-create value with business partners and community. In parallel, we strive to conserve natural resource and the environment, which is the capital for social and economic growth in the present and future.

The Company conducted the sustainability review and assessment whereby its extensive coverage included significant opportunities and threats in economic, social, and environmental aspects on an annual basis in alignment with the 4 pillars of Global Reporting Initiatives (GRI) comprising 1.) Sustainability context; 2.) Materiality; 3.) Completeness; and 4.) Stakeholder inclusiveness.

In addition, the Company strives to advance its engagement in the area of social responsibility toward sustainability in accordance with the UN Global Compact, of which its scope extends to human right, labour, environment, and anti-corruption. Moreover, we integrate 13 goals out of 17 goals of the Sustainable Development Goals (SDGs) of the Company, which are directly in alignment with our capability and potential to reach out for more milestones in our journey to become business with sustainability.
Human Rights and Labor Practices

The Company sees significance in respect for human right. It therefore has determined the human rights policy and employment and labour management policy as its operating framework in alignment with requirements of the International Labour Organization (ILO), UN Global Compact, UN Guiding Principles on Business and Human Rights (UNGP), and Statement on Slavery and Human Trafficking. This practice reflected its standpoint against modern slavery and human trafficking of any kind. In addition, the Company adheres to respect for human right in its supply chain in accordance with the sustainable sourcing policy and supplier guiding principle.

Food Security

Rising world population triggers a surging food demand around the globe. Food innovation is therefore an essential enabler of the food industry to advance their capacity at the same pace. In addition, farming in alignment with the animal welfare is a key success factor for product quality and food safety. All our efforts aim to secure food access and knowledge for consumers for the purpose of sustainable consumption as well as eradication for hunger and malnutrition for the society at large.

• Food Innovation

Due to the changing environment and consumer behaviors, the Company has declared its healthier choice principle as well as other relevant policies promoting healthiness of consumers. In addition, CPF Food Research and Development Center was established to create innovations in response to consumer demands. It aims to build and strengthen the organizational culture that encourages constant ideas, creation as well as co-creation of innovation through synergy with third party, leveraged on the strength of CPF Research and Development Center, which serves as the core driver and hub of the food industry in response to the shifting pattern of the global food industry.

• Animal Welfare

The Company focuses on development and advancement of its animal welfare practice in accordance with the “Five Freedoms” principle; at the same time, establishes the culture of care for animal welfare among its people, which is applicable to the Company’s and contract farmers’ farms. The animal welfare policy was announced; the Animal Welfare Committee was appointed; and the Global Vision on Antimicrobials Use in Animals was signed off to drive animal welfare progress in a long run. Furthermore, the manual and standards on works related to animal welfare were launched, which was applicable to management of all farms of the Company in every location around the world. Furthermore, we focus on research and development of animal feeds and farming for enhanced quality and efficiency, internal and third-party evaluation, participation with public agencies, civil society organization, and related stakeholders in order to raise awareness and develop the guideline for good animal welfare.
• **Improving food quality and safety throughout the value chain**

The Company places importance of production process control to meet the global quality and safety standards to ensure that consumers are served with high quality and safe products in accordance to CPF Quality Policy and also traceable to its source.

• **Access to Food and Knowledge for Sustainable Consumption**

The Company accentuates quality assurance and standardization of production process in order to ensure quality and safety in accordance with the international standards. The Company aims to gain confidence from consumers on food quality and safety as well as traceability throughout its value chain. Additionally, the Company place importance on adequate, appropriate, and sustainable food access for children, youth, and consumers. The Company leverages on its knowledge and expertise to facilitate access and learning about food production, consumption of proper nutrition, and food safety of children and youth.

---

**Self-Sufficient Society**

Participation in and contribution to management of various issues in and outside its industry are considered a major support for food security and environmental balance. For the said reasons, the Company stresses on taking care of its employees to make CPF a home of happiness in the heart of employees, together with taking care of business partners to enjoy mutual growth, and taking care of the community to enhance the quality of life of farmers and the community.

• **People**

The Company’s people vision is “People Excel-Business Exceeds” in alignment with the respect for human right and labour practice, which is solid foundation of human resource management. The Company focuses on human resources management. The Company promotes value addition of our people in all positions to be prompt for the changing context of the current global scene such as digital transformation and operations improvement for sustainability. In addition, the Company places importance on safety and hygiene at workplace for employees and labours.

The Company strives to be the learning organization focusing on people development, which commences with onboarding of good and talented people (attraction), retaining good and talented employees with the organization (retention), motivating and incentivizing employees to strive for good performance and self-development (development), developing employees of all levels to have knowledge, ability, and excellence as well as sustainable people development by means of up-skill, re-skill, and new-skill training, enabling them to be ready for business adaptation in the challenging business environment. Interactive learning is applied for employees to excel from learning by doing.
Cultivating strong Organization Culture

The Company engages in the business based on honesty, integrity and benefits of the public through promotion and cultivation of the “Master 4D Guideline” process through change agents. The Company enjoyed healthy participation of senior executives, management of business units; and all employees to strengthen clear and systematic guideline for a stronger organizational culture.

4D Model of CPF Way

- **Define**: Defining people to drive the Company in the same direction
- **Deploy**: Defining expectation toward employees and candidates
- **Drive**: Integrating CPF Way to the HR operating system
- **Deepen**: Embedding the CPF Way in the organizational culture

People Development

The Company defines the people development framework on the foundation of leadership and competency framework. The guideline for people development is divided into 3 main categories as follow.

1. People development based on CPF core values framework
2. People development based on leadership competency framework
3. People development based on leadership challenge framework

Regarding people development based on functional and technical competency framework, the Company encourages all business units to prepare the people development plan to increase the knowledge and skill necessary for each business unit. In addition, learning centers were established in Thailand and overseas to enhance expertise of professionals in each field.

Furthermore, the Company focuses on development of digital knowledge in the human resources development. The online basic digital technology training course was introduced along with the online learning tools such as e-learning and CPF Connect Portal and knowledge management system. Additionally, online learning was encouraged by means of introducing various learning topics such as product knowledge, and basic knowledge on corporate sustainability in order to build familiarity of online and digital learning for our people.

- **Business Partners**

From 2015 onwards, the Company has shared the guideline for doing business with responsibility through communications and training programs about sustainable procurement and practice guideline for business partners, which was expanded to overseas partners. Also, the environment, social, and governance: supplier sustainability self-assessment was integrated in the initial sustainability assessment for business partners in accordance with CPF Supply Chain ESG Management Approach.
• **Community**

The Company puts emphasis on continuous support for careers that yield stable income for farmers and SMEs businesses following the strategy of “4Cs to Sustainability: Competency + Creation + Collaboration + (Connection)”. The Company leverages its strength to bring about positive affect while minimizing any negative social impact, to share and develop ideas or innovations which promotes responsibility, to encourage engagement between the Company, employees, and relevant parties, including collaboration with our network to enhance operating effectiveness and efficiency in a long run. Moreover, we provide support for socially vulnerable groups, especially senior and disabled people in the surrounding community through promotion of sustainable income and occupations.

---

**Balance of Nature**

The Company is well aware that natural resources are limited; thus, strives to operate its business in a manner that minimizes impact on the environment and preserves the natural resources in every touchpoint throughout its value chain. The Company is driven to “develop packaging for sustainable development”; “minimize impact on the environment”, while “protecting biodiversity” in order to create balance for development and sustainable future.

• **Sustainable Packaging**

The Company recognizes and is determined to contribute to sound management of food packaging waste, especially plastic problem that has been addressed as a global issue. The Company thus sets forth the **goals, policies, and guidelines on sustainable packaging** based on the **circular economy concept** throughout its supply chain.

The Company synergizes with producers of raw materials and packaging developers to research and design packaging innovation as narrated below, and

- **The primary objectives are to secure food quality and safety** by packaging innovation that serves the purpose

- **The key preference is plastic alternatives or plastic made from alternative and/or replaceable materials** that enabled the package to be reusable.

- **The key solution is to develop reusable packaging** in case the alternative raw materials offering the food quality and safety equivalent to plastic packaging are not available
The Company has reached several milestones in its effort to minimize the environmental impact throughout its supply chain. In 2013, the livestock business introduced the use of bulk feed tank to replace plastic feeds packaging; and in 2016, the aquaculture business replaced seeds plastic container with Q-Pass tank, which enabled multiple use after sterilization. The fully-integrated broiler business in Thailand shifted from using plastic bags for product part transport during production process, to use stainless trays instead. Concurrently, the Company focuses on minimizing single use plastic packaging. To name a few, STAR coffee promoted minimal use of plastic straws, which was replaced by the new design of the coffee cup lid that encourages direct drinking; and Chester’s no longer used plastic containers for food and beverage takeaways as they were replaced with paper counterparts.

- **Minimal Impact toward the Environment**

  The Company integrates the circular economy concept in its operations throughout the supply chain in accordance with occupational safety and health and renewable energy policies, aiming for optimal resources utilization and minimum environmental impacts. Several initiatives include adoption of renewable energy throughout the production process. To further elaborate, the energy source of steamers utilized in the feeds business is now biomass in replacement of coals; the wastewater and manure are treated for production of biogas that fuels power generation utilized in the swine and chicken farming business. In addition, solar PV was installed for power generation at farms of the aquaculture business; the ultra-filtration was introduced in the wastewater treatment process that allows proper usage of treated water; and the swine business further leverages on the biogas production where the treated water from the system is developed to be liquid fertilizer and provided to surrounding communities via the “Liquid fertilizer for Share” project to help farmers save their farming cost.

- **Biodiversity**

  The Company underlines its key decisions an location selection. To name a few, its location of business shall not be in the natural resource and environmental conservation zones in compliance with the regulations, requirements, standards, and the ministerial rules. Furthermore, environmental impact assessment is conducted on a regular basis; and the source of agricultural key raw materials shall not be involved with area without ownership title deeds. The Company ensures full traceability and responsible sourcing in its procurement of corn, soymeal, palm oil, cassava, and fish meal utilized in feeds production. We have implemented the “CPF Plant-Participate-Protect” – an ongoing project which commenced in 2014, with dedication to preserve and restore mangrove forests in 5 provinces of Thailand, which serve as the abundant ecosystem and nursery for marine lives at early stages. In addition, the CPF for Ecosystem Preservation at Pasak Basin project at Praya Derm Thong mountain in Lopburi province has been ongoing since 2016 during which the area of extreme drought has been transformed to green forests that contributes to the balance of nature.

Note: More information can be found in Sustainability Report 2020
2020 Performance Highlights

Sales Breakdown

In 2020, the Company’s sales revenue was 589,713 million baht, an increase of 11% from the previous year. This was due to 15% increase in overseas operations and 3% increase in Thailand operations. The main factor was that the Company had placed great emphasis on the manufacturing process management with highest standards and modern technologies and innovations, including applications of AI systems which enhanced works and generated better results in the industry. Therefore, even during the outbreaks of COVID-19 crisis and African swine fever (ASF), the Company could improve business performance. In addition, swine shortages had resulted in swine prices rising from the previous year in Asia, especially in Vietnam, Thailand and Cambodia. Moreover, the performance of aquatic business in Thailand had improved due to increased business efficiency and marketing strategy adjustments, thus, the Company’s sales volume of shrimp in Thailand increased significantly. As a result, the Company’s gross profit margin in 2020 was 18%, increased from 14% of the previous year. Selling and administrative expenses was 57,380 million baht, an increase of 2,983 million baht or 5%, due to increased sales. Thus, the Company’s earnings before interest, taxes, depreciation, and amortization (EBITDA) amounted to 81,692 million baht or a 72% increase.

Net profit for the year 2020 amounted to 26,022 million baht, an increase of 41%, and earning per share was 3.14 baht per share. The Board of Directors resolved to propose to the Annual General Meeting of Shareholders No. 1/2021 to consider and approve the dividend payment from the 2020 operating results to shareholders totalling 1.00 baht per share, which had already been paid as an interim dividend to shareholders at the rate of 0.40 baht per share on September 11, 2020.
**Sales Breakdown**

**2020 Performance Highlights**

- **Livestock**
- **Aquaculture**
- **Farm and Processing**
- **Food**
- **Feed**

---

**By Business**

- 88%
- 12%

**By Product**

- 47%
- 37%
- 16%

**By Operations**

- 69%
- 26%
- 5%

---

(1) **EBITDA** = Revenue from Sales of Goods - Cost of Sales Goods + Net other Income - Selling & Administrative Expense + Gain (Loss) From Foreign Exchange + Depreciation & Amortization + Depreciation of Biological Asset

(2) **Net Profit** = Profit Attributable to Equity Holders of the Company

(3) **Return on Equity** = Profit Attributable to Equity Holders of the Company / Average Shareholders’ Equity Attributable to Equity Holders of the Company

---

**Revenue from Sales**

Unit: Million Baht

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>541,937</td>
<td>532,573</td>
<td>589,713</td>
</tr>
</tbody>
</table>

---

**Earnings Before Interest, Tax, Depreciation, Amortization (EBITDA)**

Unit: Million Bath

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>39,559</td>
<td>47,547</td>
<td>81,692</td>
</tr>
</tbody>
</table>

---

**Net Profit**

Unit: Million Baht

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>15,531</td>
<td>18,456</td>
<td>26,022</td>
</tr>
</tbody>
</table>

---

**Earnings per Share**

Unit: Baht per Share

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1.82</td>
<td>2.18</td>
<td>3.14</td>
</tr>
</tbody>
</table>

---

**Return on Equity**

Unit: Percentage

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>9.3%</td>
<td>11.1%</td>
<td>14.4%</td>
</tr>
</tbody>
</table>

---

**Dividend per Share**

Unit: Baht per Share

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.65</td>
<td>0.70</td>
<td>1.00</td>
</tr>
</tbody>
</table>
Awards and Recognitions in 2020

Thailand Sustainability Investment (THSI)
The 2020, Thailand Sustainability Investment (THSI) award in the agricultural and food industry was conferred to CPF by the Stock Exchange of Thailand (SET) in recognition of CPF’s outstanding performance in environmental, social, and governance aspects based on the concept of sustainable development while delivering continuous business and growth.

ASEAN Asset Class PLCs
The ASEAN Asset Class PLCs award from the 2019 ASEAN CG Scorecard project which was sponsored by ASEAN Markets Forum and Asian Development Bank (ADB) was conferred to CPF in recognition of its cooperation with capital market organizations in 6 ASEAN countries for the purpose of uplifting corporate governance of listed companies in ASEAN to be on par with the international standards.

Thailand Corporate Excellence Awards 2020
Thailand Corporate Excellence Awards 2020 was organized by the Thailand Management Association (TMA) and Sasin Graduate Institute of Business Administration of Chulalongkorn University. The award recognized CPF for its outstanding leadership, innovation for the society, and contribution of sustainable growth of the Thai economy.

The Asian Excellence Awards 2020
CPF won 5 awards from “Asia Excellence Awards 2020” by Corporate Governance Asia—a leading financial magazine, i.e. “Asia’s Best CEO”, “Asia’s Best CFO”, “Best Investor Relations Professional” “Best Investor Relations Company” and “Best CSR Company” in honor of its outstanding business performance and international recognition.

The World’s Best Employer 2020
CPF won the “The World’s Best Employer 2020” by Forbes magazine and ranked No. 1 Thai company delivering distinguished contribution in terms of food security for the society in its accomplishment to elevate the safety and COVID-19 prevention measures, applicable throughout its supply chain, leading to food security and safety for consumers.

Annual Institutional Investor Awards for Corporates
CPF was the winner of 4 awards from 10th Annual Institutional Investor Awards for Corporates by Alpha Southeast Asia i.e., “Best CFO In Thailand” conferred to Mr. Paisan Chirakitcharern (CFO), “Best Senior Management IR Support”, “Strongest Adherence to Corporate Governance”, “Most Consistent Dividend Policy”, and “Best Strategic CSR”, all of which reflected management excellence in respective aspects.
C.P. Vietnam Corporation was ranked No.1 company in the fresh and chilled food industry by Vietnam Top 10 Food Reputation Award 2020, which reflected widespread acceptance and trust from Vietnamese consumers. In addition, the Company won the Gold Brand from the Vietnam’s Agriculture Award 2020, conferred to brands offering outstanding agricultural products and services and leading producer with food safety excellence.

CPF INDIA PVT LTD.
CPF India won the the Excellence in Partnership 2019 Award in “KFC Supplier’s Conference 2019”. held at Le Meridien New Delhi hotel in India. The award signified excellent contribution of CPF India, highly appreciated by KFC, the biggest account of the company.

Certification of ESG 100 Company
CPF was conferred the “ESG100 Company 2020” certification by Thaipat Institute for the 4th consecutive year, reflecting its strong commitment in operating business with strict adherence to environment, social and governance (ESG) compliance while delivering appropriate returns for investors and stakeholders and sustainable growth. Furthermore, the Three Benefit for Sustainability Award was established as recognition for the Company’s internal functions driving business while building sustainability.

SAM Silver Class Award
CPF was conferred with the SAM Silver Class Award in the foods industry, and it was listed in The Sustainability Year Book 2020 for the first year. The Company won the Bronze Class Award in 2018. This reflected CPF’s commitment to continuously operate on the foundation of sustainability.

Sustainability Award
CPF received the Sustainability Award from Kemin Industries, a global ingredient manufacturer, in recognition of its effort to drive for business growth while promoting social and environmental, and responsibility.
Good corporate governance begins with determination of clear management structure; a search of highly experienced directors who are visionary and with firm understanding of business; establishment of clear scope of responsibility of committees as well as policies and guideline for shareholders and stakeholders; disclosure of information in a correct, transparent, and timely manner, and cascading of policies and guidelines to executives and employees for acknowledgement and adherence.

Corporate Governance Structure

Board of Directors, representing shareholders, consisted of 15 directors, 5 of which were independent directors.

The Board of Directors governs business in compliance with laws, goals, requirements, and resolutions of the Meeting of Shareholders; and oversight the management to achieve goals in line with annual strategies and business plans approved by the Board of Directors, while balancing benefits of the Company and all stakeholders.

Roles of Board of Directors

- Define goals
- Govern business operations
- Evaluate, monitor, and disclose
The Remuneration and Nominating Committee identifies persons qualified for director position and proposes to the Board of Directors for approval, or for further proposal to the following Meeting of Shareholders. In this regard, shareholders are provided with an opportunity to nominate qualified persons for Director position based on related criteria.

Sub-committees were appointed by the Board of Directors to focus on key tasks in different aspects. In addition, the Company established functions to support business governance as follows:

- Audit Committee,
- Remuneration and Nominating Committee,
- Corporate Governance Committee,
- Corporate Social Responsibility and Sustainable Development Committee,
- Technology and Cyber Security Committee

The Corporate Governance Committee has duty to define the scope and policy relevant to corporate governance, to propose corporate governance guidelines as well as recommendation to the Board of Directors, to review corporate governance compliance of Directors and senior executives, to review corporate governance guideline by benchmarking against international practice, and to propose to the Board of Directors any modification for enhanced effectiveness and efficiency.

In addition, the Executive Committee was also appointed by the Board of Directors, comprising senior executives of core business functions and supporting functions to assist the Board of Directors in ensuring that the business is managed in alignment with policies and business goals in an effective and efficient manner.
Performance Evaluation of Chief Executive Officer

The Board of Directors conducts performance evaluation of Chief Executive Officer on an annual basis, the result of which will be taken into account for remuneration determination based on 2 key indicators i.e.

| 1 | KPIs based on financial performance |
| 2 | KPIs based on sustainability performance |

Corporate Governance Policies

The Company believes that good corporate governance is a vital element for sustainable development of the Company and shall be sustained hand-in-hand with its business growth to ensure healthy financial performance in a long run while earning trust along with creation of sustainable value for the business. By attaining this, the Company shall continue to meet expectations of business sector, shareholders, stakeholders, and the society at large. The Company therefore determined the corporate governance policy and incorporated it as a part of mission of the Board of Directors, management, and employees to ensure their acknowledgement and adherence. A minimum of one evaluation of compliance with related policies and regulation shall be conducted on an annual basis; the result thereof will be reported to the Board of Directors.

Annual general meeting of shareholders

CPF organizes the Annual General Meeting of shareholders in every April. However, the COVID-19 pandemic crisis in 2020 resulted in the postponement of the Meeting from April 2020 to be 24 June 2020. In this connection, the Company ensured comprehensive compliance with the policy on promotion of shareholders’ right; and distributed related documents and information to shareholders via the website of the Company.

| 30 September 2019 - 31 December 2019 |
Shareholders were invited to propose the meeting agenda and nominate qualified candidates

| 25 May 2020 | 10 June 2020 | 24 June 2020 | 3 July 2020 |
Published on website | Sent invitation letter via registered mail | AGM date | Submission of Meeting minutes to the Stock Exchange of Thailand |
Anti-Corruption

The Company ensures that its employees shall not tolerate corruption by raising awareness of employees in all levels via policies and guidelines in various formats and distribution channels. The Company has provided the anti-corruption policy with translations in 12 languages to enable communication in all countries where its investments are located. Moreover, the Company has various communications channels, namely mails, telephone calls, facsimiles, electronic mails, and the Company’s website, for employees, stakeholders, or third parties to report any lead or complaint about violation against the laws, code of conduct, or any right; or an act of corruption. Whistleblowers shall be under protection of the Company and details of complaints will be kept confidential and undisclosed to irrelevant parties, unless required by the laws. Fair treatment and protection will be ensured for employees who refuse to take any action deemed to be crime of corruption. In this regard, risk management procedure of the Company also included corruption risk assessment. In addition, the Company has also determined its risk management process which included corruption risks.

“The Company was certified as a member of the Private Sector Collective Action Coalition Against Corruption (CAC), reflecting the determined stand point of the Company to apply the anti-corruption policy for actual practice throughout the organization since 2017. Currently, the Company is applying for re-certification, which is required on an every 3-year basis, reflecting its firm adherence to the anti-corruption policy in an effective manner enterprise-wide.”

Corporate Governance of Subsidiaries and Associated Companies

The Company has policy to appoint representative to serve as director in subsidiaries to oversee their operations to ensure alignment with the Company’s policy in an effective and efficient manner. In a case where a company, whose shares are held by CPF, organizes the meeting of shareholders, the Board of Directors of CPF shall make voting decision of each agenda and shall appoint proxy to attend such meeting. For joint ventures, CPF govern in accordance with mutual agreed strategies as stated in joint venture agreements.

Note: Further details are available in the Annual Report 2020 (56-1 One Report).
In the context of evolving business environment and demands of stakeholders, the Company strongly believes that risk management on an organizational level will serve as a key success factor for the Company to achieve its business goals; at the same time, facilitate the organization to be adaptive for changes and to realize more business opportunities as well as advancement in sustainability and appropriate returns to stakeholders. However, risk management may be exposed to external risks beyond control or management, any of which could adversely impact the operation and reputation of the Company.

Risk Management Culture
The Company has continuously built risk management culture via various engagements to disseminate knowledge and understanding about risk and risk management. The Company carried out the following activities to establish the risk management culture.

• The risk management policy was announced and cascaded down to all employees of the organization.
• The risk management framework was made; and the risk management was integrated to the internal
operating processes of the organization so as to raise awareness of uncertainty reflected in risk management and to encourage that risk management be incorporated in the operations.

- Risk appetite levels were determined and communicated to all relevant employees.
- Risk management was incorporated in the strategies of all business units to ensure adherence and compliance. We emphasized its importance to employees of all levels and the fact that risk should be taken into account in decision-making and operations.
- Training was provided by internal and external parties to ensure understanding of executives about risk and assessment, which had impact on business targets or operating strategies.
- Workshops on risk management were organized for executives of business units by the office of risk management.
- Risk management process was put in place; and risk management standards compilation was regularly monitored.
- Risk assessment process was incorporated inconsideration of significant investment projects of the Company
- Key Risk Indicators (KRIs) were determined and served as alert signals for future risks and progress trackers in relation to risk management.

## Risk Management Policy

The Company has developed an integrated risk management system with an aim to ensure alignment of risk management guidelines throughout the organization, with extensive coverage to all types of risks, including the environmental, social, and governance or ESG risk, incurred in all operating procedures and to employees of all levels. Concrete implementations were preceded in compliance with COSO (The Committee of Sponsoring Organizations of the Treadway Commission), including risk management and culture, determination of strategies and objectives, identification of risk factors and relevancy to business strategies and goals, risk assessment, management, monitoring as well as review of risk level due to significant changes of current scenarios, risk reporting, and systematic and continuous communication. In this connection, risk appetite serves as the foundation for risk management. The Risk Management Subcommittee is in charge of reporting the risk assessment result to the Executive Committee and the Audit Committee, respectively. In addition, such report will be proposed to the Steering Committee for acknowledgement and the proposed risk management measures shall be implemented accordingly.

## Key Risks

<table>
<thead>
<tr>
<th>Future risk</th>
<th>ESG risk</th>
<th>Strategic risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating risk</td>
<td>Financial market risk</td>
<td>Legal and monopoly risk</td>
</tr>
<tr>
<td>Image and reputation risk</td>
<td>Risk on having any shareholder holding shares more than 25% of all issued and paid-up shares.</td>
<td></td>
</tr>
</tbody>
</table>

Note: Details of the risk management culture, risk management framework, key risks, and other possible risks, which are of less significance, but recognized and monitored by the Company, are available in the Annual Report 2020 (56-1 One Report).
Capital and Shareholders Structure

Note: (1) CPG Group is a reporting group to be in compliance with Section 246 and Section 247 of the Securities Exchange Act of 2535 (as amended).

Top 10 Major Shareholders as of March 12, 2021

<table>
<thead>
<tr>
<th>Name</th>
<th>No. of Shares</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPG Group (1)</td>
<td>4,429,098,680</td>
<td>51.43%</td>
</tr>
<tr>
<td>Thai NVDR Co., Ltd.</td>
<td>630,488,740</td>
<td>7.32%</td>
</tr>
<tr>
<td>Social Security Office</td>
<td>295,858,920</td>
<td>3.44%</td>
</tr>
<tr>
<td>STATE STREET EUROPE LIMITED</td>
<td>206,543,160</td>
<td>2.40%</td>
</tr>
<tr>
<td>GIC PRIVATE LIMITED</td>
<td>152,842,822</td>
<td>1.77%</td>
</tr>
<tr>
<td>SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED</td>
<td>135,618,150</td>
<td>1.57%</td>
</tr>
<tr>
<td>Mr. Prinya Tieanworn</td>
<td>83,500,000</td>
<td>0.97%</td>
</tr>
<tr>
<td>VAYUPAK FUND 1</td>
<td>59,198,200</td>
<td>0.68%</td>
</tr>
<tr>
<td>MORGAN STANLEY &amp; CO. INTERNATIONAL PLC</td>
<td>44,269,700</td>
<td>0.51%</td>
</tr>
<tr>
<td>BNY MELLON NOMINEES LIMITED</td>
<td>39,897,427</td>
<td>0.46%</td>
</tr>
</tbody>
</table>

Registered Capital and Paid-up Capital

- Registered Capital: 9,291,530,318 baht
- Paid-up Capital: 8,611,242,385 baht

Shareholders Structure as of March 12, 2020

<table>
<thead>
<tr>
<th>Typ</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign Individuals</td>
<td>0.02%</td>
</tr>
<tr>
<td>Thai Individuals</td>
<td>57.59%</td>
</tr>
<tr>
<td>Thai Institution</td>
<td>27.27%</td>
</tr>
<tr>
<td>Foreign Institution</td>
<td>15.12%</td>
</tr>
<tr>
<td>Thai Individuals</td>
<td>0.00%</td>
</tr>
</tbody>
</table>
Capital and Shareholders Structure

Registered Capital and Paid-up Capital
- Registered Capital: 9,291,530,318 baht
- Paid-up Capital: 8,611,242,385 baht

Shareholders Structure as of March 12, 2020

Top 10 Major Shareholders as of March 12, 2021

<table>
<thead>
<tr>
<th>Name</th>
<th>No. of Shares</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. CPG Group(1)</td>
<td>4,429,098,680</td>
<td>51.43%</td>
</tr>
<tr>
<td>2. Thai NVDR Co., Ltd.</td>
<td>630,488,740</td>
<td>7.32%</td>
</tr>
<tr>
<td>3. Social Security Office</td>
<td>295,858,920</td>
<td>3.44%</td>
</tr>
<tr>
<td>4. STATE STREET EUROPE LIMITED</td>
<td>206,543,160</td>
<td>2.40%</td>
</tr>
<tr>
<td>5. GIC PRIVATE LIMITED</td>
<td>152,842,822</td>
<td>1.77%</td>
</tr>
<tr>
<td>6. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED</td>
<td>135,618,150</td>
<td>1.57%</td>
</tr>
<tr>
<td>7. Mr. Prinya Tieanworn</td>
<td>83,500,000</td>
<td>0.97%</td>
</tr>
<tr>
<td>8. VAYUPAK FUND 1</td>
<td>59,198,200</td>
<td>0.68%</td>
</tr>
<tr>
<td>9. MORGAN STANLEY &amp; CO. INTERNATIONAL PLC</td>
<td>44,269,700</td>
<td>0.51%</td>
</tr>
<tr>
<td>10. BNY MELLON NOMINEES LIMITED</td>
<td>39,897,427</td>
<td>0.46%</td>
</tr>
</tbody>
</table>

Note: (1) CPG Group is a reporting group to be in compliance with Section 246 and Section 247 of the Securities and Exchange Act of 2535 (as amended)
Management Structure

(As of December 31, 2020)

- **Board of Directors**
- **Audit Committee**
  - Internal Audit Office
  - Company Secretary Office
- **Executive Committee**
- **Chief Executive Officer (CEO)**
  - Management Committee
  - Investor Relations and Capital Market Office
  - Corporate Communication and Public Relation Office

**Corporate Governance Committee**

**Remuneration and Nominating Committee**

**Corporate Social Responsibility and Sustainable Development Committee**

**Risk Management Office**

**Corporate Compliance Committee**

**Strategic Planning Office**

**Corporate Social Responsibility and Sustainable Development Office**

**Chief Executive Officer (CEO)**

**Audit Committee**

**Internal Audit Office**

**Company Secretary Office**

**Management Committee**

**Investor Relations and Capital Market Office**

**Corporate Communication and Public Relation Office**

**Thailand**
- Aquaculture Business
- Livestock Business
- Domestic Trade Business
- International Trade Business
- Pet Food Business
- Sausage and Ready to Eat Business
- Five Stars and Restaurant Business
- CPF Food Research and Development Center

**Asia**
- China
- Vietnam
- Cambodia
- Laos
- Malaysia
- Philippines
- Republic of China (Taiwan)
- India
- Sri Lanka

**Europe**
- Russia
- Poland
- Turkey
- England
- Belgium

**North America**
- USA

**Chief Financial Officer (CFO)**

**North America**
- General Administration
- Human Resources
- Procurement
- Marketing Office
- Information Technology and Application

**Note:**

* Country in which the Company has operating subsidiary
Board of Directors
(As of December 31, 2020)

1. Mr. Soopakij Chearavanont
Chairman (1)
2. Mr. Chingchai Lohawatanakul
Vice Chairman (1)
3. Mr. Adirek Sripratak
Vice Chairman (1)
4. Mr. Phongthep Chiaravanont
Vice Chairman (1)
5. Mr. Suphachai Chearavanont
Vice Chairman (1)
6. Mr. Rungson Sriworasat
Director (2)
7. Professor Dr. Pongsak Angkasith
Director (2)
Director (2)
9. Mrs. Vatchari Vimooktayon
Director (2)
10. Mr. Vinai Vittavasgarnvej
Director (2)
11. Mrs. Arunee Watcharananan
Director (1)
12. Mr. Prasit Boondoungprasert
Director (1)
13. Mr. Siripong Aroonratana
Director (1)
14. Dr. Sujint Thammasart, D.V.M.
Director (1)
15. Mr. Paisan Chirakitcharern
Director (1)

Note:
(1) Authorized directors whereby any two of the authorized directors shall sign on behalf of the Company with the Company’s seal affixed
(2) Independent director
Executives International Operations

1. Mr. Bai Shanlin
   - China
2. Mr. Montri Suwanposri
   - Vietnam
3. Mr. Nick Shaw
   - United Kingdom
4. Mr. Thong Chotirat
   - Republic of China (Taiwan)
5. Mr. Chainan Nuphet
   - India – Livestock Business
6. Mr. Wichit Kongkheaw
   - India – Aquaculture Business
7. Mr. Thomas Smith
   - United States of America
8. Mr. Preeda Chunwong
   - Cambodia
9. Mr. Buree Srina
   - Russia – Livestock Business
Executives International Operations (As of December 31, 2020)

1. Mr. Prasit Boondoungprasert
   Chief Executive Officer (CEO)

2. Mr. Siripong Aroonratana
   Chief Operating Officer – Livestock Business and Sausage and Ready-to-eat Business

3. Dr. Sujint Thammasart, D.V.M.
   Chief Operating Officer – Aquaculture Business

4. Mr. Sathit Sangkanarubordee
   Chief Operating Officer – Five Stars and Restaurant Business

5. Mr. Paisan Chirakitcharern
   Chief Financial Officer

6. Mr. Rewat Hathaisattayapong
   Executive Vice President – Livestock Feed Business

7. Mr. Somporn Jermpong
   Executive Vice President – Pig Business

8. Mr. Narerkr Mangkeo
   Executive Vice President – Instant Food Business

9. Mr. Sujaorit Mayalarp
   Executive Vice President – Domestic Trade Business

10. Mr. Anat Julintron
    Executive Vice President – International Trade Business

11. Mr. Somkid Wannalukkhee
    Senior Vice President – Egg Business

12. Mr. Tanapol Sagulwiwat
    Senior Vice President – Duck Business

13. Dr. Ming Dang Chen
    Executive Vice President – Aquatic Research and Development

14. Mr. Payaroj Apiruknusit
    Executive Vice President – Aqua Integrated Business Thailand Area

15. Mr. Robins McIntosh
    Executive Vice President – Aquatic Breeding Business

16. Mr. Voravit Janthanakul
    Executive Vice President – General Administration Unit

17. Mr. Sunsern Samaisut
    Executive Vice President – Information Technology and Application Unit

18. Dr. Sommai Tachasirinugune
    Executive Vice President – Quality Assurance Unit

19. Mr. Virote Kumpeera
    Executive Vice President – Agro-Industry Technology and Innovation Unit

20. Mr. Anurat Suthamnirun
    Executive Vice President – Food Product Engineering Unit

21. Mr. Nattawat Chunhawuttiyanon
    Executive Vice President – Investment and Business Development Unit

22. Ms. Pimornrat Reephattanavijitkul
    Executive Vice President – Human Resources Unit

23. Mrs. Kobboon Srichai
    Company Secretary and Head of Investor Relations and Capital Market Office

Note:
1) In accordance with the definition stipulated in Notification of the Securities and Exchange Commission No. Kor Chor. 17/2551 Re: Definition under Notifications relating to Issuance and Offering of Securities

---

16. Mr. Thamnong Pholthongmak
   Laos

17. Mr. Michael Tops
    Belgium

18. Mr. Habeeb Mohamed Ziauddin
    Sri Lanka

19. Mr. Marcin Świąc
    Poland
Contact Us

Head Office
313 C.P. Tower, Silom Road, Silom, Bangrak, Bangkok 10500, Thailand
Tel : 02-766-8000
Fax : 02-638-2139
www.cpfworldwide.com

Corporate Secretary Office
313 C.P. Tower, 15th Floor, Silom Road, Silom, Bangrak, Bangkok 10500, Thailand
Tel : 02-766-8352
02-766-8354
Fax : 02-638-2139
csooffice@cpf.co.th

Investor Relations and Capital Market Office
313 C.P. Tower, 15th Floor, Silom Road, Silom, Bangrak, Bangkok 10500, Thailand
Tel : 02-766-8322
02-766-8356
Fax : 02-638-2139
iroffice@cpf.co.th

Recruitment and Selection Office
313 C.P. Tower, 21st Floor, Silom Road, Silom, Bangrak, Bangkok 10500, Thailand
Tel : 02-766-8000 Ext. 8702-5
job@cpf.co.th

Consumer Call Center
Tel : 02-800-8000