Stakeholder Engagement Guideline

Charoen Pokphand Group

Contents

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1. Intent

Charoen Pokphand Group (hereafter the Group) recognizes the critical role and importance of stakeholders in our business operations. We are fostering continuous engagement and building strong relationships with all stakeholder groups. Stakeholder engagement is a key activity that enables the Group and our subsidiaries to understand the expectations and concerns of each stakeholder group, which, in turn, helps to enhance our business operations and align them with these expectations in a sustainable manner. To facilitate stakeholder engagement, the Group employs various methods such as utilizing diverse communication channels, conducting annual satisfaction surveys, and participating in sustainability development networks. These engagement efforts are conducted in adherence to principles of ethics, transparency, accountability, respect for stakeholders' rights, and alignment with international standards for stakeholder engagement, including the AA1000 Stakeholder Engagement Standard (AA1000SES), Global Reporting Initiatives: GRI Standards 2021, and the IFC Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets.

2. Scope

This Stakeholder Engagement Guideline applies to Charoen Pokphand Group, (hereafter "the Group") and our subsidiaries in all countries where operations are conducted, as well as to the Group's various business development projects. It encompasses new business development initiatives, joint ventures, and mergers and acquisitions. Furthermore, the scope of this guideline extends to the operations of suppliers, where suppliers are encouraged to apply the relevant provisions of this guideline as appropriate to their own practices.

3. Objectives

- To promote stakeholder engagement processes at the group-wide level to support the business growth direction.

- To foster a clear expectation and concerns of each stakeholder group, as well as to respond to their needs appropriately.

- To build stakeholders' trust in the Group's products and services, as well as those of our subsidiaries.

4. Roles and Responsibility

4.1 Board of Directors

4.1.1 Endorse the stakeholder engagement guidelines to ensure systematic and Group-wide stakeholder engagement processes.

4.1.2 Govern the business operations to ensure alignment with regulations, international standards, and relevant policies.

4.1.3 Approve key issues that are important to the Group's stakeholders.

4.2 Executives

4.2.1 Develop guidelines to be in alignment with the business context, policies, regulations, internal standards, and laws of the countries where the business is operated.

4.2.2 Allocate appropriate responsible structure, such as a department or responsible person for the stakeholder engagement.

4.2.3 Monitor and ensure effective and efficient implementation of stakeholder engagement guidelines, including internal control mechanisms and continuous improvement guidelines to enhance operational efficiency.

4.2.4 Regularly report to the Board on the performance of stakeholder engagement guidelines, the results of stakeholder engagement activities, the annual stakeholder satisfaction survey, and key issues relevant to the Group's stakeholders.

4.2.5 Review stakeholder engagement guidelines to ensure alignment with both domestic and international regulations, standards, and related policies.

4.3 **The Department or Responsible Person for the Stakeholder Engagement**

4.3.1 Communicate continuously to raise awareness and understanding among employees regarding the importance of stakeholder engagement processes, ensuring they can correctly and comprehensively implement them according to the guidelines.

4.3.2 Carry out stakeholder engagement with all stakeholder groups, as follows:

4.3.2.1 Identify both direct and indirect stakeholder groups of the Group and our subsidiaries to determine appropriate channels and methods for stakeholder engagement.

4.3.2.2 Establish appropriate and comprehensive communication channels for each stakeholder group. The communication channels must be modern, easily accessible, and allow for prompt feedback.

4.3.2.3 Assign dedicated departments or responsible persons to communicate, coordinate, and respond to stakeholders' expectations, ensuring accurate and timely information is provided.

4.3.2.4 Conduct annual stakeholder engagement survey. The survey question must incorporate sustainability issues that are in the stakeholders' interest to assess the Group's material issues.

4.3.2.5 Analyze the results of stakeholder engagement, and stakeholder survey to incorporate into improvement plans.

4.3.2.6 Regularly report on stakeholder engagement outcomes to ensure clear, accurate, and timely communication with stakeholders, and provide updates on engagement process improvements to management.

4.3.2.7 Integrate improvement plans to enhance stakeholder engagement processes across the Group and our subsidiaries.

4.3.3 Consolidate data and prepare a stakeholder engagement report on an annual basis.

4.4 Employees

    4.4.1 Understand and adhere to the guidelines, while actively fostering positive relationships between the Group and its stakeholders. If any uncertainties arise, employees must report the issue to the designated department or personnel responsible for stakeholder engagement.

5. Guidelines

Charoen Pokphand Group's guideline on how to engage with stakeholders is based on the 'AA1000. The Stakeholder Engagement Standard (AA1000SES)' international guideline, which outlines three important principles: Inclusivity, Materiality, and Responsiveness.

5.1 Define Objectives and Scope of Engagement

    5.1.1 The responsible department and personnel should define objectives and scope for stakeholder engagement by considering the following:

- Identify relevant stakeholder groups
- Identify communication channels for all stakeholder groups. The channels must be easily accessible by all stakeholder groups and the Group, as well as our subsidiaries.
- Ensure effective and timely response to stakeholders' concerns
- Analyze the opinions and concerns of the stakeholders
- Establish a procedure for incorporating information from stakeholders in improving the Company's operations

5.2 Stakeholder Identification

    5.2.1 The department or person responsible for stakeholder engagement must identify stakeholders related to business operations or those relevant to the context of the department, both directly and indirectly, such as communities and societies surrounding the areas of the operations, and vulnerable groups. The stakeholder identification must consider the stakeholders' level of

engagement with the Group, such as dependency, responsibility, tension, influence, and diverse perspectives.

5.2.2 Once stakeholders have been identified based on their engagement characteristics, the responsible department or personnel should further specify individual stakeholders. This can be done by evaluating the level of impact that the Group or its subsidiaries have on the stakeholders and the potential ability or perspectives of these stakeholders that may cause delays or disruptions to the Group's or subsidiaries' operations or plans.

5.2.3 Charoen Pokphand Group has identified the stakeholder groups that are relevant to the Group and our subsidiaries' businesses, as follows:

- Employees and families
- Customers and Consumers
- Farmers
- Business Partners
- Communities and Societies
- Governments
- Shareholders and Investors
- Creditors
- Non-governmental Organizations
- Media
- Competitors

5.3 Stakeholders Prioritization

5.3.1 Departments or persons responsible for stakeholder engagement must prioritize stakeholders to identify appropriate stakeholder engagement channels and procedures. The stakeholder prioritization process should take into account the following aspects:

- Influence: This refers to the level of stakeholder influence on the operations of the Group and our subsidiaries.
- Impact: This refers to the impact of the Group and our subsidiaries' operations and strategies, both present and in the future.

5.3.2 Departments or persons responsible for stakeholder engagement must prioritize the influence and interest of each stakeholder group by assigning them a score across four levels: low, moderate, high, and very high.

5.4 Development of Communication Plans

5.4.1 Departments and persons responsible for stakeholder engagement must develop communication plans that are appropriate for each stakeholder group.

5.4.2 The communication channels must be diverse and appropriate for each stakeholder group. Moreover, they must be easily accessible and prompt.

5.5 Identification and Prioritization of Concerned Issues

5.5.1 Departments and persons responsible for stakeholders engagement must identify, analyze, and prioritize opinions, concerns, and suggestions raised by all stakeholders. The issues must then be addressed and integrated into the Group's strategic planning, and materiality assessment processes on an annual basis.

5.6 Development of Stakeholder Engagement Plans

5.6.1 Departments and persons responsible for stakeholder engagement must identify objectives, working plans, and appropriate engagement strategies. All these must take into account the priorities of each stakeholder group and their concerned issues.

5.6.2 Stakeholder engagement plan must be developed based on the findings of the prioritization of stakeholder groups and issues. Before engaging with stakeholders, responsible departments or personnels must assess the capacity of stakeholders (i.e. their understanding on the topics of engagement). If capacity building is needed, responsible departments or personnels must conduct capacity building (e.g. training, workshop) to help ensure stakeholders are well informed on the issues for engagement. Engagement activities can range from communications via various channels to two-way interaction (meeting, seminar, public-hearing, survey), and collaborative projects.

5.7 Disclosure of the Results from Stakeholder Engagement

5.7.1 Departments or persons responsible for the stakeholder engagement must monitor the effectiveness of the stakeholder engagement plans on regular basis, and transparently disclosure the engagement results on timely manner to create mutual understanding.

5.7.2 The disclosure or the report containing the engagement results must be reviewed and endorsed by executives and Board of Directors prior the publication.

5.8 Training

Organize training for directors, executives, departments and responsible persons to communicate and create understanding regarding the stakeholder engagement processes. The training should be available in various channels. Post-training evaluation must be conducted to assess the effectiveness of the communication.

5.9 Risk Mitigation

Departments and persons responsible for the stakeholder engagement must continue to monitor stakeholder risks and develop mitigation plans to address those risks if necessary.

6. Grievance Mechanism

ร้องเรียนหรือแจ้งเบาะแสเมื่อพบเห็นการกระทำที่เชื่อได้ว่าเป็นการละเมิดนโยบายและ แนวปฏิบัตินี้ โดยขั้นตอนให้เป็นไปตามนโยบายและแนวปฏิบัติเกี่ยวกับการแจ้งเบาะแส ทั้งนี้ผู้ ร้องเรียนหรือผู้แจ้งเบาะแสจะได้รับความคุ้มครองและข้อมูลจะถูกเก็บเป็นความลับ โดยไม่มีผล ต่อตำแหน่งงาน ทั้งในระหว่างดำเนินการสอบสวนและหลังเสร็จสิ้นกระบวนการ

7. Appendix

7.1 Glossary

Terminology	Definition
Stakeholder engagement	The process used by an organisation to engage relevant stakeholders for a clear purpose to achieve agreed outcomes. It is now also recognised as a fundamental accountability mechanism, since it obliges an organisation to involve stakeholders in identifying, understanding and responding to sustainability issues and concerns, and to report, explain and answer to stakeholders for decisions, actions and performance