

SUSTAINABLE BUSINESS IN

HEART

CHAROEN POKPHAND GROUP
CORPORATE GOVERNANCE REPORT

2018





LONG LIVE THE KING

on the Auspicious Occasion of the Coronation of King Rama X
B.E. 2562 (2019)



Executives and Employees of
Charoen Pokphand Group Company Limited

SUSTAINABLE BUSINESS IN

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正大

(Zheng Da or Chia Tai)

The legacy of Charoen Pokphand Group means fairness and justice

Our successful growth for almost a century

is down to the belief in our values that we uphold from the very first day when we started our business

Established in 1921 as a seed trading store for Thai farmers, Chia Tai Chung, founded by brothers Chia Ek Chor and Chia Siew Whooy, was the only business to sell quality products attached with an expiry date, as well as offering to exchange expired seed packets for new ones. A business practice that was uncommon at that time, both these initiatives reflect our accountability towards our customers.

Such is the story of Charoen Pokphand (C.P.) Group's humble beginnings as a seed trading store to its evolution into one of the world's leading conglomerates with a diverse range of global businesses. Despite its phenomenal growth for nearly a century, C.P. Group remains true to its values of integrity and honesty, the roots of its corporate governance, and retains its commitment to serve the community and provide shared value for long term sustainability.



table of CONTENTS

SECTION

01

CORPORATE GOVERNANCE AT CHAROEN POKPHAND GROUP

- 10 Senior Chairman's Message
- 12 Chairman's Message
- 14 CEO's Message
- 16 Our Corporate Governance Vision
- 18 Landscape & Context – Shifting Sands
- 20 Objectives of the Corporate Governance Report

SECTION

02

CORPORATE GOVERNANCE COMMITTEE – BRINGING THE OUTSIDE IN

- 24 Committee Mandate
- 26 Committee Membership
- 29 Defining Corporate Governance
in the C.P. Group Context
- 30 Global Trends and Implications
for C.P. Group's Corporate Governance
- 31 Corporate Governance Supporting Resources
and Infrastructure

SECTION

03

CORPORATE GOVERNANCE AT THE CORE OF BUSINESS CONDUCT

- 34 Corporate Governance Principles
- 36 Corporate Governance Framework
- 37 C.P. Group Components
- 40 Policies and Guidelines, and Code of Conduct

SECTION

04

OUR SUCCESS TO DATE

- 44 Disclosure and Transparency
- 46 Risk Management
- 49 Consumer Protection
- 49 Training and Accreditation

SECTION

05

COMMITMENTS AND PRIORITIES FOR THE NEXT 12 MONTHS

- 56 Driving Corporate Governance
- 57 Corporate Governance Roadmap
- 60 Focus Area for 2019/20:
Corporate Governance

INTERACTIVE USER GUIDE

Charoen Pokphand Group Corporate Governance Report 2018 was produced as Interactive PDF file.

If you click on an icon or the table of contents, you can jump to that area. If you click on an icon at the top or a tap at the right of all pages, you can jump to that page or that part.

NAVIGATOR BUTTON

- ← PREVIOUS PAGE
A button that takes you to the preceding page of the current page.
- 🏠 HOME (Contents)
A button that takes you to the table of contents.
- NEXT PAGE
A button that takes you to the following page of the current page.

SECTION

01

Corporate Governance at Charoen Pokphand Group



SENIOR CHAIRMAN'S Message



Welcome to the inaugural Corporate Governance Report of Charoen Pokphand Group. This report reflects the values of integrity and honesty that have always been firmly at the heart of how we run our business.

Throughout our history, we have sought to build trust and shared value with all who interact with our business and with society at large. There are countless examples of this over the years dating back to our founder's decision to be the first and only seed trading company to put an expiry date on the packaging of the seeds we sold to Thai farmers. Moreover, we offered to exchange expired seeds for new ones to help reduce the financial burden on farmers and their families. At that time, this initiative to protect the rights and interests of customers was unprecedented, and it became our foundation in doing business with "integrity and honesty" which was subsequently developed into one of the hallmarks of C.P. Group's core values. Since then and all the way through to the modern day, C.P. Group has been at the forefront in driving many ambitious programs of sustainability.

During my time of leadership and as we have grown, C.P. Group has always given the highest priority to the interests of our customers, employees, and stakeholders, developed and responded to challenges. For the company we run today and with our aspiration to be a prominent global player, strong corporate governance and sustainability are a must and living by such values is critical to our success.

With this in mind and with an eye to the future and the next phase of C.P. Group's growth, we are committed to install a high quality governance infrastructure, invest in the development and implementation of clear principles and policy guidelines, in addition to promote accountability and transparency in all the work we do across the Group.

We have set and followed high standards of corporate governance for all our companies as evidenced by our listed companies being recognized by DJSI, FTSE4Good and other international accreditors. However, it is essential for us to make additional steps to ensure that the more than 300,000 people who we employ across the Group, from bottom to top, consistently live and breathe the strong values of integrity and honesty that we have treasured since our Company was founded nearly a hundred years ago.

To demonstrate our commitments, we established the C.P. Group Corporate Governance Committee in September 2016 to further elevate and drive corporate governance across the entire Group to all our businesses in all the countries that we operate. I was proud to serve as the Chairman of this senior and highly experienced committee, which comprised renowned independent governance experts from Thailand and abroad working alongside independent non-executive directors and the Group's senior executives.

We made substantial progress over the past years and can look upon what we have achieved with pride. Much of the activity outlined in this report – from the launch of our inaugural C.P. Group Code of Conduct, to the extensive program of governance training, to the appointment of a Corporate Governance function at the Group level – show clear and unambiguous progress.

This initiative holds particular personal importance to me as I look to the future of the Group, and in leading this work I have sought to ensure that we remain true to the values and ethics that have been central to our historical success while establishing a platform that can propel the Group forward in its next phase of leadership and growth.

While much has been achieved, I reiterate and will continue to emphasize upon the leaders of our businesses that we must not become complacent or convince ourselves that the job is finished. We must build on this momentum that we have established and continuously keep pushing ourselves to go beyond and stay ahead of current norms and best practices. As these continue to change, we too must adapt to change. This job will never end.

Thank you for taking the time to read this report and learn more about C.P. Group. We are committed to holding ourselves accountable while also dedicated and focused on continually advancing and improving in corporate governance.

Dhanin Chearavanont
Senior Chairman of Charoen Pokphand Group

"For the company we run today and with our aspiration to be a prominent global player, strong corporate governance and sustainability are a must and living by such values is critical to our success."

CHAIRMAN'S Message



For nearly a century, Charoen Pokphand Group has been contributing significantly to the economy and improving the well-being of people and communities in Thailand as well as in all the countries we operate in. Factors such as the rise of globalization, changes in the social, economic and political spheres, and rapid progress in technology and innovation have combined to speed up the way we work and challenge how we run our businesses. Our strong vision, ethics and innovative spirit, founded on our 'Three-Benefit Principle' and core values, remain and continue to underpin our growth and expansion.

It is important in the next phase of our evolution as we establish ourselves among the leaders on the global stage, that we continue to operate with the drive and entrepreneurialism that has been central to our historical growth and success. From the beginning, I have seen first-hand the importance of having a strong reputation and good governance. Both play an important part in ensuring that our Company can attract the best partners and be welcomed by governments into new markets. Moreover, they help build sustainable business and support among the global communities. Given the crucial roles of a

good reputation and good governance in securing the sustainable growth of the Group and supporting our long-term strategic priorities, our focus has therefore been on the ethical, sustainable, and capability development of our employees.

Our colleagues are our greatest assets. Ever since the establishment of our Group, we all are committed to our core values based on the 'Three-Benefit Principle', benefitting the country, the people and our Company. Our six core values: Three Benefits; Speed with Quality; Simplification; Accept Change; Innovate; and Integrity have been an intrinsic part of how we conduct our business. Right from the time we opened our very first seed shop offering high quality and safe products, we have always been proud of our heritage and strong history for integrity and honesty, and are determined to continuously promote good corporate governance among our employees to this very day. In face of fast changing technologies and our aim to lead Corporate Governance into the digital era, our corporate governance initiatives such as the deployment of digital technology; i.e. block chain, AI and robotics, along with our long-time focus on quality and safety, global synergy strengths and the unity of our people, are crucial in helping us with the continuous recruitment of good talent, as well as to foresee in order to pre-empt and reduce risks regarding corporate governance in serving our stakeholders.

We operate in over 20 markets with trading coverage spanning 100 countries. Much of our effort to date in rolling out the new corporate governance initiatives has been focused on our businesses in Thailand. In the year ahead, we intend to continue these initiatives with similar momentum and success, as we expand to China, where we have a very significant scale and presence, and ultimately to other countries globally.

I very much hope that the information in this report can provide clear and helpful guidance for all stakeholders on how we operate our businesses to achieve long-term growth, sustainable development and the creation of social value alongside economic value. We very much welcome and listen to feedback on our business and the actions we are taking.

Soopakij Chearavanont
Chairman of Charoen Pokphand Group

“Given the crucial roles of a good reputation and good governance in securing the sustainable growth of the Group and supporting our long-term strategic priorities, our focus has therefore been on the ethical, sustainable, and capability development of our employees.”

CEO'S Message



I am pleased to share with you our insights and the significant developments that have been made in the area of corporate governance over the past two years.

Charoen Pokphand Group aspires to conduct business with ethics following best-in-class global standards, beyond legal and regulatory requirements. To demonstrate ourselves as a good corporate citizen adhering to good corporate governance is as crucial as other economic success. Sustainability and ethical business conduct must be fundamental to everything that we do.

Since corporate governance is the backbone of C.P. Group, the Executive team and I have been concentrating on turning vision and purpose directed by the Corporate Governance Committee into effective actions and changes. We have made significant progress in the past few years and taken steps to enhance our communication with stakeholders. From our Corporate Governance Principles we developed a Corporate Governance Framework which acts as an important guide for all our companies. This report showcases our efforts of which we are proud.

The size and scope of our businesses often result in opportunities to pave the way, stretch our roles and responsibilities to drive impactful changes beyond our companies in economic, social, and environmental dimensions. Not only to live up to the growing expectations from the outside world, but C.P. Group has taken further steps to demonstrate our commitment and compassion we have for our stakeholders and how we keep their interests close to our heart.

C.P. Group's own Three-circle Sustainability Framework explains the interconnectedness of economic, social, and environmental factors driving responsible behaviors. A powerful

implication is that love and compassion are foundational to the establishment of shared values. They help to cultivate better understanding and engagement. Following this principle, we will always take into account the impacts our actions may have on others, that form the desired ethical culture and mindset we want to see.

Our recent significant milestones related to corporate governance include the focus on Disclosure and Transparency, and the first Group Code of Conduct launched in 2017. The accredited training was provided to all employees across the businesses to create understanding around the topic and ensure that the corporate governance practices are continuously evolving and meeting the changing of external landscapes as well as exemplifying our core values.

Additional critical areas for corporate governance cover innovative solutions, data and technology which help transform the world and create new opportunities that improve people's lives, but there are risks tagged to it. Nowadays, data is like a currency and reputation can quickly be on edge, C.P. Group has been proactively managing these issues. The key is to evolve with the changing environment, lean on best-in-class guidepost and corporate governance principles, and act reasonably and ethically to protect our Group and stakeholders from entering into vulnerable situations.

At C.P. Group we believe that leadership, along with solid principles make successful corporate governance. For that reason, we always strive to scout high-caliber talent who show an ethical mindset at the helm. To nurture and develop good leaders are the heart of C.P. Group, underpinning the ethical and sustainable business we aspire to be. These leaders will also play a critical role in influencing and reinforcing accountability in the organization, leading disclosure and transparency practices that in turn inspire the development of higher standard audit procedures and process for C.P. Group as we expand further into a diverse business landscape.

Looking ahead, we have identified priorities in the area of corporate governance. Besides the continued motivation we had in advancing a program around environmental protection, human rights, labor and supply chain, and anti-corruption, we will also focus on ethics and compliance and work toward embedding these in our culture.

We are continuously implementing holistic ethics and compliance programs, that guide all C.P. Group employees on expected behaviors that meet and are consistent with the ethical standards and commitment to integrity and honesty. Our robust policies and guidelines help

employees align with our core values. We will provide comprehensive training programs in parallel with other compliance initiatives such as auditing, assessment and appointing dedicated compliance resources across the businesses. Moreover, we will extend the development of the Code of Conduct and launch it in overseas markets. Together, we will review in greater depth our ethics and compliance to identify and address any gaps to be communicated to all our stakeholders in the future.

As the CEO of C.P. Group, I pledge that we remain committed to building deep and trusted relationships with investors and all stakeholders, and I hope that this report helps towards that goal.

To demonstrate ourselves as a good corporate citizen adhering to good corporate governance is as crucial as other economic success. Sustainability and ethical business conduct must be fundamental to everything that we do.

Suphachai Chearavanont
CEO of Charoen Pokphand Group



Our Corporate Governance Vision

Our Corporate Governance vision is to build trust and deepen relationships with all of our stakeholders who interact with our business and society at large by applying our values of integrity and honesty in everything that we do, by committing to high standards of transparency and disclosure, and by seeking to always realize shared value with our stakeholders.

Landscape & Context – Shifting Sands

No single framework offered a roadmap that could account for the full complexity and situation of any individual company – let alone one as diverse and distinct as C.P. Group.

Driven by a strong desire and vision among the C.P. Group's leadership to further develop corporate governance to support the next phase of the Company's growth and evolution, 2016 was marked as a significant milestone of C.P. Group's Corporate Governance.

C.P. Group was already building from strong foundations when it came to elevating its corporate governance, having operated with strong ethics and a commitment to integrity and honesty since its founding almost a century ago. But much of the Group's thinking in this area lived through its culture and people, and there was an opportunity and need to capture this formally in the form of policy, practice and formal guidelines.

C.P. Group set out with an ambition to meet global best practice in a way that built from and remained true to its Thai roots.

Defining 'best practice' was not straightforward and the decision to embark upon a concerted program of governance work happened to come at a time of significant change both in Thailand and internationally in terms of the rising corporate governance expectations of investors, regulators and other public bodies. Regulators and independent governance organizations worldwide were starting to articulate higher standards and guidance on corporate governance, whilst groups of investors and companies banded together to issue guidelines on "practical" corporate governance. Changes were also observed that international institutional investors had begun integrating governance codes into their investment frameworks. This resulted in companies being assessed and ranked for their corporate governance standards, and these rankings were increasingly driving investment decisions among large institutional investors.

Despite the increased focus among investors, governments and media on corporate governance and the proliferation of best practice guidance, no single framework offered a roadmap that could account for the full complexity and situation of any individual company - let alone one as diverse and distinct as C.P. Group.



In the absence of a single framework and driven by desire to adopt the global standard corporate governance, the Company ultimately decided to plot its own course in terms of a framework, drawing from best practice and international guidelines where appropriate, filling the gaps where needed, and tailoring the approach to fit with C.P. Group's context.

Central to the process of strengthening governance, the C.P. Group Corporate Governance Committee was appointed and its mandate was to determine how best to establish and adopt a guidance framework for corporate governance explicitly suited to the uniquely composite characteristic of C.P. Group: a widely diversified multinational conglomerate and third-generation family business that includes both listed and non-listed companies operating across multiple sectors and jurisdictions.



Objectives of the Corporate Governance Report

This report aims to:



Provide investors with the clarity of who Chareon Pokphand Group is and the companies they are investing in



Ensure the regulators and business partners are clear on C.P. Group's Corporate Governance Principles and accountability



Give all stakeholders greater transparency into C.P. Group as a whole, our values and ethics, and how we run our businesses

We will review and recognize recent progress made by C.P. Group in the area of corporate governance and set targets and priorities for the years ahead.

SECTION

02

**Corporate Governance
Committee – Bringing
the Outside In**

This section outlines the critical role played by the C.P. Group Corporate Governance Committee in supporting the Company to further enhance its Group-wide corporate governance standards and practices over the past years since the establishment including why the Committee was founded, how it was comprised, its process and the issues addressed by the Committee.





Key areas where the Committee’s advice and guidance led to tangible outcomes and changes at C.P. Group include the installation of internal resource and capacity; development and adoption of new principles, codes and policies; launch of employee training and rollout programs; cascade to C.P. Group companies; and communications, awards and recognition.

In addition, the progress made by this Committee are outlined later in this report and span areas as wide and diverse as the establishment of a Group-level Risk Management Committee, the initiation of various new standards and processes for corporate governance, the initiation of a stream of work into data governance at the Group-level, and the establishment of a Group compliance function.

Committee Mandate

In establishing a Group-level Corporate Governance Committee, the Company’s aim was to achieve: *“adoption of global standards of best practice in corporate governance at all levels and throughout the C.P. Group of Companies.”*

The C.P. Group Corporate Governance Committee was established in September 2016 as an advisory body to C.P. Group and its leadership team on how the Group and its companies could conduct business responsibly and in line with global standards of best practice in corporate governance. It was agreed upon forming that the Committee would meet four times during that calendar year. The Committee had decided to continue its advisory role for another year at the end of the first term to keep the momentum of changes, that was progressing effectively. The Committee successfully handed over the roles and responsibilities to the newly set up Sustainability, Good Governance and Corporate Communication Operating Committee in December 2018 to take on the Corporate Governance strategy as well as the well-thought foundation laid out by the Committee in order to materialize and deploy action plans at all levels, functions and entities across the Group.

Committee Role

Play a guidance and oversight function to a broader program to strengthening and leading the way in achieving a higher standard in corporate governance across C.P. Group by



The Committee worked to review and initiate changes in relation to the Company’s corporate governance policies, procedures and systems, and the Group’s broader impact in terms of its corporate and societal obligations and reputation as a responsible corporate citizen. The Committee brought any relevant issues or themes to the attention of C.P. Group’s management and made recommendations for the Group and its subsidiary companies relating to corporate governance.

More details and specific responsibilities of the Committee as set out in its Terms of Reference can be found in Appendix A.

Committee Membership

The C.P. Group of Companies includes listed and non-listed entities which operate in many different industries, sectors and countries. In order to deliver leading-practice guidance aligned with this unique operating and cultural context, it was necessary to appoint a committee with diverse and international experience. Therefore, the Committee comprised senior executives from our major listed businesses, independent non-executive directors who sat as governance committee chairs on the boards of our companies, and also independent governance experts from Thailand and overseas.

In terms of the representation from Charoen Pokphand Group, it was essential that the Committee included those at the very top of the Group's leadership team to ensure the initiatives cascaded to the subsidiary companies and hence CEO-level representatives from the key companies were also appointed. The level of representation demonstrated how important this Committee and the broader Corporate Governance Program was for the business, and the extent to which the work was being owned and driven from the top.

An Independent Non-Executive Director (INED) from each of the listed companies was appointed in order to ensure this Group initiative was co-ordinated and connected with board-level thinking and activity on governance within the subsidiary companies. In identifying the INED, in all cases the person who was leading the Corporate Governance Committee for the Board of each listed company was selected.

Lastly and most critically, the Group's leadership recognized the need for strong and impartial expert guidance in order to bring the outside in. Six external independent members were appointed – three from Thailand, three from overseas. These individuals were selected on the basis of having strong credentials and expertise on corporate governance, as well as experience in driving initiatives within companies.

C.P. Group's ability to embark upon changes as to systematically install global quality and standards of corporate governance was resulted from the valuable input, guidance, feedback, insights and wisdom of the Committee's expertise, particularly the external Corporate Governance luminaries. The ripple of efficacy continues as the Sustainability, Good Governance and Corporate Communication Operating Committee took over the mission to pursue the world-class Corporate Governance standards across the Group.

In order to deliver leading-practice guidance aligned with this unique operating and cultural context, it was necessary to appoint a committee with diverse and international experience.

Full biographies of Committee members are available in Appendix B: Committee Membership.

Executive Directors of C.P. Group and its Listed Companies

1. Dhanin Chearavanont

Senior Chairman, Charoen Pokphand Group

2. Soopakij Chearavanont

Chairman, Charoen Pokphand Group

3. Suphachai Chearavanont

CEO, Charoen Pokphand Group

4. Dr Ajva Taulananda

Vice Chairman, Charoen Pokphand Group
Vice Chairman, True Corporation
Public Company Limited

5. Adirek Sripratak

Vice Chairman, Charoen Pokphand Foods Public Company Limited, Director of CP ALL Public Company Limited and Siam Makro Public Company Limited

6. Tanin Buranamanit

CEO, CP All Public Company Limited

7. Umroong Sanphasitvong

Deputy Group CFO, Charoen Pokphand Group
Director of True Corporation Public Company Limited, CP ALL Public Company Limited, and Siam Makro Public Company Limited

8. Hans Werner Reich

Senior Advisor, Charoen Pokphand Group

Independent Non-executive Directors of C.P. Group Listed Companies

9. Dr Chaiyawat Wibulswasdi

Independent Director, Charoen Pokphand Foods Public Company Limited

11. Professor Prasobsook Boondech

Independent Director, CP ALL Public Company Limited

10. Dr Kosol Petchsuwan

Independent Director, True Corporation Public Company Limited

12. Andrew Ma

Independent Director, C.P. Pokphand Company Limited

External Independent Members

13. Paron Israsena Na Ayudhaya

Former CEO of Siam Cement Group

14. Professor Hiran Radeesri

Expert on Corporate Governance and Social Responsibility at the Stock Exchange of Thailand, and Honorary Chairman of the Thai Institute of Directors

15. Dr Kittipong Kittayarak

Executive Director at the Thai Institute of Justice and previously Permanent Secretary at the Ministry of Justice

16. David Gordon Eldon

Former Chairman of HSBC Asia Pacific

17. Kath Cates

Former COO of Wholesale Banking at Standard Chartered and Global Head of Compliance at UBS

18. George Hongchoy

CEO of Link Asset Management Limited

Defining Corporate Governance in the C.P. Group Context

The Committee agreed on the development of a working framework for corporate governance which was developed following careful review and analysis of the leading corporate governance practices from around the world followed by the establishment of a set of principles.

In parallel, the Committee set about a comprehensive review process of the materials and codify practices to further heighten the corporate governance standards that included benchmarking C.P. Group's existing policies and procedures against global best practices.

The Committee agreed that each topic to cover in the review, i.e. Stakeholder Engagement, Risk Governance, Corporate Culture and Board Stewardship, would be subject to detailed evaluation over the course of the Committee's lifespan and that each item would cover:

1. Existing practice & standards within C.P. Group and its listed and non-listed companies
2. Best in class standards & practices (based on corporate governance codes and examples from other companies)
3. Gap analysis: C.P. Group vs. Best in Class
4. Recommendations for C.P. Group to achieve its goals

The review modules helped setting strategy and action plan a clear paradigm of 'best in class' practice for the Group to aspire towards in the future as shown in the Corporate Governance Framework.

In addition to overseeing this review process, the Committee also advised on how the Group further enhance its governance in terms of: (a) its internal resource and capacity, (b) the development and adoption of new principles, code of conduct, policies and guidelines, and (c) the implementation of employee training and rollout programs. The Committee also advised the Group on how it best communicates around corporate governance matters and how it builds its reputation and, more importantly, trust amongst stakeholders.

Global Trends and Implications for C.P. Group's Corporate Governance

In addition to the review modules as mentioned, the Committee also ran a number of topical sessions aimed at encouraging the Group to be relevant and proactive in the corporate governance space. The subjects brought to the sessions covered aspirations of the Group as well as global events and trends that might have implications on corporate governance principles and practices.



Among the insightful discussion topics, the Committee weighted on how corporate governance could best support the future growth of C.P. Group, build and protect the Group's reputation and be a backbone of its business conduct. This led to a number of action plans and implementations including the inaugural Group's Code of Conduct paired with the Group-wide training and rollout program and appointing a dedicated corporate governance function or officer in every Group company to deploy the corporate governance program, provide clarity and support to employees around the matter.

C.P. Group was also benefited from the discussion around compliance function at the Group level, digital governance and cyber security, and future trends including emerging themes of corporate governance as well as how to navigate a crisis in this area. Resulting from these corporate governance experts' intelligence, C.P. Group adopted some of the global best practices and recommendations such as a plan to install compliance functions in every Group company, issue the policies and guidelines on personal data and privacy, and information management.

Corporate Governance Supporting Resources and Infrastructure

The establishment of the C.P. Group Corporate Governance Committee was a critical first step in helping the Group to further enrich its corporate governance during the period under review. In addition, a number of steps were taken to build internal resource and capacity which was grown to lead and drive the corporate governance strategy and practices in C.P. Group. The steps include:

- a) The appointment of a senior governance advisor and a Head of Corporate Governance at Charoen Pokphand Group Co., Ltd. This was the first time that C.P. Group had a dedicated corporate governance resource and team at the Group level.
- b) The establishment of a wider corporate governance working group comprising advisors, C.P. Group senior management and corporate governance leads from the Group's listed companies, and its non-listed businesses. The working group meets on a quarterly basis and is responsible for sharing learnings and best practice and driving forward recommendations from the top.

Initially, the working group convened and began with conducting a review of internal processes and the Code of Conduct draft, and addressed any gaps; implementing the rollout plan to ensure all employees understand the Group's Code of Conduct, adopt policies and guidelines, increase awareness of risk items threatening good governance and embrace an ethical mindset.

- c) The establishment of the Risk Management Committee at a Group-level which comprises representatives from the Group's listed and non-listed companies. The Committee meets on a quarterly basis and is responsible for sharing learnings and best practice in the area of risk and finding as well as developing a uniform approach across the business when it comes to risk assessment and management.

The activity and systems outlined above are all delivered and supported by the Group-level Corporate Governance function. This team works closely alongside the C.P. Group's Corporate Governance Committee and Risk Committee, and reports directly to the office of the CEO of Charoen Pokphand Group.



SECTION

03

**Corporate Governance
at the Core of
Business Conduct**

This section describes how C.P. Group governs itself and ensures that the Group companies and its people behave in line with its values and commitment to integrity and honesty through its corporate governance principles; policies, guidelines and codes; and training and accreditation.

Corporate Governance Principles

As C.P. Group diversifies over nearly a century into sectors and across geographies, it has been guided by values of integrity and honesty. All of the businesses are united by shared values of the 'Three-Benefit Principle'. Applying to all of C.P. Group's employees, it affirms the vow to conduct business always with the aim of providing benefit to the countries in which it invests; the people whose communities it shares; and the companies for which it is responsible. With the Corporate Governance Principles, C.P. Group seeks to define a common set of fundamental expectations for how the Boards of the subsidiary companies should lead the businesses, respect minority shareholders, engage all stakeholder groups, oversee risk and govern their own stewardship.

The 'Three-Benefit Principle': This has been a key tenet of C.P. Group's approach to doing business, and directs that the Company acts in a way in which everything it does creates value:

**For the country
For the people
For the company**

These Corporate Governance Principles will be the direction to anyone who works with C.P. Group; as co-investor, investee or other stakeholder in the shared futures. This is the journey that C.P. Group will strive to consistently and always achieve and as the entire businesses across the Group do, these are the standards against which we will judge ourselves and against which we are willing to be judged.

One of the early focus areas of the C.P. Group Corporate Governance Committee was the development and adoption of Corporate Governance Principles. The principles, which formally capture the belief and approach that C.P. Group has taken over the years to corporate governance, are applicable across the Group companies.



1. Our strength lies in our ability to constantly evolve and adapt our businesses.

The Group's focus on entrepreneurship allows us to recognize new opportunities, and to adapt our businesses to remain competitive in evolving markets.



2. Our network of businesses creates synergies, which we maintain responsibly and in full compliance with all regulations.

Our many interconnected businesses enable us to deliver higher quality and better service to our customers. Our corporate governance principles ensure that we pursue any synergy in full compliance with all relevant laws and regulations.



3. We strive to ensure our entrepreneurial spirit is always balanced by responsible risk management.

Our entrepreneurial mindset has enabled us to grow into the multinational business that we are today. However, our risk strategy ensures that our entrepreneurship flourishes strictly in line with the long-term interests of the Group and its stakeholders.



4. Our Boards provide leadership, set strategic objectives, and make decisions to build real value for the Group and all its stakeholders.

Each board provides clear directions and defines sustainable processes to ensure we continue to grow as a robust and forward-looking business. Management is then empowered to implement this direction and measure success.



5. Our Directors provide informed opinions and advice on governance to guide the Board. To execute their duties, they must be independent and steadfast.

Each of our Directors delivers a unique contribution to the Board on which they serve. We expect all of our Directors to carry out their duties with independence and resolve.



6. Up-to-date information and research is vital for our Boards to make sound business decisions.

All C.P. Group Boards and Directors must actively educate themselves on all aspects of the Company, its industries and all relevant external developments so that they have the information they need to perform their duties.



7. We compose our Boards carefully to ensure that they have the knowledge and experience to make informed decisions.

We strive to ensure that the composition of our Boards is well-balanced. We identify a suitable size and structure for each business and we seek to fill those positions with Directors who have a diversity of experience and skills.



8. We take a rigorous and transparent approach to evaluating and incentivizing performance at all levels.

It is the responsibility of the Board to set, oversee and, for listed companies, disclose the remuneration framework. The Board must establish and enforce clear guidelines on Director and Management compensation, as well as benchmarks and performance assessments on individuals, committees and the Board as a whole. Listed companies are also advised to appoint external consultants to ensure transparency.



9. We are committed to open, effective and ongoing communications with all of our stakeholders.

Good corporate governance goes beyond regulatory compliance. It requires respectful management of the relationships between the Group and its stakeholders. Whenever appropriate, we engage in robust dialogue with these groups. Assessing our effectiveness in maintaining this dialogue is a key element in the way we measure our success.



10. We are committed to the rights of minority shareholders.

All our shareholders have the right to timely information about our business performance and the right to communicate with management. As a result, each Board must disclose clear and comprehensive financial reports and ensure that effective controls are in place to safeguard transparency and integrity in our reporting.



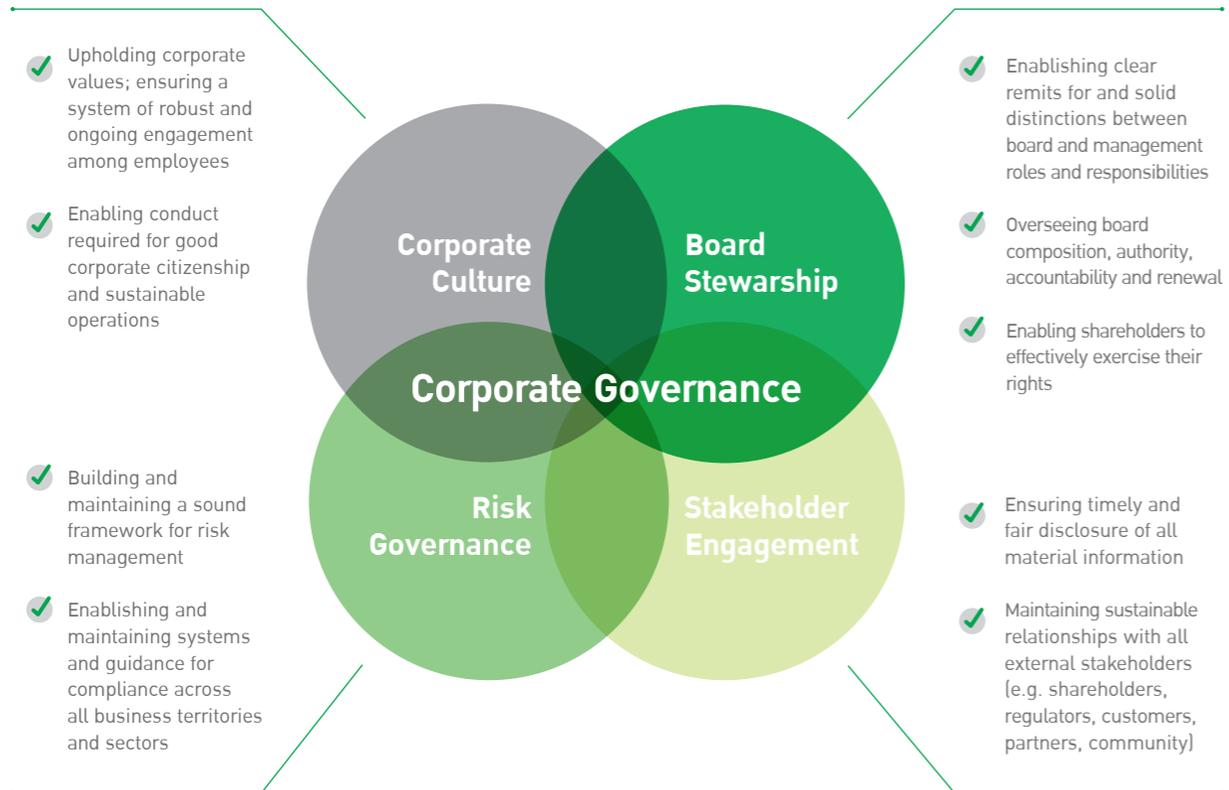
11. Integrity and honesty lie at the heart of who we are.

We expect our Boards, management and staff to maintain high ethical standards at all times. We require them to treat our suppliers, our customers and the environment with respect and dignity, and to perform the necessary due diligence to ensure that our partners do the same.

Corporate Governance Framework

Along with the Corporate Governance Principles, the C.P. Group Corporate Governance Committee also developed a guiding framework for good corporate governance. This was created by doing extensive benchmarking on the advisory guidelines by international regulators and investors, and the governance practices of leading corporates today. Four major themes emerged from the standards and global practices reviewed, namely stakeholder engagement, risk governance, corporate culture, and board stewardship.

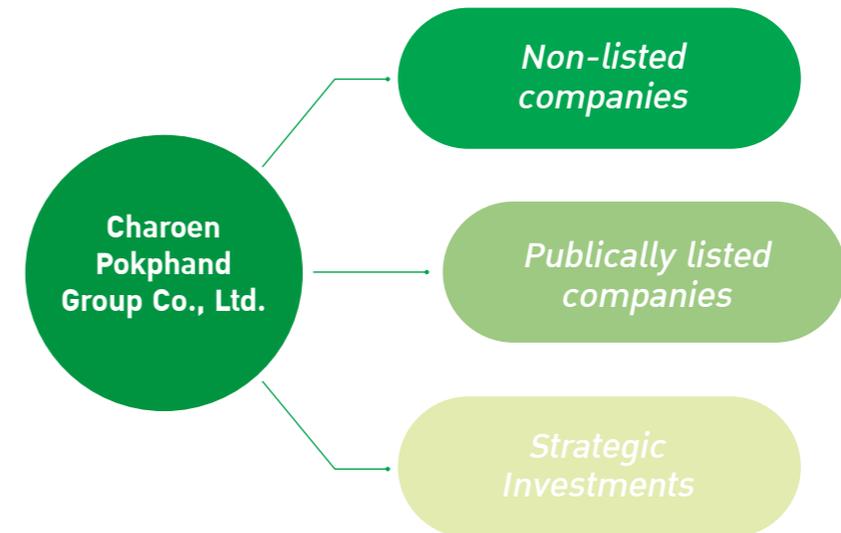
This framework has served as C.P. Group's way of defining the broad and encompassing topic of corporate governance and categorizing the full spectrum of issues that matter. The framework has provided four clear focus areas in terms of how the Group and its companies should set about reviewing and assessing current and future performance, and what we need to do in order to improve our governance.



C.P. Group Components

C.P. Group has become a leading business in Asia through entrepreneurship and a pioneering spirit, and by anticipating the changing needs of countries and communities as they develop. Charoen Pokphand Group Co, Ltd. is the holding company and principal entity of C.P. Group, one of the world's leading conglomerates that comprises both private and publicly listed companies with operations spanning 21 countries across the world.

Moreover, in recent years Charoen Pokphand Group Co, Ltd. has taken several strategic investment holdings in other companies and strategic partners.



Charoen Pokphand Group Co., Ltd.'s Role and Interaction with Investee Companies

C.P. Group is deeply committed to growing and building businesses diligently and responsibly. It looks to uphold highest standards accepted by local and global stakeholder groups in every way possible.

Non-Listed Entities

As a private company and the largest investor in its subsidiaries, Charoen Pokphand Group Co., Ltd. works with its non-listed entities to set a clear strategic direction and expectation on good governance, encouraging deployment of corporate governance standards and practices, and acting as a governance body of the Group companies to oversee, provide tools and support wherever appropriate.

Charoen Pokphand Group Co., Ltd. expects its non-listed companies to be working towards the same standards of governance as those that are publicly listed, such is the strength of its commitment to high standards of governance. The non-listed companies are at different levels today and it is therefore essential for Charoen Pokphand Group Co., Ltd. to nurture and support these companies with tools, guidelines, and mechanisms that help equip them to achieve the goals.

Publicly Listed Entities

The roles and responsibilities of Charoen Pokphand Group Co., Ltd. in its listed companies are slightly different. Due to the presence of the Board of Directors and Corporate Governance Committees of these listed companies, Charoen Pokphand Group Co., Ltd. - as a major shareholder provides recommendations through its board representatives on ways these companies can, upon their board's approval, align their business in an appropriate way with the Group. Charoen Pokphand Group Co., Ltd. will in no way circumvent these governance structures.

Our publicly listed companies' Board of Directors and Corporate Governance Committees have the full authority to be in charge of their Corporate Governance process and business conduct, and to ensure the key components of the Corporate Governance are put in place and being followed appropriately per the companies' principles, policies and guidelines, rules of law, and regulations required in the territory they operate.

As a result of C.P Group's diverse structure and ownership in entities, we have adopted a multifaceted approach to address Corporate Governance in our non-listed and listed companies as well as in our strategic investments to ensure optimum disclosure and transparency of our interactions with these entities.



Charoen Pokphand Group Co., Ltd., however, reserves the right to set a clear vision and standard for corporate governance which it expects its listed companies to acknowledge and, where possible, work towards. And the Group expects visibility on the Corporate Governance processes with its listed companies. In the event that any corporate governance issue occurs that may impact upon the Group more broadly either financially or in terms of reputation, it works closely with the listed companies involved to understand the situation and work towards an appropriate response. Charoen Pokphand Group Co., Ltd., as a parent company, also provides support for these companies directly or indirectly with tools, guidelines, research on global best practices that could trigger Corporate Governance process evaluations in order to assess and improve the standards and challenges they face.



Strategic Investments

Charoen Pokphand Group Co., Ltd. has taken strategic investments into a number of key partners. These are minority holdings. We use the leverage that we have as a major shareholder in these businesses in terms of our voting rights and, where appropriate, board positions to drive and ensure high standards of corporate governance within these businesses.

Policies and Guidelines, and Code of Conduct

The C.P. Group's Corporate Governance Principles provide a clear philosophy for how the Group approaches corporate governance, the Group has therefore established detailed and specific policies and guidelines across its Corporate Governance Framework which also work alongside with the Group's Code of Conduct.

Policies and Guidelines

Charoen Pokphand Group's policies and guidelines were established based on the internal process reviews and benchmarking against industrial peers and global standards. These policies and guidelines are shared with our internal and external stakeholders and published on the C.P. Group website (www.cpgroupglobal.com). Similar to the Corporate Governance Principles and Code of Conduct, Policies and Guidelines are our backbone of how we conduct our business. They are set to address potential issues in the business and what constitutes acceptable behaviors and conducts by employees. C.P. Group, at the Group level, developed the range of policies and guidelines which cover broadly in the areas applicable to the diverse and distinct nature of C.P. Group. These are not the final set, but we would expect that the process evolves as C.P. Group continues to grow its business.

The Group policies and guidelines as of now include:

- Conflicts of Interest Policy and Guidelines
- Anti-Bribery and Anti-Corruption Policy and Guidelines
- Gifts and Benefits Policy and Guidelines
- Sustainability Policy and Guidelines
- Supplier Code of Conduct
- Supply Chain Management Policy and Guidelines
- Human Rights and Labor Practices Policy and Guidelines
- Whistleblowing Policy and Guidelines
- Personal Data and Privacy Policy and Guidelines
- Safety, Occupational Health and Workplace Policy and Guidelines
- Information Management Policy and Guidelines
- Anti-Money Laundering Policy and Guidelines

C.P. Group's Policies and Guidelines have been developed taking into account the Group's wide range of businesses operating in diverse markets and locations, and have been rolled out globally for all Group companies to adopt and implement.

Code of Conduct

In 2018, Charoen Pokphand Group launched its inaugural Group Code of Conduct along with a campaign of internal communications and a systematic training and accreditation process. The Code of Conduct is a standard of established best practices for all employees to uphold whilst restraining inappropriate practices that may cause risk or damage to C.P. Group. The program has started in Thailand and is expanding to every market C.P. Group operates.

Published initially in Thai and English, and then in Chinese, this document clearly articulates practical guidance on what is expected from employees within C.P. Group and its family of companies in terms of ethics and conduct. This Code of Conduct will subsequently be translated into local languages of the countries in which we operate.

The process taken to develop the inaugural Group Code of Conduct was a methodical collaborative effort, beginning with the gap analysis on business conducts across the Group companies. Listed and non-listed companies nominated their representatives to join numerous workshops and group discussions to share, support and challenge one another until the most comprehensive, practical Code of Conduct that also carries the high internal standard was established and released.

The C.P. Group Code of Conduct exists to ensure that more than 300,000 employees in over 20 countries that the Group companies operate in around the world share the same values of integrity and honesty, and that everyone is united in thinking and acting in the same way. The Code of Conduct embeds C.P. Group's good corporate culture and compliance to the laws and regulations of the countries in which we have business operations, as well as communicates to all stakeholders about C.P. Group's corporate governance.



English Code of Conduct is available here



Thai Code of Conduct is available here



Chinese Code of Conduct is available here



SECTION

04

Our Success to Date

The section that follows outlines progress made by C.P. Group of companies in the two years running-up to the publishing of this report (2016 to 2018) in the area of Corporate Governance. Much of the focus of C.P. Group during this period was directed towards establishing the Corporate Governance Principles and Framework which set the stage for the Group to implement corporate governance in a holistic way.

Disclosure and Transparency

We adhere to doing business with integrity and honesty with emphasis on the importance of presenting financial and non-financial information in a transparent, correct, and complete manner to all our stakeholders.

The Corporate Governance Committee recommended disclosure and transparency as the priority focus for expanded capacity at the Group level in 2016 because of the intrinsic connectedness of Charoen Pokphand Group Co., Ltd. and C.P. Group companies' occasionally shared strategic activity.

As C.P. Group adheres to doing business with integrity and honesty, it emphasizes the importance of presenting its financial information and non-financial information in a transparent, correct and complete manner. C.P. Group also aims for methodical information management across all businesses to enable effective risk management and data controls.

The Committee reviewed C.P. Group's existing practices within its listed and non-listed companies, provided gap analysis benchmarking "best in class" global standards and practices, and assisted in developing written policies on these topics. The Committee covered four main topics: (1) communications and disclosure, (2) connected transactions, (3) conflicts of interest, and (4) shares and securities dealings.

As a result of this, several new Group-level policies were developed and adopted during the period in review, taking the Group from meeting basic regulatory requirements to having more robust and elevated standards. C.P. Group policies regarding disclosure and transparency can be found on the website.

In addition to the codified practices, C.P. Group is working to:

- *Guide alignment in practical application of the policies and guidance materials by conducting training programs targeting all key functional staff on the new policies and guidance materials*
- *Enable governance-minded leadership by providing director and senior executive workshop trainings that improve practical understanding of the associated topics, in addition to specific responsibilities, under the updated policy structure. This training has been developed to focus in particular on those leaders who hold roles across multiple C.P. Group companies*
- *Continually review, update and improve internal policies and procedures*

Disclosure and Transparency Training

In 2017, C.P. Group initiated a training on the Disclosure and Transparency Policy, targeting directors and top-level executives from various C.P. Group companies. In keeping with the Committee's guidance to make training interactive and practical, participants learned from real-life case studies with group discussion and knowledge sharing. The training covered four key topics:



Conflict of interest



Connected transactions



Inside information



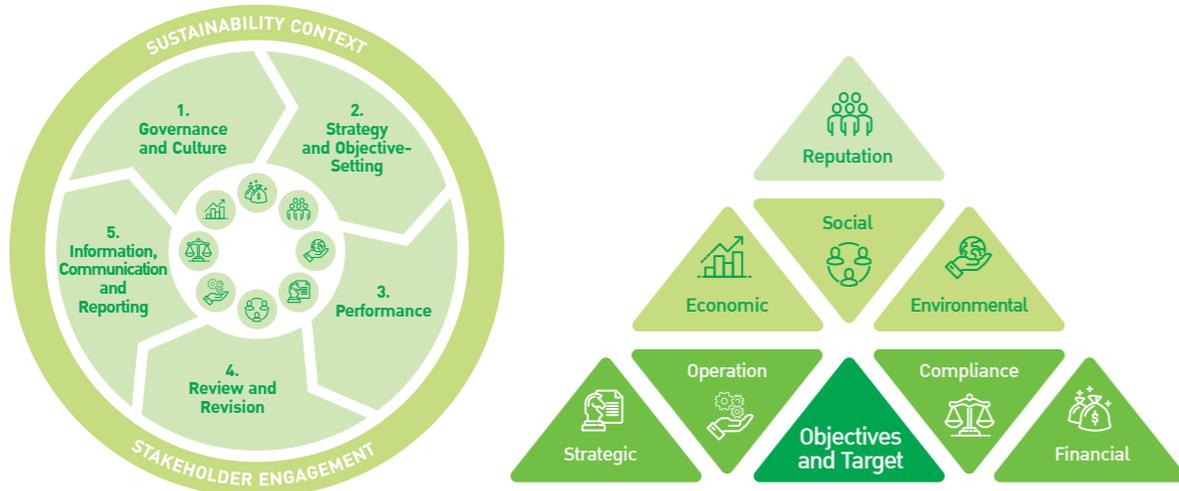
Share trading

The feedback was positive and most particularly around learning from a multitude of real-life cases which helped participants from different business groups to be aware of more diverse scenarios. The training therefore met the objectives and was effective in creating a better understanding of corporate governance principles and the importance of disclosure and transparency.

Risk Management

C.P. Group successfully established a risk management strategy to ensure long-term sustainable growth and a Risk Management Committee was formed to provide directions including policies and oversee overall progress such as adoption and risk governance. At the Group level, a Corporate Risk Management team was also set up and assigned to lead and turn the Committee's recommendations into tangible outcomes.

The Corporate Risk Management team has developed an enterprise-wide risk management framework based on recognized international standards coupled with sustainable strategic directions and worldwide business natures of C.P. Group into C.P. Risk Management Framework and Model as follows:



C.P. Group's Risk Management Framework and 8 categories of risks

This standardized framework and process have been continuously and actively implemented across the Group. The training has been provided to risk managers, and all relevant key executives in every business group in each territory, starting in 2018 in Thailand and spanning China and other countries.

Alongside, the governance structure, policies, strategies and clear goals are also outlined to ensure synergized direction, and significant risks monitoring and consolidation at the Group level are achieved.



Achievements of Compliance Risk Management and Way Forward

C.P. Group recognizes the constant changes taking place in the global landscape regardless of whether the changes are social, economic, or environmental. This is also including the growing global concern on corporate governance, transparency, compliance and business ethics.

C.P. Group has therefore extensively managed those risks by incorporating all of the relevant corporate strategies, policies, and set the standardized management guidelines for the business groups to adopt wherever appropriate, for instance, crisis management, UNGC compliance, human rights, responsible supply chain management, safety, and environment. This is to ensure compliance with internal policies, standard guidelines and regulatory requirements.

In addition, C.P. Group also set up the Compliance Audit Office at the Group level to undertake this critical role. The team combines executives, and professionals with experiences in relevant risk management from the Corporate Sustainability Office and some of them are external experienced auditing experts. The Compliance Audit Office has engaged and built networks with related functional executives to form smooth collaboration. The staff have also travelled extensively since 2018 to provide training and advice to senior management in Thailand, Vietnam, Myanmar, Cambodia, Laos, and expanded to China for cross-business safety compliance audit to build awareness and strengthen the commitment.

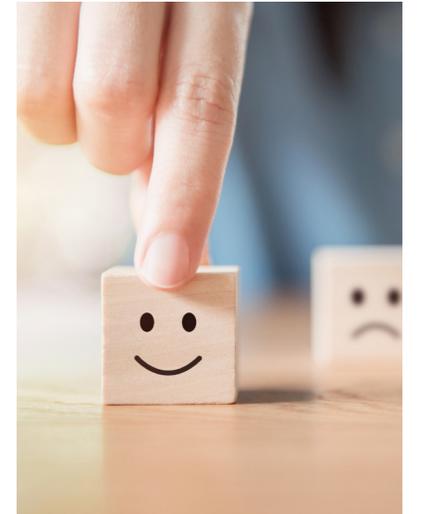
Whistleblowing Policy and Channel Implementation

C.P. Group's greatest asset is our people and it is essential for us to listen to them as much as other external stakeholders. In 2017, C.P. Group set up a center to receive reports of concerned issues and grievances at the Group level. The objective of this center is to ensure that all reports of concerns or complaints are handled, investigated and resolved fairly and timely.

In addition to the Group-wide website channel, there are four channels through which whistleblowers can report their grievances: telephone, e-mail, post, and in person. The center will record, investigate, and forward the issue to the Group-level Committee for investigation, whereby the Committee will report the investigation results via the C.P. Group Whistleblowing Dashboard. All these initiatives have been deployed in line with the C.P. Group's Whistleblowing Policy and Guidelines.

Consumer Protection

C.P. Group's products and services are available to approximately 4 billion consumers globally and we continuously strive to firmly preserve the rights and interests of consumers and focus the priorities on issues that are core to the customers. These include developing high-quality and safe products and services, and continuously improving the standards to meet the needs of the customers. For instance, having a system for quality assurance from raw material sources to points of sales and clearly communicating with consumers on nutrition and product/service usage through product labelling. Since C.P. Group's miscellaneous businesses involve a lot of data, information security is being taken seriously with every effort to protect confidential customer information. Safeguarding our customer data is our top-most priority. The Group has implemented stringent data protection and information access protocols that comprise control and restriction of data access to every level of employee across companies.



Training and Accreditation

Employee Training & Code of Conduct Rollout Program

C.P. Group has an active program of Corporate Governance training and accreditation. All employees of the Group are required to learn, understand, and acknowledge the C.P. Group Code of Conduct. To supplement this, the Group has launched both online and in-class training modules and accreditation to test and ensure that the Code has been well understood by each employee. Elements of the Code of Conduct are further embedded in training modules which C.P. Group regularly runs on key governance topics such as ethical leadership, disclosure and transparency and anti-corruption.



In order to ensure that policies and standards are understood and lived within the business and enshrined within its culture, an active program of training and employee communications was required. The Group has a strong commitment to training and investing in employees, as illustrated by the establishment of the C.P. Leadership Institute, and steps have been made to begin training employees around governance and ethics topics.

A number of training modules and courses have been developed to ensure that the principles, policies and standards being applied are successfully cascaded, understood and lived by employees within C.P. Group and its companies.

Progress and Achievements to Date

Led by the Corporate Governance team at the Group level and highly collaborative efforts from both listed and non-listed companies, C.P. Group arrived with the Group-wide Code of Conduct syllabus and training program that provides multiple learning channels and platforms to facilitate that diverse and distinct nature of the Group, such as executive workshops, conventional classroom training, train the trainer, and e-learning.

Our e-learning platform has its built-in tracking system to help monitor progress at an individual level. The system will automatically send notifications to employees and their line managers which makes it easier to oversee, supervise and support. The Group's Corporate Governance team also tracks the progress using the system and drives any appropriate actions to ensure the Code of Conduct training is among the top priority.

We have also developed customized Code of Conduct training modules to be relevant to different business units for a better understanding and coordination. The training content is in multimedia forms such as animations, interactive role play using real-life working scenarios and quizzes, which makes it more engaging and interesting for our employees.

We are committed to ensure that our employees at all levels and job functions can access the Code of Conduct training and accreditation program. Therefore, we have made the modules available at the Group knowledge hub. Starting from Thailand, our significant achievement has shown that 100 percent of employees from non-listed companies had acknowledged the Code of Conduct, were accredited on the Code of Conduct training, and this will progressively continue globally.

In addition to the Code of Conduct training, C.P. Group also achieved other corporate governance related training courses for top executives (including Disclosure & Transparency and Ethical Leadership), and for middle management (including Anti-Bribery & Corruption and an Introduction to Corporate Governance).

Communications, Awards & Recognition

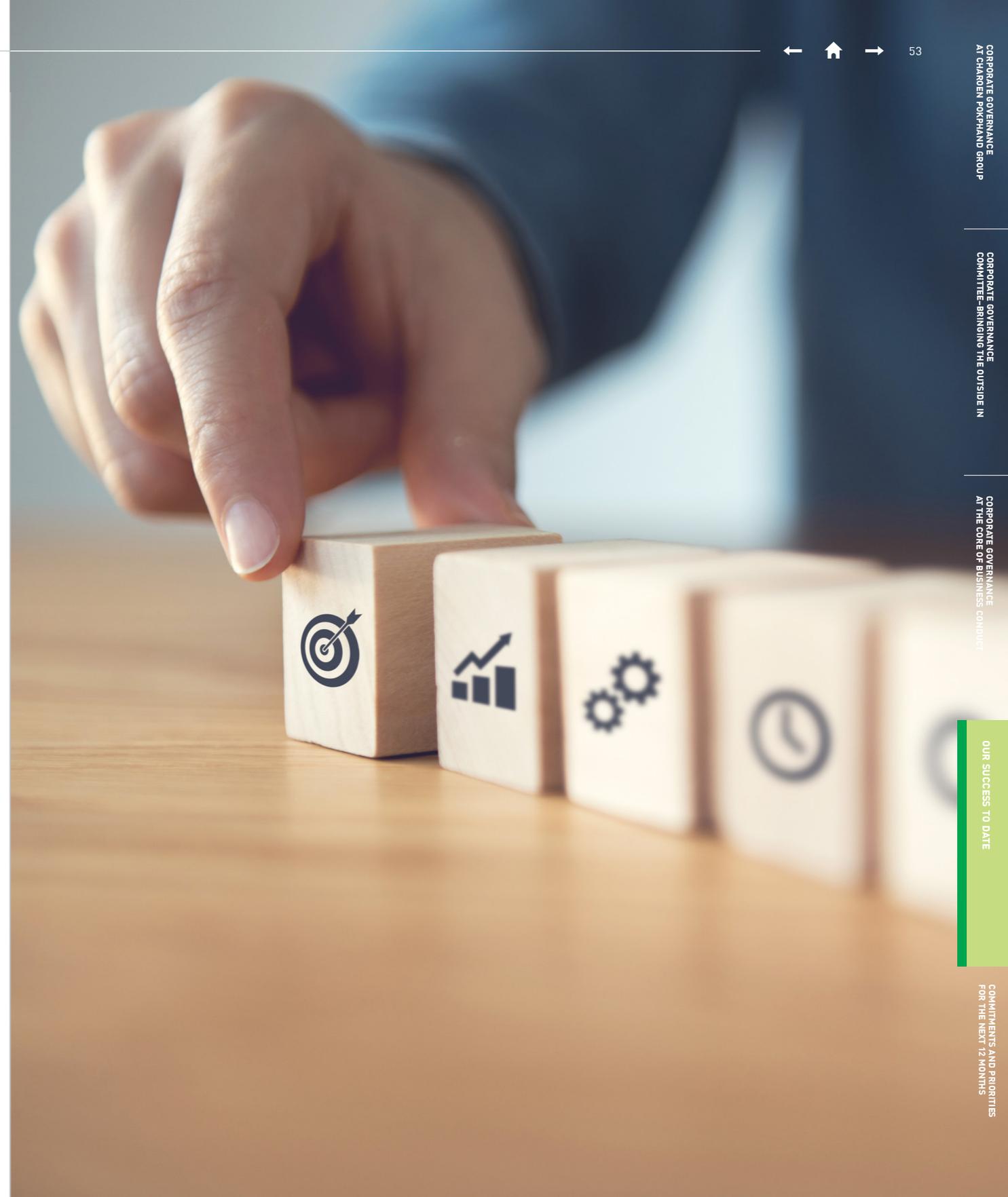
Communications are key to drive corporate culture and shift of mindset. C.P. Group's senior management emphasize on effective communications to C.P. Group's employees at all levels and locations of the importance of good corporate governance as seen in the Group's efforts and investment in communications channels and platforms that include conventional and digital tools ranging from bulletin boards, print media, e-banners, e-mail, websites, social media, push messages and mobile phone applications.

With an employee base of over 300,000 people around the world, the investment in training to ensure that standards are understood and lived-by will need to be significant, regular and on-going, including as part of C.P. Group's new joiner induction and on-boarding processes. A measurement framework will be put in place to help ensure that the Group's efforts in training employees are effective.

C.P. Group and its listed companies have been recognized by a number of respected third parties for its performance and progress in the area of corporate governance, including being members of the Dow Jones Sustainability Indices for many consecutive years.

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COMPANY	ACCOLADES & ACHIEVEMENTS
Charoen Pokphand Group Company Limited	<ul style="list-style-type: none"> • Winner Asia's Best Stakeholder Reporting (Asia Sustainability Reporting Awards 2018) • Excellent Sustainability Report Award and Best Report Design from Sustainability Report Awards 2018 (Thai Listed Companies Association, Securities & Exchange Commission, and Thaipat Institute)
CP ALL Public Company Limited	<ul style="list-style-type: none"> • Member of Dow Jones Sustainability Index (DJSI) Food & Staples Retailing 2018 – Silver Class • Member of FTSE4GOOD Emerging Index and FTSE4GOOD ASEAN 5 Index in 2018 • Ranked “Very Good” for CGR Scoring by Thai Institute of Directors (IOD) in 2018 • Sustainability Report Recognition Award from Sustainability Report Awards 2018 (Thai Listed Companies Association, Securities & Exchange Commission, and Thaipat Institute)
Charoen Pokphand Foods Public Company Limited	<ul style="list-style-type: none"> • Member of Dow Jones Sustainability Index (DJSI) Food Products 2018 – Bronze Class • Member of FTSE4GOOD Emerging index in 2018 • Ranked “Excellent” for CGR Scoring by Thai Institute of Directors (IOD) in 2018 • Corporate Governance Asia's 8th Asian Excellence Award 2018 <ul style="list-style-type: none"> - Charoen Pokphand Food's Chairman of the Board of Directors, Dhanin Chearavanont, was awarded “Asia's Best CEO (Investor Relations)” - Charoen Pokphand Food's CFO, Paisan Chirakitcharem, was awarded “Asia's Best CFO” - Charoen Pokphand Foods was awarded the “Best Investor Relations Company (Thailand)” • Excellent Sustainability Report Award from Sustainability Report Awards 2018 (Thai Listed Companies Association, Securities & Exchange Commission, and Thaipat Institute)
True Corporation Public Company Limited	<ul style="list-style-type: none"> • Member of Dow Jones Sustainability Index (DJSI) Telecommunication Services 2018 – Gold Class • Member of FTSE4GOOD Emerging index in 2018 • Ranked “Excellent” for CGR Scoring by Thai Institute of Directors (IOD) in 2018 • Outstanding Sustainability Report Award from Sustainability Report Awards 2018 (Thai Listed Companies Association, Securities & Exchange Commission, and Thaipat Institute)
Siam Makro Public Company Limited	<ul style="list-style-type: none"> • Ranked “Excellent” for CGR Scoring by Thai Institute of Directors (IOD) in 2018



SECTION

05

Commitments and Priorities for the Next 12 Months

This section sets out the structure, roadmap and priorities for the next 12 months with regard to Corporate Governance, and how C.P. Group intends to maintain strong momentum going forward.



Driving Corporate Governance

A new procedure has been established, as part of a handover from the Corporate Governance Committee at the end of 2018, to carry on the Company's efforts in implementing further corporate governance policies, programs and initiatives as mapped out by the Corporate Governance Committee.

Central to the efforts in driving C.P. Group's governance policy is the Sustainability, Good Governance and Corporate Communication Operating Committee, which comprises the Chief Sustainability Officer, executives who are heads of Corporate Governance, Compliance, Human Resources, Communications as well as other related functions, along with representatives from companies within the Group. The establishment of this Committee addresses C.P. Group's commitment to have a dedicated function at the Group level and ensures there is a strong focus on and clear ownership of governance issues within the business.

To assist with the Sustainability, Good Governance and Corporate Communication Operating Committee's mandate, a Corporate Governance Working Group was established. Overseen by the Head of Corporate Governance, this working group comprises cross-functional representatives from both listed and non-listed companies. This team is responsible for driving the implementation of principles and policy for the Group in the area of corporate governance in collaboration with compliance, risk and sustainability, developing and delivering training and rollout programs to ensure high standards of compliance, and to ensure the effective operation of other governance tools and platforms (e.g. the Group's whistleblowing function).

In 2019, the Group is issuing a compliance policy that includes enforcement for all business groups to appoint their own compliance champions in the territories where they operate. Furthermore, integrated risk and compliance management framework is under a planning process and will be launched in the near future.

C.P. Group's ongoing commitment is to have a dedicated Corporate Governance function at the Group level and ensure that there is a strong focus on and clear ownership of governance issues within all companies of its business groups.

Corporate Governance Roadmap

There are three main pillars to the strategy going forward and a number of initiatives that sit beneath each:



Capacity Building

- Benchmark against best in class practices
- Review and update C.P. Group policies and guidelines
- Further enhance Corporate Governance procedures and work systems
- Develop the Group's knowledge and training hub
- Establish and manage AI-driven knowledge archive



Corporate Culture

- Customize corporate governance platform suitable for every business group
- Support business groups to implement the corporate governance platform
- Provide corporate governance training and workshops to create awareness in C.P. Group companies
- Engage with external corporate governance related stakeholders
- Roll out ethics and compliance culture



Disclosure & Stakeholder Engagement

- Issue a Corporate Governance Report
- Release a quarterly Corporate Governance Bulletin
- Issue a bi-monthly Corporate Governance internal newsletter
- Manage and maintain the corporate governance section on the corporate website
- Set out a mechanism to ensure effective communications of significant announcements such as new policies and guidelines



Capacity Building

At the very core are the initiatives under the Group's capacity building pillar which include periodic reviews of global corporate governance standards in order to benchmark against our practices. The information will be used to guide and, when appropriate, update our Group-wide policies and guidelines to ensure that they are aligned not only to the latest regulatory changes, but also encompass the latest trends in corporate governance.

As part of our Group's attempt to promote technology and innovation, we will enhance the corporate governance procedures and work systems and develop the Group's knowledge and training hub using the digital platform. This is part of our aim in bringing corporate governance into the digital era.

In the years ahead, we see the establishment of the corporate governance knowledge hub which will later be powered by an Artificial Intelligence (AI) troubleshooting interface. This would be beneficial for all C.P. Group companies. If proven successful, we plan to develop this model further and create another knowledge hub on the public domain to help promote the best-in-class approaches to corporate governance.



Corporate Culture

Internally, C.P. Group continues to focus on cultivating corporate culture that policies, codes and guidelines are being followed with genuine understanding. To ensure this commitment is met, we select the most practical and effective channel and platform to disseminate information to every business group and fully support each of them on the implementation.

One area we are focusing in the coming years is the establishment of strong ethics and compliance understanding and functions across C.P. Group, to reflect our position that being an ethical company is core to our business conduct. This will benefit our employees' morale as well as perceptions from external stakeholders. C.P. Group recognizes the challenge we have due to diverse businesses and scale, hence we must ensure to embed strong ethics and compliance deep into our culture.



Disclosure & Stakeholder Engagement

Our commitment to corporate governance will be more visible via our consistent communications of latest developments and relevant data points to our internal and external stakeholders using appropriate channels such as the C.P. Group Sustainability Report, this Corporate Governance Report and our corporate website.

C.P. Group has recently launched a bi-monthly internal newsletter for management and employees to provide updates, developments and trends in corporate governance. We plan to provide a quarterly corporate governance bulletin showcasing activities and initiatives related to corporate governance across our businesses. All of the above will happen alongside regular announcements and communications including new policies, principles, and guidelines.



With this in mind, C.P. Group is in the process of launching a holistic ethics and compliance program to promote our team members, in any businesses and locations, to behave in a way that meets our high standard and is consistent with our strong ethics and commitment to integrity and honesty. We will implement robust policies and guidelines provided with clear direction on how C.P. Group's employees should embed our core values into what they do daily. These policies will be the heart of our comprehensive training program. This will be followed and empowered by a process of auditing and monitoring by compliance teams, which will be established across all businesses of the Group companies. The Corporate Governance team at the Group level is dedicated to drive this vital plan, which we believe will bear fruit in C.P. Group's corporate culture.

Communicating our movements in ethics and compliance is also essential as we establish a strong ethical corporate culture. We will continue to engage with external stakeholders who are involved, related or interested in the corporate governance area and ecosystem. C.P. Group is committed to always stay relevant, learn from them and build trusted relationships with both domestic and global organizations.

We will continue to provide training and workshops to raise awareness regularly. In addition, it is compulsory for C.P. Group employees to take courses using our e-learning platform. In July 2019, the Code of Conduct training will be deployed globally in both e-learning platform and other workable channels. Having already started in Thailand last year, this will expand to China and the remaining countries.

Focus Area for 2019/20: Corporate Governance

A major focus area for C.P. Group in 2019 and beyond is in corporate governance and compliance, and to support the Group in implementing programs and adoption of refreshed policies relevant to law abiding and ethical conduct. In particular, our immediate aims are as follows:

- Expansion of the Code of Conduct and related online training for operations in China and neighboring countries (Myanmar, Vietnam, Cambodia, Laos)
- Launching of online e-learning ethics and compliance-related courses, through accessing the Corporate Governance online portal
- Introducing in-class training for new employees and aspiring entrepreneurs on the role of corporate governance in running a successful business
- Ensuring all companies in C.P. Group have an established ethics and compliance function
- Continue to communicate with internal and external stakeholders regarding our achievements, movements, and our future targets in corporate governance through the annual Corporate Governance Report, as well as through other media

C.P. Group is obligated to further enhance its corporate governance strategy and practices. What we have outlined in this report represents positive progress, but as highlighted by our Senior Chairman, we must not be complacent and continue to build on the momentum we have established. It is essential that we must continue to challenge ourselves in order to introduce and uphold higher standards in corporate governance. C.P. Group welcomes feedback from all stakeholders regarding the actions we are taking.



Appendix A: Committee Term of Reference

TERMS OF REFERENCE

(otherwise known as "The Charter")

CORPORATE GOVERNANCE COMMITTEE OF CHAROEN POKPHAND GROUP *(THE COMMITTEE)*

1. INTRODUCTION AND PURPOSE

- 1.1 The purpose of the Committee is to serve as the body established by the Board to provide it with advice in order to assist and enable the Company and the Group (including its Key Group Companies) to conduct business responsibly and in line with global standards of best practice in Corporate Governance.
- 1.2 The Committee's duties and responsibilities set out in these Terms shall be discharged by it acting in an advisory capacity to the Company, including in particular in its capacity as the controlling shareholder of the Group, in each case in respect of the matters contemplated by these Terms. In doing so, the Committee shall:
 - (a) report to the Board and make recommendations on matters relevant to and affecting the Company, as well as the Group taken as a whole; and
 - (b) make recommendations to the respective boards of directors of each Key Group Company (as the principal investee companies of the Company).
- 1.3 The Committee shall be accountable to the Board and shall have non-executive responsibility for oversight of Company and Group policies and standards covering Corporate Governance.
- 1.4 Corporate Governance shall, for the purposes of these Terms, be construed in the broadest sense to refer to the systems and standards by which the Company (and, in turn, the Group (including, in particular, each Key Group Company)) carries on its business. As contemplated by these Terms, this shall include but not be limited to the relationships between the Company, the Group (including, in particular, each Key Group Company) and each of their respective stakeholders, including shareholders, employees, customers, suppliers, regulators and the broader community and environment.
- 1.5 For the purposes of these terms of reference (the Terms, otherwise known as "The Charter"), the definitions in the Appendix shall apply.

2. ESTABLISHMENT AND AUTHORITY

- 2.1 The Committee was established by resolution of the Board on 6 September 2016.
- 2.2 The Committee is authorized by the Board to:
 - (a) perform any activity within these Terms;
 - (b) to the extent permitted by applicable laws and regulations, seek any information it requires from any member of Management or employees of the Group and all Management and employees are directed (so far as it is within the powers of the Company) to co-operate with any request made by the Committee; and
 - (c) obtain, at the Company's expense, external independent professional advice and to secure the attendance of external persons and parties with relevant experience and expertise if it considers this necessary.
- 2.3 The Committee shall be provided with sufficient resources to perform its duties. The Committee shall also be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference and appointment for any external party who advises the Committee.
- 2.4 In discharging its duties under these Terms, the Committee shall give due consideration to all laws, regulations, codes, listing rules and other applicable rules as appropriate and necessary.

3. MEMBERSHIP AND COMPOSITION

- 3.1 The Members shall be appointed by the Board. The Committee shall comprise of the following Members:
 - (a) the Senior Chairman and/or the of the Company;
 - (b) at least two Members shall be Group Listed Company Executive Directors (excluding the Senior Chairman and/or the Chairman of the Company, as applicable);
 - (c) at least four Members shall be Group Listed Company Independent Non-Executive Directors; and
 - (d) six Members shall be External Independent Members,

provided that in each case that at any time (i) not less than one fourth of Members shall be External Independent Members and (ii) not less than a majority of Members shall, taken together and in aggregate, comprise Group Listed Company Independent Non-Executive Directors and External Independent Members.
- 3.2 Appointments of Members shall be for a period of up to two years, or such other period as may be approved by the Board and the relevant Member provided that the requirements of paragraph 3.1 above continue to be satisfied following any such approval.
- 3.3 The Chairman of the Committee shall be the Senior Chairman or the Chairman of the Company.
- 3.4 To the extent it may be considered appropriate or necessary, a simple majority of the Committee may appoint a Senior Committee Member of the Committee (the Senior Committee Member). The Senior Committee Member shall be an External Independent Member. The responsibilities and powers of the Senior Committee Member shall be set out in the relevant resolution appointing the Senior Committee Member to that position.
- 3.5 The Secretary of the Committee shall be appointed by the Board.

- 3.6 No External Independent Member may become a director, officer, employee or shareholder (whether direct or indirect) of any Group Company during his or her term of appointment as a Member. All External Independent Members shall procure that none of their respective close family members becomes a shareholder (whether direct or indirect) of any Group Company, save to the extent that any such shareholding is of a de minimis level. In addition, no External Independent Member may have any business relationship(s) with any Group Company pursuant to which a significant proportion of the relevant External Independent Member's (or his or her close family member's) earnings, net worth and/or assets are attributable to such business relationship(s).

4. DUTIES AND RESPONSIBILITIES

- 4.1 The Committee shall have responsibility for the review and oversight of Corporate Governance (as more particularly described in paragraph 4.2), including:
- corporate governance policies, procedures and systems;
 - risk management systems and internal controls; and
 - conduct with regard to corporate and societal obligations and reputation as a responsible corporate citizen, in each case of the Company, the Group and, as appropriate, each Key Group Company, with a view to (1) bringing any relevant issues to the attention of the Board, (2) making recommendations relating to any such matters to the Board and (as appropriate) the boards of directors of each Key Group Company, and (3) periodically reviewing the implementation of such recommendations and updating the Board as appropriate.
- 4.2 Without limiting the generality of paragraph 4.1, the Committee's specific responsibilities shall include but not be limited to the following matters:
- assisting the Board to scope, define and articulate and, to the extent deemed appropriate, implement its overarching approach to and its key priorities and goals in relation to Corporate Governance matters;
 - defining the strategy, scope and nature of the Corporate Governance standards, policies, procedures, systems and other guidelines of the Company and the Group (including as may be recommended for each Key Group Company) (the Governance Policies);
 - following their implementation, reviewing and evaluating the Group's Governance Policies on an ongoing basis to ensure such Governance Policies are effective and aligned with global standards of best practice in Corporate Governance, and to propose any amendments and revisions to the Board for approval (or as may be recommended to the relevant board of directors of any Key Group Company);
 - reviewing and recommending training programs concerning Corporate Governance matters (including the Governance Policies) relating to the Group, as may be provided to the Company or any Key Group Company internally or by external advisers from time to time;
 - periodically reviewing the Group's legal and compliance functions (including those specific to each Key Group Company), making periodic assessments as to the effectiveness of such functions and reporting any deficiencies to the Board;
 - to the extent permitted by these Terms and applicable laws and regulations, periodically reviewing and evaluating the performance of the Board and the respective boards of directors of each Key Group Company and considering and discussing future senior leadership issues for the same, including succession planning;
 - identifying and reviewing those external developments which are likely to have significant influence upon the Group's reputation (including the respective reputations of each Key Group Company individually) and/or its ability to conduct its business appropriately, in a sustainable and responsible manner and as a good corporate citizen. Relevant developments will include those in the fields of government relations, best corporate practice (both in Thailand and internationally), the views and programs of particular interest groups, academia and other opinion formers and issues of growing importance to the general public;
 - establishing, reviewing and updating as appropriate a Group-wide Code of Business Principles, to be recommended for application to each Key Group Company to ensure that the Group's standards of business behavior are up-to-date and reflect the best practices of business in this area; and
 - reporting to the Board on the Company's and the Group's standing in the external world, particularly by way of feedback from external surveys, investors, other key stakeholders and target audiences.

5. REPORTING PROCEDURES

- 5.1 The Committee shall report to the Board after each meeting and shall make whatever recommendation to the Board it deems appropriate where action or further investigation is needed in respect of the Company and the Group.
- 5.2 The Committee may make whatever recommendation to the respective boards of directors of each Key Group Company it deems appropriate where action or further investigation is needed. To the extent permitted by applicable laws and regulations and so far as it is within its powers, the Company shall procure that each relevant Key Group Company: (a) implements such recommendations in a reasonable and timely manner; and (b) periodically reports to the Committee regarding the progress and status of such implementation.

6. FREQUENCY AND PROCEDURE OF MEETINGS

- 6.1 Meetings of the Committee shall be held not less than four times per calendar year, expected (as at the date of these Terms) to be scheduled: during the week commencing 12 September 2016; during the week commencing 14 November 2016; during the week commencing 27 February 2017; and in May or June 2017, with further meetings thereafter to be scheduled in due course, and with any other meetings to be held as and when Members unanimously consider it appropriate.
- 6.2 Meetings shall be convened by written notice of not less 14 days prior to the intended date of the meeting (or such other period as may be agreed by all Members), to be served on each Member by the Secretary of the Committee. The Secretary of the Committee shall be responsible, in conjunction with the Chairman of the Committee, for compiling and circulating an agenda for the meeting and other relevant documents for the meeting with the written notice.
- 6.3 All Members shall be expected to attend each meeting of the Committee in person. Other members of senior management of the Company and external advisers to the Company may be invited to attend meetings of the Committee as and when considered appropriate by the Board.
- 6.4 The quorum for meetings shall be a minimum of the Senior Chairman and/or the Chairman of the Company, three Group Listed Company Executive Directors (excluding the Senior Chairman or the Chairman of the Company, as applicable), two Group Listed Company Independent Non-Executive Directors and four External Independent Members, provided that in any event that for any meeting (i) not less than one fourth of Members attending shall be External Independent Members and (ii) not less than a majority of Members attending shall, taken together and in aggregate, comprise Group Listed Company Independent Non-Executive Directors and External Independent Members. For the purposes of this paragraph 6, the quorum requirement in respect of the Senior Chairman or the Chairman of the Company shall be met if a Senior Committee Member (appointed under the terms of paragraph 0 to perform the role of the Chairman of the Committee), is present (and, for the avoidance of doubt, any such Senior Committee Member shall also be counted towards the foregoing quorum requirements in respect of External Independent Members).
- 6.5 Formal decisions of the Committee shall be made by a simple majority vote, with the Chairman of the Committee holding a casting vote.
- 6.6 Management shall be obliged to supply the Committee with adequate information in a timely manner in order to enable it to make informed decisions.
- 6.7 The Secretary of the Committee shall prepare minutes of all meetings of the Committee and these shall be promptly circulated to all Members. The minutes should be available for inspection on reasonable notice by any Member or Director. Minutes of the meetings of the Committee should record in sufficient detail the matters considered by the Committee and decisions reached, including any concerns raised by Members or dissenting views expressed. Draft and final versions of minutes of such meetings should be sent to all Members for their comment and records within a reasonable time after such meetings and in any event, with adequate time before the next meeting.

7. SELF-ASSESSMENT AND PERFORMANCE EVALUATION

- 7.1 The Committee shall, if requested by any Member, review and assess the adequacy of these Terms (including the scope of its duties under section 4 of these Terms), to ensure the Committee is operating effectively and in accordance with the objectives of the Board. Any amendments proposed to these Terms by the Committee shall be subject to approval by the Board.
- 7.2 The Committee shall ensure that these Terms are made available at <http://www.cpgroupglobal.com>.
- 7.3 The Committee shall conduct an annual performance self-evaluation to ensure that it is functioning in accordance with these Terms and reports thereon to the Board. This evaluation shall take into account the views of the Board on the performance of the Committee.

APPENDIX: DEFINITIONS

Board means the board of directors of the Company from time to time;

Committee means the corporate governance committee of the Company established by resolution of the Board in accordance with these Terms;

Company means Charoen Pokphand Group Company Limited;

Corporate Governance shall have the meaning given to it in paragraph 1.4 of these Terms;

Directors means the members of the Board from time to time;

External Independent Members means those Members who are not directors, officers, employees, shareholders, business partners or otherwise associated persons of the Group and who are considered by the Board to have the requisite qualifications, skills and knowledge of Corporate Governance matters to be appointed as external independent Members to assist the Committee in discharging its duties;

Group means the Company, its subsidiaries and any other entity in which the Company owns, directly or indirectly, at least a 5% equity interest, and Group Company means accordingly any of the foregoing;

Group Listed Company Executive Directors means any executive director or key strategic advisor from time to time of any Key Group Company and, for clarity, shall include the Senior Chairman, the Chairman and the Chief Executive Officer of the Company;

Group Listed Company Independent Non-Executive Directors means any independent non-executive director from time to time of any Key Group Company;

Key Group Company means any of the Company, Charoen Pokphand Foods Public Company Limited, C.P. Pokphand Company Limited, CP All Public Company Limited., Siam Makro Public Company Limited, True Corporation Public Company Limited and C.P. Lotus Corporation, as may be amended from time to time;

Management means any persons discharging an executive management role within the Group (which includes but shall not be limited to any Group Listed Company Executive Director and any other senior manager of any Key Group Company);

Member means any member of the Committee appointed by the Board in accordance with these Terms; and

Senior Committee Member shall have the meaning given to it in paragraph 0 of these Terms.

Appendix B:

COMMITTEE MEMBERSHIP

Executive Directors of C.P. Group and its Listed Companies:

1. *Dhanin Chearavanont (Senior Chairman, Charoen Pokphand Group)*
2. *Soopakij Chearavanont (Chairman, Charoen Pokphand Group)*
3. *Suphachai Chearavanont (CEO, Charoen Pokphand Group)*
4. *Dr. Ajva Taulananda (Vice Chairman, Charoen Pokphand Group; Vice Chairman, True Corporation Public Company Limited)*
5. *Adirek Sripratak (Vice Chairman, Charoen Pokphand Foods Public Company Limited; Director of CP ALL Public Company Limited and Siam Makro Public Company Limited)*
6. *Tanin Buranamanit (CEO, CP ALL Public Company Limited)*
7. *Umroong Sanphasitvong (Deputy Group CFO, Charoen Pokphand Group; Director of True Corporation Public Company Limited, CP ALL Public Company Limited, and Siam Makro Public Company Limited)*
8. *Hans Werner Reich (Senior Advisor, Charoen Pokphand Group)*

Independent Non-Executive Directors of C.P. Group Listed Companies:

9. *Dr. Chaiyawat Wibulswasdi (Independent Director, Charoen Pokphand Foods Public Company Limited)*
10. *Dr. Kosol Petchsuwan (Independent Director, True Corporation Public Company Limited)*
11. *Professor Prasobsook Boondech (Independent Director, CP ALL Public Company Limited)*
12. *Andrew Ma (Independent Director, C.P. Pokphand Company Limited)*

External Independent Members

13. *Paron Israsena Na Ayudhaya (former CEO of Siam Cement Group)*
14. *Professor Hiran Radeesri (Expert on Corporate Governance and Social Responsibility at the Stock Exchange of Thailand, and Honorary Chairman of the Thai Institute of Directors)*
15. *Dr. Kittipong Kittayarak (Executive Director at the Thai Institute of Justice and previously Permanent Secretary at the Ministry of Justice)*
16. *David Gordon Eldon (former Chairman of HSBC Asia Pacific)*
17. *Kath Cates (former COO of Wholesale Banking at Standard Chartered and Global Head of Compliance at UBS)*
18. *George Hongchoy (CEO of Link Asset Management Limited)*

Executive Directors of C.P. Group and its Listed Companies

Dhanin Chearavanont (Senior Chairman, Charoen Pokphand Group)

- Dhanin Chearavanont is Senior Chairman of Charoen Pokphand Group. The Group's businesses comprise, among others, food and agribusiness, retail and distribution and telecommunications.
- With Dhanin at the helm, C.P. Group has become a leading Asian business conglomerate and one of Thailand's prominent international brands. He also forged C.P. Group's integrated food and supply chain business model, from primary production to processing to retail distribution. This model has been successfully applied to the Group's farm and food production investments currently in fourteen countries around Asia and Europe. His passion for innovation and technology too has been instrumental to C.P. Group's global expansion.
- Under Dhanin's stewardship, C.P. Group seeks to promote business by creating prosperity on three levels: in the country where it operates, in the community in which it engages, and within the corporate entity and among its stakeholders. He calls this the 'Three Benefits Principle', which guides C.P. Group's growth.
- Dhanin is married to Khunying Tewee Chearavanont. They have five children.

Soopakij Chearavanont (Chairman, Charoen Pokphand Group)

- Soopakij Chearavanont is the Chairman of Charoen Pokphand Group.
- He has been an Executive Director of C.P. Pokphand since 2005 and Vice Chairman since February 2010. He was appointed as Chairman and Chairman of the Nomination Committee in May 2019.
- He is Chairman of C.P. Lotus Corporation and has been an Executive Director since 2000. He has been a member of the Remuneration Committee and Chairman of the Nomination Committee of C.P. Lotus since 2012.
- Soopakij is currently Director and member of the Compensation and Nomination Committee of True Corporation Public Company Limited, and Director of CP ALL Public Company Limited and Siam Makro Public Company Limited.
- He is also Non-executive director of Ping An Insurance (Group) Company of China Limited.
- He obtained a Bachelor of Science degree in the College of Business and Public Administration of New York University in the USA and has extensive multinational investment and management experience in various industries.

Suphachai Chearavanont (CEO, Charoen Pokphand Group)

- Suphachai Chearavanont has been CEO of Charoen Pokphand Group since 2016.
- He is also Director and Chairman of the Executive Committee at True Corporation Public Company Limited (True Corporation). He is currently the Director and Chief Executive Officer of True Visions Group Company Limited, as well as being the Director at several of True Corporation's subsidiaries.
- Suphachai Chearavanont has been an Executive Director of C.P. Pokphand since 2008. He was appointed as Vice Chairman in May 2019.
- He has been Executive Director of CP Lotus since 2000 and Director of Siam Makro Public Company Limited since 2013.
- He is currently Chairman of the Steering Committee of the UN Global Compact Local Network in Thailand; President of the Telecommunications Association of Thailand Under Royal Patronage; Director and Advisor at the Master of Science Program and Doctor of Philosophy Program in Technopreneurship and Innovation Management, Chulalongkorn University; Advisor to Executive Chairman of Rajaprajnugroh Foundation; Director of Ramathibodi Foundation; and Board member of Trustees, Bangkok University.
- Suphachai Chearavanont was awarded the 2015 Frost & Sullivan Asia Pacific Telecom CEO of the Year at The Asia Pacific ICT Awards.
- He is also the Chairman of the Sub-committee for Fund Raising Thai Red Cross Eye Bank and a Member of Management Committee on Nation-wide Strategic Approach Eye Provisioning.
- He obtained a Bachelor of Science degree in Business Administration in financial management from Boston University (USA).

Dr. Ajva Taulananda (Vice Chairman, Charoen Pokphand Group; Vice Chairman, True Corporation Public Company Limited)

- Dr. Ajva Taulananda has been Vice Chairman of Charoen Pokphand Group since 1992.
- He is Vice Chairman of the Board of True Corporation Public Company Limited, Chairman of the Finance Committee and Member of the Corporate Governance Committee of True Corporation Public Company Limited. He was Director and President of True Corporation Public Company Limited from 1993 to 1999.
- He is Director of Subsidiaries of True Corporation Public Company Limited, Chairman of the Board of Trustee of Thailand Management Association Director and the office of the National Economic and Social Development Board.
- Dr. Taulananda served as Chairman of the Thai Chamber of Commerce and Board of Trade of Thailand from 2001 - 2004 and Deputy Minister of Ministry of Agriculture and Cooperatives from 1991 - 1992.
- He was awarded a Master's Degree of Industrial Engineering and Doctorate of Industrial Engineering and System at Illinois Institute of Technology, USA. He obtained his Bachelor's Degree in Industrial Engineering at Chulalongkorn University and he received Honorary Doctorates from a number of universities in Thailand including The University of Thai Chamber of Commerce, Ramkhamhaeng University, and Chulalongkorn University.

Adirek Sripratak (Vice Chairman, Charoen Pokphand Foods Public Company Limited; Director of CP ALL Public Company Limited and Siam Makro Public Company Limited)

- Adirek Sripratak is Vice Chairman at Charoen Pokphand Group.
- He is the Vice Chairman of Charoen Pokphand Foods Public Company Limited ("CPF"). He has been the Chairman of the Executive Committee since 2017. He is also a member of CPF Corporate Social Responsibility and Sustainable Development Committee, as well as a Director of several subsidiaries of CPF.
- Adirek is also a director of CP ALL Public Company Limited and Siam Makro Public Company Limited.
- He has over 40 years' experience in the agri-business and food industry. His experience is widely recognized and has led to his appointment to a number of public offices and positions. His public service experience includes serving as a Senator of the National Assembly of Thailand, the Honorary Chairman of the Thai Broiler Processing Exporters Association and an Honorary Director of Chiang Mai University Council.
- He received Honorary Doctorates from a number of universities in Thailand including Maejo University, Mae Fah Luang University, Rajamangala University of Technology Suvarnabhumi, Chiang Mai University, Rajamangala University of Technology Isan, Ubon Ratchathani University and Kasetsart University.

Tanin Buranamanit (CEO, CP ALL Public Company Limited)

- Tanin Buranamanit is Director, Managing Director, Chief Executive Officer and member of Executive Committee at CP ALL Public Company Limited
- His previous experience includes being the Chief Executive Officer of Marketing & Distribution at Charoen Pokphand Group, Executive Vice President of Marketing, Operation and Human Resource at CP ALL Public Company Limited (2012), Executive Vice President of Marketing and Operation (2007), Vice President of Marketing and Assistant Vice President of Marketing at C.P. Seven Eleven Public Co. Ltd (1999). He was also Assistant Vice President of Sunny Supermarket Co. Ltd in 1998.
- He holds a Bachelor's Degree in Marketing at Thammasat University.

Umroong Sanphasitvong (Deputy Group CFO, Charoen Pokphand Group; Director of True Corporation Public Company Limited, CP ALL Public Company Limited, and Siam Makro Public Company Limited)

- Umroong Sanphasitvong is Deputy Group CFO at Charoen Pokphand Group.
- He has been a Director of True Corporation Public Company Limited since 2001.
- He is currently a Director and Member of Executive Committee of CP ALL Public Company Limited and he has been Executive Director of C.P. Lotus Corporation since 2005.
- Umroong is currently an Executive Director and Director of Siam Makro Public Company Limited.
- He is also a Member of the Finance Committee and Member of the Compensation and Nominating Committee of True Corporation Public Company Limited.
- He obtained a Bachelor of Accounting and a Master Degree of Accounting at Thammasat University in Thailand.

Hans Werner Reich (Senior Advisor, C.P. Group)

- Hans Werner Reich is Chairman of the Supervisory Board of the Citigroup Global Markets German Corporation and has been Chairman of the Advisory Board of the Bank since October 2008. He is also member of the European Advisory Board to Citigroup.
- Moreover he is a member of the International Advisory Council of the Chinese Development Bank, as well as Hon. Chairman, Financial and Investment Committee Charoen Pokphand Group Bangkok, Thailand.
- He is a Member of the Board for the Foundation of Capital Markets Research, Frankfurt (since 2004).
- Prior to joining Citigroup, Hans Werner Reich was Chairman of the Board of the KfW Bank Group (1999-2006) as well as Member of the Board from 1990-1999. He began his KfW career in 1966 in the field of Export and Project Financing.
- During a career spanning over 56 years, he has brought his expertise and experience to a number of supervisory and advisory boards, including but not limited to Thyssen Krupp AG, Duisburg (2000-2010), Ruhrkohle AG, Essen (2000-2005), IKB Deutsche Industriebank AG, Duesseldorf (1999-2006), and Deutsche Telekom AG, Bonn (1999-2006).

Independent Non-Executive Directors of C.P. Group Listed Companies

Dr. Chaiyawat Wibulwasdi (Independent Director of Charoen Pokphand Foods Public Company Limited, and Siam Makro Public Company Limited)

- Dr. Chaiyawat Wibulwasdi serves as Director, Member of the Audit Committee, Chairman of the Corporate Social Responsibility and Sustainable Development Committee and a member of the Corporate Governance Committee at Charoen Pokphand Foods Public Company Limited.
- He is also the Independent Director and Member of the Audit Committee at Siam Makro Public Company Limited.
- He is Chairman of Thailand Futures Exchange, Advisor to Deputy Prime Minister on Economy, Board of Director at College of Management Mahidol University, Honorary Advisor at Fiscal Policy Research Institute and member of the PUEY Ungphakorn Institute for Economic Research.
- Dr. Wibulwasdi is also Chairman of the Chairman of The Stock Exchange of Thailand and an Economic Advisor to Deputy Prime Minister.
- His past experience includes Chairman, Executive Board at Corporate Social Responsibility Institute (CSRI); Chairman of the Board of Executive Directors at Krung Thai Bank; Vice Chairman of Securities and Exchange Commission, Thailand; Advisor to Deputy Prime Minister and Minister of Finance; Governor at Bank of Thailand and Deputy Finance Minister and Acting Finance Minister.
- He obtained his Bachelor Degree in Economics at Williams College in USA and Ph.D. at Massachusetts Institute of Technology in USA.

Dr. Kosol Petchsuwan (Independent Director, True Corporation Public Company Limited)

- Dr. Kosol Petchsuwan has been an Independent Director, Chairman of the Corporate Governance Committee and Member of the Audit Committee at True Corporation Public Company Limited.
- He is also a Member of the National Legislative Assembly (2014 to present) and Independent Director and Chairman of the Audit Committee for Industrial and Commercial Bank of China (Thai) Public Company Limited (2004 to present).
- Dr. Petchsuwan's past experiences includes being the Director at Mahidol Wittayanusorn School (Public Organization); President of The Telecommunications Association of Thailand under Royal Patronage; Chairman of the Aeronautical Radio of Thailand Limited and Rector at King Mongkut's Institute of Technology Ladkrabang.
- He received a Bachelor of Engineering and Doctor of Philosophy (Engineering) at Imperial College London.

Professor Prasobsook Boondech (Independent Director, CP ALL Public Company Limited)

- Professor Prasobsook Boondech is the Independent Director and Chairman of the Sustainability and Corporate Governance Committee at CP All Public Company Limited.
- He has been an Independent Non-Executive Director of C.P. Lotus since 2012.
- He obtained a Bachelor of Laws degree from Thammasat University in Thailand.
- Professor Boondech was admitted as barrister-at-Law, Institute of Legal Education, Thai Bar Association, Thailand in 1967 and Barrister-at-Law, Lincoln's Inn, England in 1972.
- He has extensive experience in the legal field and is a lecturer on Family Law, faculty of Law, Chulalongkorn University and Institute of Legal Education, Thai Bar Association, Thailand.
- He was the President of the Senate of Thailand from 2008 to 2011.

Andrew Ma Chiu Cheung (Independent Director, C.P. Pokphand Company Limited)

- Andrew Ma has been an Independent Non-executive Director and Chairman of the Audit Committee of C.P. Pokphand since 2005. He has been a member of the Remuneration Committee of the Company since 2006. He was also appointed Chairman of the Remuneration Committee and a member of the Nomination Committee of the Company on 1 April 2012. He was further appointed as Chairman of the Corporate Governance Committee in August 2016.
- He is a founder and former director of AMA CPA Limited (formerly known as Andrew Ma DFK (CPA) Limited) and is presently a director of Mayee Management Limited.
- With more than 40 years' experience in the fields of accounting, auditing and finance, Andrew received his Bachelor's Degree in Economics from the London School of Economics and Political Science (University of London) in the United Kingdom. He is a fellow member of the Institute of Chartered Accountants in England & Wales, the Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Directors and The Taxation Institute of Hong Kong.
- In addition to his directorship in C.P. Pokphand, he is also an Independent Non-Executive Director at a number of listed companies including Asia Financial Holdings Limited, China Resources Power Holdings Company Limited, Chong Hing Bank Limited, Asiaray Media Group Limited, and C-MER Eye Care Holdings Limited.
- He was previously an Independent Non-Executive Director of Asian Citrus Holdings Limited, Beijing Properties (Holdings) Limited and Tanrich Financial Holdings Limited.

External Independent Members

Paron Israsena Na Ayudhaya

- Paron Israsena Na Ayudhaya spent 39 years at Siam Cement Group (SCG), including the last eight as CEO. He retired in 1992, serving on the Board of Directors until 2007. He was the head of team to develop SCG's philosophy, ethics and good corporate governance.
- He is the Chairman of the Board at Thaicom and an Independent Director since 1994. He was a Director of Shin Corp (now Intouch) from 1992 to 2002.
- Since 2012, he is Honorary Chairman of the Board, DT Group (Magnolia Quality Development). He is Honorary Chairman of the Board, Thonburi Automotive Assembly Plant since 2011. He is a Director at the National Science and Technology Development Board since 2004. He is a Director at Nailert Park Hotel since 1997.
- Paron was Director, an Audit Committee Member and Chairman of Nomination and Compensation Committee, Padaeng Industry from 1994 to 2015, and was also a Director and Chairman of the Audit Committee at Sammakorn since 1994. He was a Member, National Reform Council; Chairman, Educational Reform and Personal Development Commission; Member and Chairman of Audit Committee, Thai Red Cross Society
- He is Chairman, the National Economic and Social Development Board; President, Darunsikhalai School for Innovative Learning of King Mongkut's University of Technology Thonburi; Vice President, Thaicom Foundation; Honorary President, Thonburi Phanich Group; Board Member, National Competitiveness Development Committee; Chairman of Human Resource Development Subcommittee; Director, Council of Chiang Mai Rajabhat University; Chairman, Shinawatra University Council; Member of the Selection Committee, the Board of Directors of a State Enterprise, Ministry of Finance
- Other professional experience includes: Chairman, the Federation of Thai Industries; Senator and Member of National Legislative Assembly; Chairman, Committee on Economics & Industry of the Senate; Director, Thailand Productivity Institute; Director, Office of the Education Council; Chairman, Office of the Basic Education Committee, Ministry of Education; Member of Chiang Mai University Council.
- He holds a Master of Science (Mechanical Engineering), MIT, (1954); B.Eng-EE (Hons) from Chulalongkorn University (1950); B.Eng-ME, Chulalongkorn University; SM-ME, MIT (1951); Honorary Degree, Doctor of Business Administration from Chulalongkorn University, Yonok College (1986), Honorary degree, Doctor of Science, Chiang Mai University in 1992; and Honorary degree, Doctor of Engineering, Suranaree University of Technology in 2002 and others.

Professor Hiran Radeesri

- Professor Hiran Radeesri serves as Expert on Corporate Governance and Social Responsibility, The Stock Exchange of Thailand.
- He is an Independent Director and Chairman of the Audit Committee at Thaicom, Navakit Insurance and of Dusit Thani, respectively.
- He serves as Chairman of the Tax Auditor Examination Committee in the Revenue Department. He is an Honorary Chairman of the Thai Institute of Directors (IOD). He is a Member of the Preparation of the List of Director in State Enterprises Committee at the Ministry of Finance. He is a qualified Director of the Federation of Accounting Professions and also academic member of Thammasat University Council.
- Professor Radeesri served as the Chairman of the Audit Committee of The Stock Exchange of Thailand and was a member of the Board of Directors.
- He served as Chairman of the Board of Directors of Mass Rapid Transit Authority Board. He was Governor of State Railways of Thailand. He served as Chairman of Price Waterhouse Ltd., etc.
- He holds an Honorary Doctorate in Accounting from Thammasat University, an MBA from Wharton Business School, University of Pennsylvania, and B.Com and Higher Diploma in Accounting from Thammasat University.

Dr. Kittipong Kittayarak

- Dr. Kittipong Kittayarak is Executive Director, Thailand Institute of Justice since 2015. He served as Advisor to the Prime Minister from 2014 to 2015. He was appointed Permanent Secretary, Ministry of Justice, in 2008, a post he held until 2014; and Deputy Permanent Secretary from 2003 to 2008.
- Since 2014, he serves as an Independent Director and Chairman of the Audit Committee of PTT pcc and an Independent Director, Chairman of the Audit Committee and Member of the Compliance Committee of Krung Thai Bank Plc.
- He serves as Director of the Narcotics Control Board since 2015; an Honorary Director of Special Investigation Commission, Department of Special Investigations since 2014; Chairman, Board of Trustees, Bangkok University, since 2014; Member of the Executive Committee, Asia Crime Prevention Foundation since 2011; Member of the Board of Committee, Thai Bar Association since 2010; Member of Mahidol University Council since 2009.
- He was selected an outstanding alumnus of the Faculty of Law, Chulalongkorn University in 2008, a member in the Thailand Fulbright's Hall of Fame in 2010 and man of the Year by the Association for the Promotion of Women's Status Under the Royal Patronage in 2000.
- Dr. Kittayarak received his first law degree from Chulalongkorn University, Thailand. He earned his LL.M. degree at Cornell Law School in 1983 and returned to Thailand, where he qualified for the Thai Bar. He then obtained an LL.M. from Harvard Law School in 1988 and a J.S.D. from Stanford in 1990.

David Eldon

- David Eldon is a former Chairman of HSBC, Asia Pacific, and retired from the Group in 2005. He started working at HSBC Middle East in 1968 and after a number of positions in both the Middle East and Asia, became CEO of HSBC Malaysia in 1988; he rose to become Chief Executive Officer of HSBC Asia Pacific in 1996 and then its Chairman in 1999.
- He returned to banking in 2011, and holds the position of non-executive Chairman of HSBC Bank Middle East and was appointed Chairman of HSBC Bank Oman S.A.O.G. in 2013.
- Current positions include: Chairman of Octopus Cards Ltd., Vice Chairman of the Noble Group; Director of the DIFC Higher Board in Dubai and a number of other advisory roles in Hong Kong and elsewhere.
- Previous positions include: Senior Adviser to PricewaterhouseCoopers in Hong Kong & China (2005 - 14); non-executive Chairman of Hang Seng Bank, a director of HSBC Australia, director of MTR, director of Swire Pacific, Deputy Chairman of The Hong Kong Jockey Club, Chairman of the Hong Kong General Chamber of Commerce and Chairman of the Dubai International Financial Centre Authority; Member of the Presidential Committee for National Competitiveness of President of South Korea Lee Myung-bak.
- David's awards and accolades include Hong Kong Business Person of the Year in 2003, the Gold Bauhinia Star from the Government of Hong Kong in 2004 and the Asian Banker Lifetime Achievement Award in 2005.
- He is a Commander of the British Empire and was awarded Honorary Citizenship of Seoul in recognition of his work for the city.

Kath Cates

- Kath Cates has over 25 years' experience in international financial services, most recently as the Singapore-based Chief Operating Officer of Wholesale Banking for Standard Chartered Bank until 2013. In this role she led the Risk, IT, Operations, Legal and Compliance, Human Resources, Strategy, Corporate Affairs, Brand and Marketing functions across 60 countries.
- Prior to that, she spent 22 years at UBS, most recently in the Zurich-based role of Global Head of Compliance. Previously she was based in Hong Kong where key roles included Regional Operating Officer (2004-09) and APAC General Counsel (2000 - 04).
- Kath is a non-Executive Director of RSA Insurance Group Plc, where she chairs the Board Risk Committee and is a member of the Group Audit Committee and the Remuneration Committee.
- She also acts as a Non-Executive Director of Brewin Dolphin, where she chairs the Board Risk Committee since 2015 and is a member of the Group Audit Committee.
- She was appointed on the Board of Threadneedle AM (effective 10 May 2016) and the Board of Threadneedle Investment Services Limited (effective 29 March 2016) as a Non-Executive Director.
- Kath earned a First Class Honors degree in Jurisprudence from Oxford University and qualified as a Solicitor in England & Wales before specializing in financial services.

George Hongchoy

- George Kwok Lung Hongchoy has been an Executive Director and Chief Executive Officer of Link Asset Management Limited since 2009 and 2010 respectively. He is also a Director of The Link Holdings Limited, Link Properties Limited, The Link Finance Limited and all other subsidiaries of Link.
- He is the chairman of the Supervisory Committee of Tracker Fund of Hong Kong (listed in Hong Kong), a trustee of the University of Pennsylvania, a member of the Asia-Pacific Advisory Board of International Council of Shopping Centers, a global governing trustee of the Urban Land Institute and an advisor of Our Hong Kong Foundation Limited.
- He was previously a director of Hong Kong Cyberport Management Company, a Council Member of Hong Kong Institute of Certified Public Accountants and Chairman of its Corporate Finance Committee in 2008, a director of Hong Kong Securities and Investment Institute in 2006-11, and a Professor of Practice (Real Estate) at The Hong Kong Polytechnic University.
- George holds a Bachelor of Commerce degree from the University of Canterbury and an MBA degree from Wharton. He is a Chartered Accountant, a Senior Fellow and a member of the Corporate Advisory Council of Hong Kong Securities and Investment Institute, a Fellow member of the Hong Kong Institute of Certified Public Accountants, the Chartered Accountants Australia and New Zealand, The Hong Kong Institute of Directors, the Royal Institution of Chartered Surveyors and Institute of Shopping Centre Management.
- He was named Business Person of the Year by DHL/SCMP Hong Kong Business Awards in 2015. He received the Asian Corporate Director Award by Corporate Governance Asia in 2013-2015, Director of the Year Award under the category of Listed Companies - Executive Directors by The Hong Kong Institute of Directors and Outstanding Entrepreneurship Award by Enterprise Asia in 2011.





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