
CPF Global Food Solution Public Company Limited

Compliance Policy

1. Objective

CPF Global Food Solution Public Company Limited (“the Company”) believes that operating the business in accordance with applicable laws, rules and regulations will lead organization to a sustainable growth and preserve the trust and confidence of shareholders and stakeholders. The Company has established the Compliance Policy as a guidance for directors, executives and employees at all levels, in all parts of the Company and/or its subsidiaries, to strictly adhere to in carrying out their duties and operations.

2. Scope

This Policy applies to the Company and its non-listed subsidiaries. For the Company's listed subsidiaries and their subsidiaries, they can deploy this Policy as appropriate to align with their business context and internal management process according to the geosocial background of the country in which they operate.

3. Terms and Definitions

The Company

CPF Global Food Solution Public Company Limited

Subsidiaries

Subsidiary companies in accordance with Securities and Exchange Act and subsidiary companies as included in the financial statements of the Company, but excluding:

- (a) a subsidiary company whose ordinary shares are listed in any stock exchange;
- (b) any subsidiary company of a company under (a)

Regulations

1. Laws and Regulations 2. Internal Rules 3. Licenses and Approvals 4. Contracts and Commitments 5. Voluntary Standards and Best Practices that the Company and/or its subsidiaries uphold.

The scope of regulations under the Corporate Compliance Office are confined specifically to the regulations that could significantly impact on the organization. In case of Internal Rules, the Internal

Rules shall be confined specifically to internal policies and rules that are applicable at the corporate level only

Directors

Directors of CPF Global Food Solution Public Company Limited and/or its subsidiaries

Executives

Executives of CPF Global Food Solution Public Company Limited and/or its subsidiaries

Employees

Any employees of CPF Global Food Solution Public Company Limited or its subsidiaries that receive daily or monthly remuneration whether on permanent, temporary or special employment contracts

Personnel

Directors, Executives, and Employees of CPF Global Food Solution Public Company Limited and/or its subsidiaries

Compliance Framework

The guideline to encourage and govern compliance which consists of the following: 1. Tone at the top 2. Establishing structure and reporting line 3. Defining scope and priority of regulations 4. Establishing and implementing the Compliance Process 5. Selecting the suitable information technology for compliance 6. Defining Key Performance Indicators (KPIs) or any other appropriate measurements 7. Creating the compliance culture 8. Continuously improving Compliance Framework

Compliance Process

The Company and/or its subsidiaries' compliance process that serves to ensure all personnel strictly adhere to and comply with relevant regulations. The process consists of the following: 1. Regulatory updating and monitoring 2. Compliance risk assessment 3. Communication, training and advisory 4. Compliance review and monitoring 5. Compliance reporting

6. Follow-up on remedial action to improve non-compliance issue

7. Non-compliance management

Corporate Compliance Office Central compliance function of CPF Global Food Solution Public Company Limited that is responsible for developing the compliance guidelines, governing and advising on compliance matters

Functional Compliance The functions that are responsible for specific regulatory compliances, such as the Human Resource Office, Food Regulations Affairs, Safety, Health, Environment and Energy Office, etc.

4. Roles and Responsibilities

4.1 Board of Directors

To govern, encourage, and support all personnel to strictly adhere to and comply with relevant regulations in carrying out their duties and responsibilities.

4.2 Audit Committee

To review the Company and its subsidiaries' activities and ensure that all entities strictly adhere with relevant regulations.

4.3 Risk Management Sub-Committee

To review, monitor on compliance risk assessment reports and the effectiveness of risk management approach to ensure all operations adhere to and comply with the stipulated Risk Management Policy.

4.4 Chairman of Executive Committee

To direct, govern, and advise the Corporate Compliance Office on compliance matters to ensure the Compliance Framework and Compliance Process are efficiently adopted.

4.5 Executive Committee

- 4.5.1 To govern, encourage, and support the Company to have the Compliance Framework and the Compliance Process to align with the Company business environment and values; embed a culture of compliance turning into the Company culture to ensure that personnel at all levels are aware of and place importance on compliance and the operations of the Company are conducted in accordance with relevant regulations and align with risk appetite.
- 4.5.2 To support the Corporate Compliance Office and the Functional Compliance in implementing the Compliance Process.
- 4.5.3 To acknowledge non-compliance report and follow-up on business units to carry out corrective actions on non-compliance and/or risks of non-compliance.
- 4.5.4 To scrutinize any non-compliance reports which significantly impact the Company and/or its subsidiaries before reporting to the Board of Directors.
- 4.5.5 To set up compliance matter as one of the Key Performance Indicators for the annual performance appraisal.

4.6 Corporate Compliance Office

- 4.6.1 To establish and revise the Compliance Policy, Charter, Manual and Roadmap of Corporate Compliance Office in accordance with the Company's business environment and its core values.
- 4.6.2 To encourage and communicate to the Company's personnel to understand their related regulations and to be aware of the importance of compliance.
- 4.6.3 To develop the Compliance Framework.
- 4.6.4 To develop Compliance Process in consistence of the following:
 - 4.6.4.1 Regulatory Updating and Monitoring
 - 4.6.4.2 Compliance Risk Assessment
 - 4.6.4.3 Communication, Training, and Advisory

4.6.4.4 Compliance Review and Monitoring

4.6.4.5 Compliance Reporting

4.6.4.6 Follow-Up on remedial action to improve non-compliance issue.

4.6.4.7 Non-Compliance Management

4.6.5 To execute compliance work according to the Compliance Framework and the Compliance Process including matters related to compliance assigned by senior executives and relevant committees.

4.6.6 To communicate, coordinate and advise the Functional Compliance and Business Units to effectively follow the Compliance Process.

4.6.7 To prepare a summary report on compliance assessment results and relevant report to the Executive Committee and/or relevant executives.

4.6.8 To manage, coordinate and give advice in case of receiving complaints from within or outside the organization both from public and private sectors related to regulations or found a non-compliance complaint that has a significant impact on the organization and prepare or jointly prepare a summary report on the non-compliance complaints and corrective action plan to report to relevant executives.

4.6.9 To join any committees or working groups which related to roles and responsibilities mentioned above.

4.7 Functional Compliance

4.7.1 To cooperate and coordinate with the Corporate Compliance Office to ensure compliance with the Compliance Process.

4.7.2 To follow the compliance process for the rules within function's responsibilities.

4.7.3 To govern and monitor to ensure all personnel strictly adhere to and comply with regulations responsible by the Functional Compliance.

4.8 Risk Management Office

To review and monitor results on compliance risk assessment and management, and report to the Risk Management Sub-Committee.

4.9 Internal Audit Office

4.9.1 To review the Compliance Process and advise on areas for improvement.

4.9.2 To coordinate with the Corporate Compliance Office to manage non-compliance complaints.

4.10 Executives

4.10.1 To strengthen the compliance culture within the organization in order to raise awareness of the importance of compliance, including creating a proper environment for compliance.

4.10.2 To support, cooperate, and supervise their subordinates to support and cooperate with the Corporate Compliance Office and the Functional Compliance in following the Compliance Process.

4.10.3 To supervise their responsible functions to have an appropriate compliance process to prevent non-compliance issues.

4.11 Employees

4.11.1 To comply with all relevant regulations and be aware of the consequences and damages resulting from non-compliance.

4.11.2 If an employee finds any misconduct or act that may appear to violate or not comply with applicable regulations, the employee shall report the matter through the designated channels stated in the Company and/or its subsidiaries' Whistleblowing Policy.

5. Compliance Framework

5.1 Principle

- 5.1.1 Compliance is the responsibility of all personnel within the organization. All directors, executives and employees shall cooperate, strictly adhere to, and comply with all relevant regulations.
- 5.1.2 Compliance with the regulations is part of operational process that shall be executed continuously and regularly.
- 5.1.3 The Company shall determine a compliance structure and responsible function to govern, monitor, report and advise on compliance matters.

5.2 Compliance Framework

The Compliance Framework comprises of the following 8 elements:

5.2.1 Tone at the top

To stipulate the Compliance Policy that is appropriate to the Company business environment and values; communicate the Policy to all personnel at all levels to raise awareness of the importance of compliance and embed a culture of compliance.

5.2.2 Establishing structure and reporting line

To establish the Compliance Structure and Reporting Line to support and push forward the compliance of the Company effectively to align with the Compliance Policy. The Company has therefore appointed the Corporate Compliance Office as a central function to govern and manage on compliance matters with its reporting line directly to the chairman of the Executive Committee.

5.2.3 Defining scope and priority of regulations

To be clearly defined the scope of the regulatory to be governed; the Company has specified the scope of the regulatory covering 5 regulatory categories as follows:

1. Laws and Regulations – Laws, rules, regulations, declarations, orders and other stipulations, legislated by government agencies, that the Company and/ or its subsidiaries shall strictly adhere to and comply with.

2. Internal Rules – The Company and/or its subsidiaries’ internal rules and regulations enforced within the organization.
3. Licenses and Approvals – Terms and conditions in licenses, approvals, permits or Investment Promotion Certificate that the Company and/or its subsidiaries shall strictly adhere to and comply with.
4. Contracts and Commitments – Terms and conditions of contracts and/ or commitments that the Company and/or its subsidiaries shall strictly adhere to and comply with the conditions or the obligations in such contracts and/or commitments.
5. Voluntary Standards and Best Practices – Standards and best practice guidelines that the Company and/or its subsidiaries voluntarily complies to meet stakeholders’ expectations.

The scope of regulations under the Corporate Compliance Office are confined specifically to the regulations that could significantly impact on the organization. In case of Internal Rules, the Internal Rules shall be confined specifically to internal policies and rules that are applicable at the corporate level only.

Given the number of regulations that fall within the aforementioned scope, the Company shall prioritize the importance of each regulation by considering potential risk and impact on the organization to promote efficiency in the Compliance Process.

5.2.4 Establishing and implementing the Compliance Process

To establish the Compliance Process for the Company and/or its subsidiaries to ensure compliance with applicable regulations. The Compliance Process shall support and encourage all personnel on compliance, as well as prevent, detect and manage non-compliances issues in order to build confidence that the Company and/or its subsidiaries operations comply with its applicable regulations. The Compliance Process comprises of 7 sub-processes as follows:

1. Regulatory updating and monitoring

To gather relevant internal and external regulations, including monitor and update the Compliance Regulation Inventory.

2. Compliance risk assessment

To evaluate potential regulatory risk and impact to the organization in order to prioritize and manage such risk and impact by taking into account the time, resources and budget. The Company shall determine a compliance risk assessment criteria that shall be applicable to the entire organization and revise such criteria and assessment results on a regular basis or if there is any regulatory update.

3. Communication, training, and advisory

To communicate, train and advise on regulations to promote awareness and understanding to all personnel relating to relevant regulations in respect to each personnel duties and responsibilities.

4. Compliance review and monitoring

To review and monitor compliance to relevant regulations to mitigate risk and consequences resulting from non-compliance including specifying appropriate corrective actions in case of non-compliance. The process may be conducted either through a self-assessment or a sampling review by the Corporate Compliance Office.

5. Compliance reporting

To report to relevant executives on compliance assessment results, non-compliance issues and other compliance matters for acknowledgement and/or identification of corrective actions within an appropriate timeframe.

6. Follow-up on remedial action to improve non-compliance issue

To follow up on corrective actions taken on non-compliances to ensure risks associated with the non-compliances are effectively mitigated and such actions are performed on regular basis and within the agreed timeframe.

7. Non-compliance management

To set up non-compliance complaint channels and non-compliance management procedure in order to manage and correct non-compliances and minimize potential risks and impact in the future.

5.2.5 Selecting the suitable information technology for compliance

To select the suitable information technology to manage compliance process and database in order to effectively support the Compliance Process and reduce redundancy in operations.

5.2.6 Defining Key Performance Indicators (KPIs) or any other appropriate measurements

To set up compliance as one of the key performance indicators for annual performance appraisal and bound into the compensation of department or individual personnel in order to reinforce their commitments to compliance rigorously and regularly.

5.2.7 Creating the compliance culture

To embed a culture of compliance and values across the Company and/or its subsidiaries to promote understanding and awareness on the importance of compliance as a duty of all personnel and as a part of their work process.

5.2.8 Continuously improving Compliance Framework

To regularly and continuously review, revise, and improve the Compliance Framework and Compliance Process to suit the current businesses and culture of the Company in order to maximize efficiency and provide optimum benefits to the Company.

6. Penalty

If an employee conducts an activity that constitutes a violation or non-compliance with applicable regulations, whether directly or indirectly, the employees shall be subject to the disciplinary action according to the work rules of the Company or its subsidiaries as well as the penalty as imposed by the law.

7. Policy Revision

The Corporate Compliance Office shall revise this Policy on an annual basis or earlier as appropriate. If the Policy is found to be unsuitable with the nature of business operations of the Company and/or its subsidiaries, the Corporate Compliance Office shall revise and propose the revised policy to the Board of Directors for approval.

This Compliance Policy was approved by the Board of Directors on 1 February 2023.