
CPF Global Food Solution Public Company Limited

**Sustainable Sourcing Policy and
Supplier Guiding Principle**

1. Objective

CPF Global Food Solution Public Company Limited understands that “Business Partners” are the key to success in delivering products and services with high quality, nutritious, taste, safety and traceability based on socially-and-environmentally-responsible business conduct.

The Company truly believes that stability and sustainable success depends greatly on systematic social and environmental responsibility throughout the business operations of the Company and/or its subsidiaries and the Business Partners. The Company, thus, formulates its Sustainable Sourcing Policy and Supplier Guiding Principle to ensure that business partnership between the Company and/or its subsidiaries and its Business Partners is in accordance with relevant laws and regulations. This Policy and Guiding Principle does not only enhance potential, improve competitiveness and foster long-term mutual growth, but also offers an opportunity to the Company and/or its subsidiaries and its Business Partners to participate in an effort to develop balance and to improve the society and the environment, which will, in turn, ensure sustainability growth of the business.

2. Scope

This Policy and Guiding Principle applies to the Company and its non-listed subsidiaries which are encouraged to be adopted by the Business Partners for their business operation. For the Company's listed subsidiaries and their subsidiaries, they can deploy this Policy and Guiding Principle 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 company under (a)
Business Partners	Suppliers of products and services including labor and services contractors
Sustainable Sourcing Steering Committee	A team of Executives of the Company which is appointed and tasked by President to drive and govern the sustainable sourcing operations
Sustainable Sourcing Working Group	Executives and Employees which are assigned and appointed by the Sustainable Sourcing Steering Committee
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

4. Roles and Responsibilities

4.1 Board of Directors

To approve the Sustainable Sourcing Policy and Supplier Guiding Principle.

4.2 President

To govern, encourage, and support the Sustainable Sourcing Steering Committee and provide comments and suggestions for its operations and the Policy implementation.

4.3 Sustainable Sourcing Steering Committee

4.3.1 To establish policies and directions on sustainable sourcing to be proposed to the President.

4.3.2 To consider and appoint the Sustainable Sourcing Working Group as necessary and appropriate.

- 4.3.3 To govern, monitor, advise, and offer recommendations to the Sustainable Sourcing Working Group in respect of scope and plan for implementation, plan for promoting compliance with the Sustainable Sourcing Policy and Guiding Principle, plan for Business Partners' audit, plan for improvement, plan for review the process of assessment and any instruments (audit protocol, self-assessment checklist, and audit checklist), plan for communication, public, and advertisement in relation to the sustainable sourcing to Executives, Employees, Business Partners, and stakeholders, including provide operational supports by attending meetings for determining the directions of implementation and for periodical following the assignment on a scheduled timeframe.
- 4.3.4 To follow up the progress of resolved issues which may arise from the operations, determine measures to prevent repeated issues, assess the result of operation of the sustainable sourcing, provide recommendation for improvements, and report to President at least once a year.

4.4 Sustainable Sourcing Working Group

To perform duties and tasks as assigned by the Sustainable Sourcing Steering Committee according to article 4.3.3.

5. Principle

In order to ensure that the operation of its Business Partners is in accordance with the Sustainable Sourcing Policy, the Company, thus, stipulates the following guidelines for sourcing management as follows.

- Provide training to relevant employees to equip them with knowledge and understanding of the Policy and Guiding Principle.
- Communicate the Policy and Guiding Principle to the Business Partners.
- Continually monitor and assess the operation of the Business Partners.
- Foster potential and competitiveness on the basis of social responsibility.

The Company also sets guidelines for its Business Partners covering 4 principles of operation as follows.

Products and Services

The Company places great importance and attention on the “quality and safety throughout the food chain” which is considered an important initial factor in delivering quality and safe products and services to consumers. The Company, thus, expects its Business Partners to comply with the following business practices.

- **Quality and Safety**

Business Partners shall create and deliver environmentally-friendly products which are high in quality and safety through appropriate control and management methods to ensure that the products and services delivered meet the Company and/or its subsidiaries’ requirements and terms agreed by the Business Partners.

- **Traceability**

If requested by the Company and/or its subsidiaries and relevant parties, Business Partners shall produce proof or documents which certify that products and services are not sourced from deforestation areas, World Heritage areas or key biodiversity areas, including certify that product and service sourcing does not reduce natural resource abundance. Business Partners shall also present proof which certifies that the production meets the quality and safety standards.

People

The Company places great importance on treating its personnel with fairness and respect to human rights and expects Business Partners to also take the issues seriously by complying with the following regulations.

- **Child Labor**

Business Partners shall comply with international labor law and regulations on the minimum employment age and shall not allow young workers to perform work tasks that may pose risks to their health, development or compulsory education.

- **Forced Labor**

Business Partners shall not endorse or engage in forced labor of any form, and shall not collect any money or personal documents from employees unless otherwise stipulated by law.

- **Non-Discrimination**

Business Partners shall respect the differences among employees and equally treat all employees without unfairly benefiting or depriving employees based on their ethnicity, nationality, race, skin color, ancestry, religion, social status, gender, age, disability, political beliefs and marital status etc.

- **Compensation**

Business Partners shall comply with labor law on wages, compensation, overtime pay and various forms of benefits, and shall not deduct wages under any circumstances unless otherwise exempted by law.

- **Working Hours**

Business Partners shall set the normal working hours which will not exceed that stipulated by law, and shall keep the overtime hours of employees within the limit stipulated by law.

- **Freedom of Association and Collective Bargaining**

Business Partners shall respect the employees' right to set up or to join a labor union, and the employees' right to enter into negotiation as stipulated by law.

- **Occupational Health and Safety**

Business Partners shall ensure that the work environment, machines, equipment and operations are safe and hygienic. This includes setting measures for safe operating procedures, prevention measures against occupational accidents and diseases, and any other relevant technical measures, which are appropriate for the nature of work in order to reduce risks which can be posed on employees and which can affect the production.

Process

The Company realizes the value and the significance of natural resources and the environment which are the basic factors of and the basis for the food businesses. Thus, the Company has been operating under the concept “Green Business,” strictly complying with rules and regulations. The Company places great importance on ensuring efficient and effective resources management within the production process, and pays great attention to its environmentally-friendly approaches to the development of innovation and to its various organic products.

As Business Partners are part of the operating process, the Company expects Business Partners to operate in accordance with the Company’s operating principles as follows.

- **Environmental Management**

Business Partners shall comply with both national and local environmental rules and regulations, and will ensure environmentally- friendly operation by

- Ensuring efficient resources management which includes reducing greenhouse gas emissions, reducing energy and water consumption, and reducing environmental pollution such as reducing excessive use of chemical insecticide, and
- Taking part in conservation of natural resources and biodiversity to ensure ecological balance.

- **Efficiency Improvement / Innovation Development**

Business Partners shall collaborate in the operation, and the knowledge and experience exchange in order to continually improve the operating processes, which, in turns, brings about increasing efficiency and innovation in the business.

Performance

The Company adheres to the good corporate governance principle, appropriate risk management and compliance with relevant rules and regulations related to efficient, systematic, transparent and verifiable organizational management. The Company and/or its subsidiaries expects Business Partners to operate based on consistent organizational management approaches with regard to the following issues.

- **Legal Compliance**

Business Partners shall abide by relevant laws and regulations and comply with the Company's Code of Conduct.

- **Risk Management**

Business Partners shall closely monitor economic, social, environmental and other situations and risk factors, and assess impact and set approaches to managing such risks for short- and long-term business operations.

- **Disclosure of Information and Transparency**

Business Partners shall report financial performance and status in a complete, transparent and verifiable manner. Information included in financial reports should be accurate and in accordance with generally- accepted accounting standards.

- **Equal Treatment of Shareholder**

Business Partners shall sufficiently and equitably provide information to all shareholders, and shall set measures which prevent executive members from wrongfully using such information for personal gain or for others.

- **Fair Business Operation**

Business Partners will operate with adherence to rules and ethics and will not engage in business conduct that may create an unfair competitive advantage.

- **Anti-Corruption**

Business Partners shall support and cooperate in the effort to combat corruption and bribery by setting up code of conduct, formulating risk assessment and management, and identifying high-risk cases, which can be adapted and used with those related to the business. Business Partners shall also create an efficient reporting mechanism and accounting system, review and follow up. It is also expected that Business Partners shall manage communication and provide training to raise awareness of possible corruptions and anti-corruption for employees.

- **Data Privacy, Protection and Security**

Business Partners shall respect the rights and information of customers and partners by refraining from using or disclosing information of customers and partners without permission unless otherwise stipulated by law.

The Company expects Business Partners to realize the benefit and significance of the Policy which will lead to cooperation, and to communicate this Policy and Guiding Principle to their employees and related parties. Furthermore, the Company encourages Business Partners to uphold ethics and to formulate their own responsible product and service sourcing policy that is in accordance with the Company's Policy and Guiding Principle to be applied to their own Business Partners.

6. Penalty

Any Employee who acts in violation of, or fails to comply with, this Policy, whether directly or indirectly, shall be subject to the disciplinary action according to the work rules of the Company as well as the penalty as imposed by the law.

7. Policy Revision

The Sustainable Sourcing Steering Committee 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 Sustainable Sourcing Steering Committee shall revise and propose the revised Policy to the Board of Directors for approval.

This Sustainable Sourcing Policy and Supplier Guiding Principle was approved by the Board of Directors on 1 February 2023.

**Acknowledgement and Confirmation of
Sustainable Sourcing Policy and Supplier Guiding Principle**

We, the undersigned, hereby acknowledge that we precisely and entirely agree to follow Sustainable Sourcing Policy and Supplier Guiding Principle of CPF Global Food Solution Public Company Limited and its subsidiaries as informed in its website (<https://www.cpfgs.co.th>).

Name of Supplier :

.....

Name of the Authorized Person(s) :

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Title :

.....

Company Seal (if any)

(Signature) :

(Date) :/...../.....

Remark :

This form must be signed by an Authorized Person(s) of the Supplier and please return to the requesting' Purchasing Department.