

Corporate Governance

Thai Vegetable Oil Public Company Limited conducts business by adhering to the principles of good corporate governance and the business code of conduct in order to ensure that the operations of the Company are efficient, transparent, fair, creating confidence for all Stakeholders, supporting and promoting the competitiveness of the Company which leads to creating value for sustainable business.

Corporate Governance Policy

The Board of Directors has established a Regulatory Compliance Policy as part of the business policy to improve the management efficiency and increase confidence among shareholders, investors and those who are related. This policy was set as working standard by adhering to Regulatory Compliance Policy that the Board of Directors, management team and employees will perform as their working principle.

The Company's Regulatory Compliance Policy covers the principle of Good Corporate Governance by concerning area of right and equity of shareholder and stakeholders, role and responsibility of directors and their independency. The Company focuses on efficient of internal control and risk management system, operating business with honesty and transparency, compliance with the relevant laws, rules and regulation as well as business ethic and anti-corruption, and disclosure of the adequate information to all parties involved. The Corporate Governance Nomination and Remuneration Committee reviews policy once a year to comply with good governance of the Stock Exchange of Thailand. There are monitoring systems to assure the implementation will be done in accordance with the principle strictly. The principle is inclusive of 5 categories according to the guidelines set by the Stock Exchange of Thailand.

Corporate Governance

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With strong determination to comply the principles of good corporate governance and the code of business conduct with the Company's operation continuously and has developed the level of corporate governance to be effective and suitable for the Company. As a result, the Company was evaluated by organizations as follows;

- The Company was evaluated the quality of Annual General Meeting of Shareholders (AGM Checklist) by the Thai Investors Association with a full score of 100 points categorized in the "excellent" level.
- The Company has been selected to be ranked in the ESG100 from outstanding environmental, social and governance operations by ThaiPat Institute.
- The Company was selected to be in the 2018 Thailand Sustainability Investment (THSI) organized by the Stock Exchange of Thailand.



In 2018, the Board of Directors has supervised the implementation of the principles of good corporate governance and considered reviewing the principles of good corporate governance for listed companies 2017 (CG Code) issued by the Securities and Exchange Commission as a guideline for the Board of Directors, who are the leader or the most responsible person of the organization, to apply as appropriate for the Company and to practice along with the 5 main categories for good corporate governance guidelines that are reported to Shareholders every year. The Board of Directors' Meeting No. 2/2019 has reviewed the results of the CG Code implementation in each item to ensure that the operations is in line with the said practice as appropriate to the business. For practices that are not suitable for the current business context, the Corporate Governance, Nomination and Remuneration Committee will review and present to the Board of Directors for review annually.

Chapter 1 Rights of Shareholders

The Board of Directors values and respects the rights of all Shareholders equally and encourages Shareholders to fully exercise their rights especially the basic rights of Shareholders namely the right to sell, buy or transfer shares; the right to receive the profit sharing; the right to receive sufficient information; the right to propose agenda and nominate a person to be a director of the Company; the right to attend Shareholders' meeting to vote for appointing and removing directors; the right to freely express opinions in the meeting; the right to approve the remuneration of directors; appointment of auditor and any other significant matters that would impact the Company e.g., dividend payment, amendment of the Article of Association and the Memorandum of Association, capital reduction or capital increase including approval of any transactions that would impact on the direction of the Company's business. The Company shall

not do any activities that violate or restrict Shareholders' rights. The Company sets the policy on Shareholders' rights as follows;

1.1 Right of sharing profit

The Company has a dividend payout policy to Shareholders not less than 60% of net profit after tax if there is no necessary reason not to do so.

- The interim dividend of 2018 operational performance was paid at Baht 1.10 per share or 78% of net profit of the first half year 2018.

1.2 Right to have information

In 2018, the Company provided essential, accurate, adequate, reliable information to Shareholders in timely manner and ignored any actions that limits the opportunity of Shareholders to access the Company's information.

- In 2018, the Company provided essential information to Shareholders and general investors according to the laws and regulations of the Stock Exchange of Thailand through SET Portal and published other information through the Company's website (www.tvthetai.com) which is a channel that can be accessed easily and conveniently.
- The Company regularly presented the operational performance, financial and non-financial information to analysts, investors and shareholders and also provided the opportunity to meet the executives to ask questions to create better understanding in the business and strengthen the relationship between the Company and analysts, investors and shareholders throughout the year. (Further details are in Chapter 4: Disclosure and Transparency)
- The Company participated in the activity "SET Opportunity Day" organized by the Stock Exchange of Thailand to disseminate the Company's

information and answer questions on March 29, 2018 with more than 40 people interested in attending.

Shareholders and general investors can contact the Company for more information;

1. Finance and Accounting Department :

Ms.Sunanta Tritepapirak
Tel : 66 2477 9020 Ext 266
email : sunanta@tvothai.com

2. Investor Relation Department :

Ms.Teerada Korsrilabutr or Ms.Alitsa Niyomrat
Tel : 66 2477 9020 Ext 542 or 828
email : teerada@tvothai.com or ir@tvothai.com

3. Company Secretary:

Ms.Kanutsorn Bunditnate
Tel : 66 2477 9020 Ext 122
email : kanutsorn@tvothai.com

1.3 Right to attend the meeting

The Company has the policy for all Shareholders, including Institutional Investors, to exercise their right to attend the meeting and vote at most convenience and strictly avoid any activities that restrict Shareholder's opportunity to attend the meeting. The Company has set the guideline for organizing and conducting the Shareholders' meeting as follows;

- 1.3.1 The Board of Directors oversees the information of date, time, venue, agenda of the meeting with explanations and reasons for each agenda is provided in the invitation letter including takes care of having the meeting venue convenient for traveling.
- 1.3.2 The Board of Directors recognizes and respects the rights of Shareholders and shall not do anything that violates or reduces the rights of Shareholders and takes care of the interests

of Shareholders fairly as well as supports and encourages all groups of Shareholders; Thai Shareholders, Foreign Shareholders, Individual Shareholders, Major Shareholders or Institutional Shareholders, to exercise their rights to access to information sufficiently and timely and the right to attend the Shareholders' meeting to determine the direction of operation and consider on matters that have a significant impact on the Company

- 1.3.3 The Board of Directors shall not add any additional agendas or change any significant information without prior notice, particularly, important agenda that Shareholders need to study carefully before making decision.
- 1.3.4 The Board of Directors invites Shareholders to propose agenda for Annual General Meeting, submit question in advance and nominate persons to be elected as directors before meeting date through the Company's website and SET Portal.
- 1.3.5 During the meeting of Shareholders, Shareholders shall have the right to ask questions and express their opinions in the meeting freely. The Chairman of the meeting shall allocate the appropriate time for question and inquiry.
- 1.3.6 The Board of Directors promotes the use of technology in the Shareholders' meeting in order to ensure accuracy, transparency, and voting in each agenda. Shareholders shall have the right to vote by agenda separately. For the agenda of election of directors, Shareholders shall vote for election of directors individually
- 1.3.7 The Board of Directors provides Shareholders the right to approve the remuneration of

directors every year and proposes policies and criteria for remuneration of each director by considering the responsibility, income and profit of the Company including the number of directors as well as comparing the remuneration of directors in other companies, which are the same or similar size in the same industry.

1.3.8 The Board of Directors disclosed the resolutions of the 2018 Annual General Meeting of Shareholders for the public to be informed about the voting results in each agenda in both Thai and English through the SET Portal system of the Stock Exchange of Thailand and published on the Company website on the meeting date, after the meeting.

In 2018, the Company organized Annual General Meeting of Shareholder to allow Shareholders to exercise their rights as follows;

Annual General Meeting of Shareholders

The Board of Directors requires that the Annual General Meeting of Shareholders shall be held every year within 4 months from the end of the Company's fiscal year and if there is a need to consider the special agenda related to rights and benefits of Shareholders, the Board of Directors will call an Extraordinary General Meeting of Shareholders as necessary and appropriate.

The Company has strictly complied with the laws along with good corporate practices according to the AGM Checklist of the Thai Investors Association and also taking into account the rights of Shareholders and equitable treatment of Shareholders in accordance with the principles of good corporate governance. In 2018, the Board of Directors held an Annual General Meeting of Shareholders on April 27, 2018.

Before the date of Annual General Meeting

- The Company provided an opportunity to Shareholders to propose agenda of the meeting and nominate qualified persons to be considered as a directors from October 30, 2017 – January 30, 2018 prior to the meeting date. The Company announced the criteria and procedures on the Company's website and informed via SET Portal of the Stock Exchange of Thailand. There was no Shareholder proposing the agenda and the person to be elected as a director in any way.
- The Company published the notice of the Annual General Meeting of Shareholders and the Proxy form A, B, C on the Company's website since March 26, 2018, 32 days prior to the meeting date so that Shareholders would have time to study information and submit inquiries to the Company in advance, including having the opportunity to appoint independent directors or other persons attending the meeting on their behalves, in the event that they are unable to come by themselves. In this regard, the Company has announced the dissemination of such information via the SET Portal system of the Stock Exchange of Thailand for the shareholders to acknowledge.
- The Company invited Shareholders to submit questions in advance to the Company before the meeting date to inquire information related to the meeting agenda or other important information of the Company during March 26, 2018 - April 20, 2018, the Company has clearly defined the criteria for sending questions in advance and published on the Company's website and announced via the SET Portal of the Stock Exchange of Thailand, none of Shareholder submitted questions in advance to the Company.

- The invitation letter and supporting documents were prepared in Thai for Thai Shareholders and English for foreign Shareholder. Thailand Securities Depository Co., Ltd., a Company's registrar, was responsible for sending the invitation letter by registered mail to Shareholders on March 5, 2018, 22 days prior to the meeting date. The invitation letter was enclosed with significant information of each agenda including directors' comments on each agenda and was published on Naewna newspaper on April 9-11, 2018, 3 consecutive days prior to the meeting date
- The Company facilitated institutional and custodian Shareholders to submit the details of securities holdings for verification and to send proxy to the Company in advance. Institutional Shareholders or custodians who appointed independent directors, the Company would return a copy of the proxy form with the signature of the independent director to the Shareholders after the meeting.

On the date of Annual General Meeting

- The 2018 Annual General Meeting of Shareholders was held on April 27, 2018 at 10.00 – 12.00 a.m., at 3rd floor, TVO Building, at 149 Ratchadapisek Road (Thapra - Taksin), Bukkhalow, Thonburi, Bangkok, where is the headquarters of the Company. The time of meeting was proper and the meeting place was convenient for attending. There were 587 Shareholders and proxies attended the meeting. The total shares were 499,934,369 units or 61.83% of total shares. There was no any additional agenda without prior notice. Nobody proposed the agendas in advance as we invited.
- The Company allowed Shareholders to register to attend the meeting 2 hours in advance before meeting starts, which informed the Shareholders in the invitation letter already. The barcode system was used for registration and vote counting for accuracy, fast and accurate together with preparation on staff, copier and stamp duty in order to facilitate the Shareholders who appointed proxies.
- The Company facilitated Shareholders who were unable to attend the meeting by themselves to be able to attend the meeting and exercise voting rights by proxies for others to attend the meeting and vote on their behalf. The Shareholder chose to appoint a person or independent directors attending the meeting and voting on their behalf. In case of proxy to independent directors, the proxy form should be submitted to the Company in advance. In this regard, the Company had proposed 2 independent directors, namely, Mr. Apichart Chirabandhu and Dr. Chaipat Sahasakul as proxies to attend the meeting and vote on behalf of Shareholder.
- The Chairman of the Board, Chairman of the Audit Committee, Chairman of the Corporate Governance Nomination and Remuneration Committee, Managing Director, Chief Financial Officer, Auditor and Independent Legal Consultant attended the meeting to answer various questions (in 2018, the number of directors attending the Annual General Meeting of Shareholders was 12 persons, representing 100 percent)
- The Chairman of the Board who acted as the Chairman of the meeting conducted the meeting according to the Company's regulations and arranged the meeting according to the agenda as specified in the invitation letter. There was no addition or amendment of the agenda other than those specified in the meeting invitation. The Chairman allocated appropriate and equal time for Shareholders to ask each agenda before voting.

- The Company Secretary notified the quorum, the number and proportion of Shareholders who came by themselves and proxies as well as informed the participants about how to vote, how to count votes and processing with the barcode system. Shareholder was required to vote according to the agenda.
- The Company used voting ballots for every agenda and counting votes would be counted at the end of that agenda. For the agenda for the appointment of directors, voting was conducted individually. The independent legal advisors, Baker & Mackenzie Company Limited, and representatives of Shareholders who were not directly related to the Company were invited to audit a vote counting for transparency according to good governance principles.
- The Company Secretary recorded issues, questions, answers, suggestions, comments in the minutes.
- The resolution of the meeting in each agenda was divided into agreed, disagreed, abstained and voided ballots. No shareholders objected or disagreed with the said resolution.
- The Company has provided VDO recording and pictures during the meeting and published on the Company website for Shareholders who did not attend the meeting to acknowledge.
- The Company Secretary prepared the minutes of the Shareholders' meeting correctly with complete details and important notes such as the list of directors who attended / did not attend the meeting including the cause of leave and important statement, procedures and methods of voting, questions or answers or summary comments, details of each agenda in accordance with the facts at the meeting. There were summaries of votes for each agenda, separated by agreed, disagreed and abstained according to the principles of good corporate governance of the Stock Exchange of Thailand. The minutes of the meeting was signed by the Chairman of the Board, who was the Chairman of the meeting, and submitted to the Stock Exchange of Thailand and the Ministry of Commerce on May 11, 2018 (14 days from the date of the meeting) within the period of time prescribed by law. The information and pictures of the Shareholders' meeting were disclosed on the Company's website both in Thai and English for Shareholders to acknowledge and to check information without having to wait for the next meeting.

After the date of Annual General Meeting

- The Company Secretary recorded the resolution of the Shareholders' meeting and disclosed the resolutions of the Shareholders' meeting and voting results in each agenda in both Thai and English via the SET Portal system of the Stock Exchange of Thailand within the date of the Shareholders' meeting and published on the website of the Company on the next business day. The Company had a system for storing voting ballot that shareholders can check.
- After the Shareholders' meeting approved the dividend payment, the Company informed the meeting resolution including details of dividend payment to Shareholders via the SET Portal of the Stock Exchange of Thailand and coordinated with the registrar of Thailand Securities Depository Company Limited so that Shareholders are confident that they will receive returns according to the rights correctly and completely.

Chapter 2 Equitable Treatment of Shareholders

The Board of Directors has a policy to ensure that all shareholders to be treated equally and protect their basic rights and benefits equitably and fairly by proceeding as follows;

- 2.1 At present, the Company has only ordinary shares, so the voting rights are in accordance with the rights of ordinary shares. Each shareholder has one vote per share.
- 2.2 The Company invited Shareholders to propose agenda for the 2018 Annual General Meeting, and to nominate qualified person to be elected as director. The criteria and procedure was published on the Company's website as well as disclosed via SET Portal of the Stock Exchange of Thailand 3 months in advance. The Company opened to send any inquiry in advance via the Company's website. It appeared that no shareholder nominated a person to be selected as a director and no questions submitted in advance.

The Company set the criteria for Shareholders who would like to nominate persons to be elected as directors and determined guideline for the consideration of granting rights to one or several shareholders who hold shares of not less than 1 percent of the number of shares issued and paid up as well as hold shares for not less than 1 year on the date of nominating persons to be elected as directors of the Company.

For the 2018 Annual General Meeting of Shareholders, the Company published the criteria on the website, www.tvothai.com, under the topic "Shareholders Meeting" between October 30, 2017 to January 30, 2018 by notifying Shareholders through SET Portal of the Stock Exchange of Thailand on October 30, 2017

There was no Shareholder proposing the meeting agenda and nominating person as a director in this period. The Company Secretary reported to the Board of Directors for acknowledgment.

- 2.3 To comply with good corporate governance principles, the Company published the invitation letter for the 2018 Annual General Meeting of Shareholders and information on the meeting agenda on the Company's website, www.tvothai.com, in advance from March 26, 2018, 32 days before the meeting date, and sent the invitation letter both in Thai and English to Shareholders 22 days before the meeting date via registered mail. In addition, the Company announced in the newspaper for 3 consecutive days, 16 days before the meeting date.
- 2.4 The Company treats and facilitates all shareholders equally. The Company allowed the Shareholders who were unable to attend the 2018 Annual General Meeting of Shareholders to be able to exercise their voting rights by authorizing others to attend and vote on their behalf. The Company sent proxy form B along with the invitation letter and nominated 2 independent directors who had no interest in the meeting as an option for Shareholders to appoint proxies. There was clearly specified on the evidence used in the proxy to facilitate Shareholders who did not attend the meeting by themselves. Shareholders could choose to use proxy form A or Form C which published on the Company website, www.tvothai.com, for Shareholders to download. (Form C was designed for foreign shareholders who appointed custodians in Thailand to act as a depository and trustee).

The Company provided stamp duty to facilitate Shareholders for attaching the proxy form without any charge.

- 2.5 The Company Secretary informed the meeting the rules and procedures for voting clearly. The Chairman of the Board presided over the meeting and conducted the meeting according to the agenda specified in the meeting invitation. There was no addition or amendment of the agenda other than those specified in the meeting invitation for fairness to Shareholders who did not attend the meeting. Voting ballot was provided for every agenda for transparency and verification.
- 2.6 In 2018, all 12 Board of Directors attended Shareholders' meetings (representing 100 percent of all directors). Directors and executives attending the meeting were the Board of Directors, Managing Director and all executives from various departments including the sub-committee, namely the Audit Committee, the Corporate Governance Nomination and Remuneration Committee, the Risk Management Committee to announce operating results and answer questions from Shareholders. Shareholders were allowed to question on various issues, to inquire information and to suggest freely without time limited. The Chairman of the meeting allocated appropriate time and encouraged Shareholders to have an opportunity to express their opinions and ask questions at the meeting on matters related to the Company.
- 2.7 The Company prepared the minutes of the 2018 Annual General Meeting of Shareholders within 14 days according to the time required by law and sent a copy of the minutes to the Stock Exchange of Thailand and the Ministry of Commerce and published via the Company's website. The minutes was recorded correctly and completely and was systematically stored for Shareholders to review.
- 2.8 The Board of Directors sets rules and regulations regarding the acquisition or disposal of securities of directors, executives and auditors of the Company by reporting securities holdings and changes in the securities holding of the Company to the Securities and Exchange Commission within 30 days after the date of appointing the position or within 3 working days from the date of purchase, sale, transfer or accept the transfer of securities under Section 59 of the Securities and Exchange Act BE 2535 and with amendments
- The Company Secretary has a duty to report changes in securities holdings of directors and executives to the Board of Directors' meeting every time that there is a change before considering the meeting agenda to acknowledge as a regular agenda in the Board of Directors meeting every month. The policy / regulation regarding this matter has been included in the Business Code of Conduct. In the year 2018, there was no notice of any offense of the directors or top executives.
- 2.9 The Company has established preventive measures and penalties for insider trading of related persons, including directors, executives and employees related to information. (Including spouses and underage children of such persons) and prohibited such person from trading the Company's securities during the 1-month period (Blackout Period) before disclosing quarterly financial statements and annual financial statements or other information that may affect the stock price of the Company and until 24 hours after the disclosure of such information to the public which was declared in the Company's Code of Conduct. The Company Secretary will notify via letter or email to the relevant person to be aware of the said period. The directors and senior executives are required to notify the Company Secretary 1 day in advance before trading in order

to report to the Board of Directors' meeting. In 2018, the Board of Directors and the executives did not trade securities using inside information.

2.10 The Board of Directors has established a policy on connected transactions between the Company, subsidiaries and related persons according to Section 89 of the Securities and Exchange Act BE 2535 and additional amendments. The directors, executives and those who involved are required to report their own interests within 30 days after the date of appointing the position or within 14 working days from the date of change. The Company Secretary is assigned to summarize the transaction report and report to the Board of Directors and the Audit Committee at least twice a year to verify and control the interest of directors and executives in order to achieve good corporate governance of the Company. The Company has disclosed the said policy in the annual information disclosure form of the Company (Form 56-1) and the 2018 annual report. The Company does not violate the rules on related party transactions and there is no financial assistance to other non-subsidiary companies.

2.11 To prevent conflicts of interest, the Board of Directors has set up a policy for overseeing transactions that may cause conflicts of interest clearly by designating the procedures for connected transactions approval in writing in the related transaction policy. The Compliance Department is to give opinions on the necessity and reasonableness of such transactions and propose to the Audit Committee to consider such transactions that have been done fairly according to the market price and in accordance with the normal business in order to propose to the Board of Directors and/or the Shareholders' meeting (As the case may be) to consider approving the transaction. The executives or directors who have

an interest will not participate in the approval of such transactions.

Chapter 3 Role of Stakeholders

The Board of Directors realizes that successfulness of business and its sustainable growth depends on all stakeholders. Hence, the Board of Directors commits to promote the cooperation among stakeholders, together with safeguard and preserve their right and benefit fairly according to their right, relevant laws and agreement. The Company will not take any action to violate stakeholder's right and intellectual property, fair practice, including set guidelines for anti-corruption. The Company has established the stakeholder policy and guidelines in Business Code of Conduct and published to Directors, Executives and employees to adhere to the guideline for treating stakeholders to ensure that Stakeholders will be treated fairly. The Company has disclosed "Business Code of Conduct" under the "Good Corporate Governance" on the Company's website.

In 2018, the Company had strictly followed its principle and had done various activities related to stakeholders detailed as follows;

Shareholders

The Company respects the basic rights of Shareholders, treats all shareholders equally and creates maximum satisfaction for Shareholders such as Right to attend the Annual General Meeting of Shareholders, Voting rights, proposing of the agenda and nominating persons to be elected as directors, listening to opinions and suggestions from Shareholders, including providing channels for Shareholders to contact via the website and email as disclosed in the section entitled Rights of Shareholders and Equitable Treatment of Shareholders.

The Company values Shareholders as business owners, therefore, the Board of Directors as the representative of the Shareholders including the executives and employees are required to conduct business in accordance with the principle of good corporate governance for maximum benefit and value added to shareholders in the long-term as well as to respect the basic rights of the Shareholders as specified by laws, regulations, the Code of Conduct and relevant rules. All Shareholders are treated equally. The Company aims to create the greatest satisfaction for Shareholders by taking into consideration the sustained growth of the Company and reasonable, fair and consistent returns, as well as a transparent management system and a reliable accounting system. The Company maintains its assets, controls related transactions have the criteria for protect conflict of interest and misuse of internal information. Shareholders can believe that they will have correct information. The details regarding Shareholders rights are shown in chapter 1, Rights of Shareholder and chapter 2, Equitable Treatment of Shareholders.

In 2018, the Company paid an annual dividend at the rate of Baht 1.90 per share. The Company paid interim dividends for 6 months to Shareholders at a rate of Baht 1.10 per share. Total is Baht 1,536,360,871.50, 82.27 percent of net profit of the year, which paid from net profit of the business.

The Company has reported the results of quarterly operations accurately, completely and truly and disclosed the transaction with the connected person in the same conditions as the third party through the SET Portal of the Stock Exchange and the Company's website.

Employees

As employee is valuable asset of the Company and is key major of our success, therefore, the Board of Directors has established various policies to improve working environment, welfare and quality of their life based on the guidelines prescribed by law, human rights respect and in accordance with the direction and strategy of the organization. The Company has a policy to encourage employees to have unity and solidarity among colleagues, to cooperate and coordinate in a way that is favorable to the job and to the Company. The important policies regarding personnel are as follows;

Remuneration Policy : The Company has a policy to pay employees at all levels appropriately both in the short term that is consistent with the annual performance of the Company based on appropriateness and fairness according to knowledge and ability, labor market, and comparable to the same industry. Employees will be clearly measured their performance and potential. The Company established stability in career path and gives opportunity to success in their career for the long term basis as well as properly manage other welfares to employees in order to persuade employees to loyalty work and enable the Company to retain its personnel. Individual Performance and operating result of the Company are used as criteria for consideration. The Company evaluates performance once a year to consider compensation and bonuses. The Company provides welfare to promote quality of life and well-being. The welfare committee has been established to allow employees to have communication channels, suggest or complain about various matters of work.

Safety Policy : The Company has a policy that encourages employees to work safely and with good hygiene by providing the necessary facilities to perform

the duties in order for all employees and workers to get safety, good health, under good working conditions and environment and always focusing on prevention of accidents and training employees. The Company appointed the Safety, Occupational Health and Working Environment committee with policies as follows;

1. To produce standardized products for customer satisfactions
2. To maintain the quality of environment and prevent the pollution caused by raw materials and production process including other related activities
3. To comply with laws and regulations related to the business strictly
4. Use of energy and resources efficiency is the duty of every employee
5. To support and provide resources sufficient and appropriate; human resource, budget, tools and equipment which is necessary for improving and problem resolving in regard to the quality, safety, health, environment and security.
6. Commit to prevent injuries and disease from work and develop health and safety management system continuity
7. Quality, safety, health, environment and society policy is distributed to employees and stakeholders
8. Encourage all employees to participate in activities or projects regarding occupational health, safety and environment of the Company and to make suggestion on how to improve their working condition and safety.
9. Review and update policy continually to be suitable for the current situation by considering the impacts of employees and stakeholders

The Company has disclosed its policy on website and always comply with such policy. In 2018, there was man-days sick leave by working, 0.012 percent when

compared to 2017, which was no man-days sick leave by working. There was no any violation of labor law or any labor dispute cases.

Welfare Policy : The Company has established the Provident Fund for employees' long-term benefits to promote the money saving for their future as well as to persuade employees to loyalty work for the Company. For members of the Provident Fund, they will receive 3 percent of the wage as monthly contribution, and they must pay the same amount deducting from their wages for their accumulated fund. When the employment is terminated, the employees will receive accumulated fund, contribution and the average net profit of the fund.

The Company has a welfare committee in the workplace with a 2-year term to be employee representative and center to cooperate between employee and the Company. The committee is for helping and reliving employees' trouble besides welfare benefits provided by the Company. The welfare committee also provides consul and listens to employees' opinion. The Company pays attention to welfare and employees' safety. As a results, the Company set welfare and basic benefits in compliance with laws such as holiday, annual leave, including social security, compensation fund, and provident fund. Said benefits are continually communicated to employees as follows;

1. Provident fund
2. Welfare benefits for employees in case of death and grants for the funeral of employee's family
3. Fever visit baskets in case of sickness
4. Annual health checkup by leading hospital. The examination program is arranged individually to suit the job characteristics and the age of each employee with special price
5. Accident insurance for risky job such as driver

- 6. Medical and dental expenses other than social security
- 7. Uniform
- 8. Annual Company Trip

Human Resource Development Policy : The Company has a policy to promote personnel development by encouraging employees to develop knowledge, ability through training and seminar. The Company sets annual training plans for employees at all levels, particularly competency and skills to gain expertise in their career path to develop the capabilities of the executives and employees continuously to be consistent with the direction of the organization both in the short term and long term. In 2018, we have record of 83.36 percent of employees were attended both in house training and other external courses.

In 2018, the Company conducted and reviewed to ensure that the operation is to comply with the human resource management policy, regulations regarding the work and the guidelines set out in the welfare manual completely and regularly

Customers and Consumers

The Company operates its business under the philosophy: We will be a quality, sustainable and stable growth Company who produces high quality products for better quality of life of people and will generate value added to shareholders, with responsibility to society and environment. The Company focuses on quality of product starting from the purchasing of raw material, production process until the delivery to customers and consumers. The Company constantly researches and develops to improve its quality of products. Currently, the Company is certified by international production standards, e.g., GMP, HACCP, ISO 9001, ISO 22000, ISO/TS 22002-1, FSSC 22000,

ISO/IEC17025, ISO 50001, ISO 14001, Halal, Kosher, Carbon Footprint of Products, Carbon Footprint Reduction etc.

The Company shall treat our customers and consumers by doing business with fair and integrity, paying attention to the interest of business partners, customers and consumers fairly in order to give them the best interest.

The policy is to;

1. Commit to the development and delivery of products with high standard quality in order to meet customers’ need with modern and high technology, and having quality control system at each step with fair conditions
2. Provide accurate information of product and services sufficiently and timely in order for customers to have useful information to make decision.
3. Maintain customer confidential information including not using the information for their own benefits or other related parties
4. Respond to customer’s demand quickly and punctual to maximize customers satisfaction
5. Provide a process to receive problems and complaints from customers and do the best to respond our customers quickly including creating customer satisfaction evaluation form to further improve and develop products and services
6. Do not pay any benefit to customers for the purpose of acquiring or hijacking the customer by using dishonest means or violate the requirements of the law

In 2018, the Company had no any case that violated the interest of consumer and trade competition. There was no significant complaints from customers. As for other complaints, the Company has analyzed the cause to carry out corrective, preventive and follow-up of the entire system and apply to the entire organization so that the defect does not occur again.

Business Partners, Creditors and Competitors

The Company operates its business with transparency, fairness and honesty within the scope of laws and other related matters. Therefore, the Company has never violated any laws related to business partners, creditors and competitors with the following guidelines;

Policy to Business Partners

The Board of Directors treats partners with equality and mutual benefits to maintain a lasting relationship and mutual trust with policies and guidelines for dealing with partners as follows;

1. Treat trade partners equally, transparently and fairly based on fair returns to both parties
2. Comply with contracts, agreements or conditions with partners strictly. In the case that it is not possible to do so, it must notify the partners in advance to jointly consider finding solutions and prevent damage
3. Shall not claim or receive any offers and benefits that are unethical trade in business negotiations with business partners
4. The Company complies with the procurement policy with clear procedures along with the criteria for selecting partners with acceptable standards in the industry, the business code of conduct, standard quality system certificate, financial liquidity and evaluating partners every 6 months
5. The Company has no policy to support any person or organization that do illegal business
6. Anti-corruption and fraud policies are announced to partners.

Procurement procedures were prepared as a business manual in order to provide fairness to business partners based on good corporate governance.

Policy to Creditors

The Company has a policy to treat all creditors equally and fairly by strictly complying with the contract and conditions with the creditors and building a relationship with creditors. The financial status is disclosed accurately on time to create confidence and trust as follows;

1. Follow the agreement, requirement, terms or conditions to debtors strictly especially regarding the conditions of guarantees and capital management to have an appropriate structure. In the case that it is unable to comply or causes a default, the creditors will be informed in advance to work together to find solution and prevent damage
2. Shall not call or receive any benefits dishonestly in business negotiations with debtors
3. Report accuracy and completed financial information to the creditors regularly

Policy to Competitors

The Company has a policy to treat competitors without violating the confidentiality or knowing the competitor's trade secrets with fraudulent method, therefore, the policy principle was set as follows;

1. Follow the rules of good competition
2. Do not seek confidential information of competitor through dishonest or inappropriate manner
3. Do not ruin the reputation of competitor with malicious accusations without truth
4. Do not do anything to violate the intellectual property of competitor

In 2018, the Company did not have any disputes or lawsuits from partners, creditors and competitors.

Regulator

The Company commits to comply with the rules, regulations, and practices prescribed by law. The Company operates business with transparency and discloses complete and accurate information as prescribed by the regulators.

Policy to Regulator

1. Practice and follow strictly in accordance with the intent of the laws and regulations issued by regulators
2. Refrain from any action with help or support to avoid laws or regulations
3. Collaborate with regulators and report information about violation or non-observance of any law or regulation against them.

Social Community and Environment

The Board of Directors conducts its business under the guidelines of good corporate governance with responsibility to social, community and environment in order to live with community happily by integrating with the vision, mission, strategies and goals of the organization to lead to sustainable value creation for the organization. The Company established a sustainability development department to implement such policies through various activities with guidelines as follows;

1. Be responsible and commit to protect environment as well as customs, local tradition that the Company located
2. Usually support and conduct useful and creative activities to the community, society and the environment
3. Prevent accident and control of emissions to a level below standards acceptable
4. Quickly and effectively respond to incidents that affect the environment and community due

to the Company's operation by fully cooperating with government officials and related agencies

Social and Community

In order to promote society and communities surrounding the factory to have good living, the Company has a policy to hire people in that areas to be employees and to support activities to improve the quality of life and enhance the benefits of the community and society as well as instilling consciousness and encouraging employees and related parties to behave as good citizens who are responsible and beneficial to the community and society as a whole.

In 2018, the Board of Directors gave importance to the community by organizing a project to promote the health of people in the surrounding community together with Nakornchaisri Hospital. The Company has collaborated with the Thailand Institute for Packaging and Recycling Management for the Sustainable Environment-Industry Council to organize garbage separation project, 4 types of waste with 4 sub-districts (Nakhon Chai Si Sub-district, Taiyawat Subdistrict, Khun Kaeo Subdistrict and Ngiu Rai Subdistrict), to allow the community to manage waste by themselves and reduce waste in the community.

In addition, the Company provides opportunity for communities and all stakeholders to participate in various activities or projects and propose comments or suggestions by aiming for sustainable coexistence of the industry and communities.

Environment

Policy on the Usage of Resource and Environment is announced to employees to strictly follow, especially in production department. The Company has set guidelines including penalties in case of violation,

with operating standard framework to protect the environment according to the policy on Occupational, Health, Safety and the Environment, and posted a notice at workplace and also published on website. Human Resource Department provides adequate training on the environment continuously.

In the year 2018, the Company organized training on Energy Saving Project to reduce global warming with the content of participatory energy management including laws relating to energy conservation to provide employees with knowledge and understanding of energy saving that continually affects the environment.

The Company has a policy to encourage all employees to use resources efficiently, appropriately and to maximize benefits. The Management of the use of existing resources for maximum benefits is communicated and educated to employees to create awareness through organizing various activities such as the project to reduce paper usage in the office, TVO saving energy. In addition, there is a project to improve production efficiency to reduce environmental impacts and to minimize the waste for sustainable development. There is committee to analyze the potential risks to the organization and the surrounding community. Risk Management Committee is responsible for evaluating and reporting directly to the Board of Directors and also providing preventive measurement to protect impact which may happen to community.

The Company is committed to environmentally friendly operations and has an environmental and energy management system according to ISO 14001 and ISO 50001 standards. The Company has also been certified “Green Industry” from the Ministry of Industry. For projects and activities on Social, Community and Environment are disclosed in Sustainability Report (separated book) and published on the Company’s website.

Human Rights

The Board of Directors attaches importance and fully respects Human Rights strictly and has a policy to treat labors fairly and equitably and promotes equality throughout organization in nationality, religious, sex, skin color, language, non-child labor and anti-sexual harassment. The Company realizes that human resource is a significant factor to add value and increase productivity. Thus, the Company frequently provide environment and working condition to improve their quality of life, develop their skills to improve the potential as well as working skills, and educate them to understand about human right to behave properly. The Company has never violated human right. In according with labor law, there was 0.87 percent of handicap labor in the Company, though it does not reached as required by Empowerment Of Persons With Disabilities Act, B.E. 2550 (2007), (2nd ed) B.E. 2556 (2013)). To comply with the Act, the Company has participated in the project to promote and improve the quality of life for Thai Disability by organizing workshop on agricultural and animal husbandry training, Animal husbandry course (Layer) with the Thai Chamber of Commerce, the Thai Chamber of Commerce Foundation, the COERR Foundation and many other private agencies to replace the remaining employment of the disabled people as well as to contribute the fund to help disabled people to have a career. The course of Internship Program of the Disabled has been approved by Department of Skill Development already.

Fraud Prevention

The Board of Directors conducts business with transparency and fairness in accordance with the principles of good corporate governance and gives priority to anti-corruption in all forms with confidence that it will be a strong support for the Company to grow sustainably.

Risk management process and audit are provided to prevent and suppress corruption and misconduct as well as to support the creation of an organization culture to adhere to honesty and righteousness.

Anti-corruption

The Board of Directors approved and announced anti-corruption policy and measures manual since 2016 for the executives and employees to comply strictly in accordance with the business intent. On May 16, 2018, the Board of Directors reviewed and revised the policies and manuals to be appropriate and in line with current business operations by prohibiting directors, executives and employees from demanding, executing or accepting corruption in any forms either directly and indirectly for the benefit of the Company, self, family, friends and acquaintances which covers all businesses and all related agencies. The Board regularly reviews the compliance with this anti-corruption policy as well as guidelines and operational requirements to be consistent with the changes of business, rules, regulations and legal requirements.

All executives and employees must sign and acknowledge in the anti-corruption measures manual. In addition, the Company arranged training for directors, executives and employees to provide knowledge about the Company’s anti-corruption policies and practices on June 22, 2018 on the topic “Anti-Corruption: The Practical Guide”



Risk assessment

In 2018, Enterprise Risk Management Committee (ERMC) assessed the potential risk of corruption according to risk management plan and overseen the operation to be in line with risk assessment, then, reported to the Risk Management Policy Committee (RMC) to formulate policies, govern and control risk management and report to the Board of Directors respectively.

Training and communication

In 2018, the Company continuously communicated and arranged training to employee on policy and practice of anti-corruption including related policy such as business code of conduct, receiving gifts or customer reception. Every employee can reach such policy via intranet system and communication board. The Company also communicated anti-corruption policy to its business partners and those who related, as well as business representatives via appropriate channel for having same practices and acknowledgement.

Practices on governance, prevention and monitoring risk from corruption

The Company prescribes anti-corruption practices regarding governance and monitor risk from corruption as follows;

1. Provide examination process, the internal control system assessment, risk management covering important work system such as procurement system, sales system, accounting system, payment system etc. These are to prevent and monitor risk from corruption including provide appropriate opinion on solving guidelines.
2. Provide channels for receiving information on clues, complaints, offenses, violations of laws, regulations, or anti-corruption policies. The policy is to protect the whistleblower and keep the information of

the whistleblower as confidential including having measures to investigate. The Company also imposes the disciplinary action and relevant legal penalties.

3. The head of the relevant department is responsible for monitoring the implementation or improvement of defects (if any) and report to the supervisor.

No Gift Policy



The Board of Directors set guidelines for receiving - giving gifts, reception or any other benefits to comply with the anti-corruption policy and announced throughout the organization for personnel to practice strictly in order to avoid actions that may affect decisions making on duty and also communicated to outsiders who are involved in the Company business and published on the Company's website.

Whistleblowing and Complaints

The Board of Directors attaches importance to good corporate governance and provides opportunity to stakeholders to provide information and complaints about illegal actions, ethics, financial reports, internal control system and anti-corruption policy. The complaint regulations is announced as guidelines for implementation and published on the Company's website by receiving complaints through the Compliance Department or

the Chairman of the Audit Committee via the following channel. The Company will appoint an investigation committee on a case-by-case basis.

Post : Compliance Department
 Thai Vegetable Oil Public Company Limited
 149 Ratchadapisek road (Thapra-Taksin),
 Bukkhalow, Thonburi, Bangkok 10600
 Telephone: 0 2477 9020
 E-mail : compliance@tvothai.com

Post : Chairman of the Audit Committee
 Thai Vegetable Oil Public Company Limited
 149 Ratchadapisek road (Thapra-Taksin),
 Bukkhalow, Thonburi, Bangkok 10600
 E-mail : ac@tvothai.com
 or acchairman@tvothai.com

In this regard, the Board of Directors has established policy and guidelines for the protection of whistleblowers by keeping the information and documents provided confidentially. Shall not disclose information to people who do not have relevant duties, unless it is disclosed according to the law.

In the year 2018, the Company did not receive any clues or complaints of wrongdoing or corruption.

Chapter 4 Disclosure and Transparency

The Board of Directors shall disclose essential information of the Company such as financial and non-financial information and other significant information in both Thai and English accurately, adequately and transparency in ample time, and follow strictly in accordance with rules and regulations regarding disclosure of Securities and Exchange Commission and Stock Exchange of Thailand.

Investors and all stakeholders, both domestically and internationally, can access information equally, which is reliable and sufficient decision making regularly through SET Portal of the Stock Exchange of Thailand and the Company's website under the investor relations section. In 2018, the Company disclosed the significant information as follows;

4.1. Disclosure of Financial Statements, Annual Report, and form 56-1, through SET Portal of the Stock Exchange of Thailand and on the Company's website in both Thai and English, the information always keeps updated.

The management is responsible for the financial statements, financial information and financial reports which was prepared in accordance with accounting standard including the internal control system and asset safeguard system. The Audit Committee is responsible for quality of financial report and suitability of the internal control environment managed by the Company's management which is an effective system. Hence, the Management ensured that its internal control environment and current internal control system was making the financial report and corporate property management as of December 31, 2018 reliable one.

The Board of Directors is responsible for the consolidated financial statement of the Company and its subsidiary and financial information disclosed in the annual report by providing financial report and the reports of the Board's Responsibility to financial reports so that the information presented in the financial statements is accurate and in accordance with accounting standards and is reviewed by independent auditor. In 2018, the Company submitted the Quarterly and Annual

Financial Statements accurately, completely, and timely as required by laws and regulation.

4.2. Disclosure of Regulatory Compliance Policy, Business Code of Conduct, Risk Management policy, Environmental and Social policy and its implementation results including the reason for not being able to comply with such policy is in annual report, form 56-1, and corporate website.

4.3. Disclosure of Shareholding Structure and Report of Securities Holdings of Directors and Executives including spouses and underage children. The reports is arranged in accordance with laws relating to directors and executives and reported to SEC as follows;

- Report of Holdings of the Company's Securities when being appointed as director or executive for the first time. The report (Form 59-1) must be submitted within 30 working days from holding the position.
- Report of Changes in the Holding of the Company's Securities every time when buying, selling, transferring or receiving transfers. The report (Form 59-2) must be submitted within 3 working days from transaction date.
- Information with Representation and Warranty of the Company's Director and Executive and their Consent. The report (35E-1) must be submitted within 7 working days from holding the position.

The Directors and Executives including spouse and underage children are requested to report the Company's Securities Holdings to the Board of Directors twice a year for acknowledgement. The report was summarize disclosed in annual report, form 56-1 and the Company's website.

4.4. Disclosure of Role and Responsibility of the Board of Directors and Subcommittee, number of

meeting, the attendance record of each person including continuing professional training and development of the Board is in annual report and form 56-1.

4.5 The Board of Directors and Executives are required to submit the report on the interests of themselves and related persons who are interested in the business management of the Company with measures and policy to comply with the criteria defined as follows;

- Report when being appointed as director or executive for the first time
- Report every time when there is a change of interest
- Report every year-end
- In case of termination and reappointment as the Director in a consecutive way, the Director shall not submit new report if there is no change of interests.
- The Directors and Executives should present report of interests to the Company Secretary within 1 month after being elected/ appointed, changes and keep the information updated every year.

In 2018, the Directors and Executives have already reported their Securities transaction, the Company's Securities Holdings and changes of interests in the year. Detail was disclosed in Management Structure.

4.6 Disclosure of Auditing fees and other services fee provided by the Auditor is in the annual report and form 56-1

4.7 Directors Remuneration and the form or nature of the compensation has matched with the industry' standard and also reflect the responsibilities and responsibilities of each person. The amount of remuneration shall be approved by Shareholders and disclosed in the annual report and form 56-1

4.8 Executive Remuneration and the form or nature of the compensation such as salary, bonus and others depends on responsibility and accountability which is according to corporate performance, and comparison with other companies in the same industry is disclosed in the annual report and form 56-1

4.9 The Company has a policy on related party transactions as required for business efficiency and cost management, which has been done fairly according to the market price and in the normal business. Such transactions must be considered by the Audit Committee and approved by the Board of Directors to eliminate conflicts of interest carefully, reasonably and for the best interest of the Company and Shareholders. The approved transactions are disclosed in details in the annual report and form 56-1 which is in accordance with the rules of the Stock Exchange of Thailand and the Securities and Exchange Commission

In 2018, there were 7 connected transactions approved by the Board of Directors which were in compliance with the prescribed rules and did not exceed the approved credit line. Details are provided in "Related Transaction"

4.10 The Board of Directors should ensure the establishment of dedicated Investor Relations function to represent the Company in communicating information and activities of the Company, according to the policy and guideline for information disclosure, which is useful in making decisions to Shareholders, Investor, Analysts and those interested in the Company to acknowledge and shall treat all investors equally and fairly. The Company discloses information in accordance with relevant laws and regulations accurately, adequately, timely and in

accordance with the regulations of the Stock Exchange of Thailand to create confidence and correct understanding of the business operations of the Company for investors.

The top management of the Company allocates time to participate in investor relations activities and meet with investors in order to announce policies and business directions, exchange comment and answer various questions usually. The Company organizes activities to promote relationship between investors, analysts such as Company visit, Management discussion panel, Analyst meeting to disclose Company's information as well as news and activities.

In 2018, the Executives had opportunity to meet Shareholders, Analysts, Investors and Media through various activities to present the operating results regularly which summarized as follows;

- Quarterly Analyst Meeting, 4 times on March 5, 2018 May 21, 2018 August 20, 2018 and November 13, 2018
- Participated in activities with the Stock Exchange of Thailand to disclose the Company information on the "Opportunity Day" on March 29, 2018 and "Thailand Focus" on August 30, 2018.
- Organized meetings with executives according to the appointment of institutional investors and analysts in total 26 times
- Provided information and had meeting with media throughout the year, total 4 times (Money Talk, Money Plus, Infoquest, Interview, share news)

In addition, the Company has set Silent Period not to communicate with Analysts and Investors for 30 days before the announcement of the quarterly

and annual performance of the Company to the Stock Exchange of Thailand to avoid giving unfair information which may affect the price of the Company's securities. Shareholders and general investors can contact the Investor Relations Unit at;

Investor Relations :
 149 Ratchadapisek road (Thapra - Taksin),
 Bukkhalow, Thonburi, Bangkok 10600
 Telephone : 0 2477 9020
 Fax : 0 2477 8022
 E-mail : ir@tvothai.com

Chapter 5 Board of Director Responsibility

The Board of Directors plays an important role in overseeing the setting of the Company's objectives and main goals as well as supervising on strategies, policies, operational plans and monitoring the management's work for the best interest of the Company and fairness to stakeholders and society as a whole with consideration to good corporate governance principles.

In the year 2018, the following cases had never happen to the Company;

- Severe violation against stipulations of the Securities and Exchange Commission and the Stock Exchange of Thailand
- Corruption action or violation of ethics
- Resignation of a non-executive director due to the reason of good governance
- Loss of creditability due to the Board of Director's failure in monitoring the business

Structure of the Board

The Board Structure consists of the Board of Directors and Sub-Committee; the Audit Committee, the Corporate Governance Nomination and Remuneration Committee,

the Risk Management Policy Committee, including Chief Executive Officer, and the Company Secretary, which is appropriate, auditable and counterbalanced.

Composition of the Board

The Board of Directors consists of qualified members from professional fields with the experience in vegetable oil industry and in other areas which is beneficial to the business. They devote time and effort on their duties. They set up policy and corporate overview both short-term and long-term with the Executives, and play major role to monitor, supervise and evaluate in order to make the business operation corresponding to corporate goal.

According to the Company's Articles of Association, at least 5 directors must be appointed, not less than half of which must reside in Thailand. As of December 31, 2018, there are 12 members of the Board of Directors consisting of 11 male directors, 1 female director according to good corporate governance principles for listed companies which the number of directors is appropriate for the size, type and business complexity.

In addition, the Board of Directors consists of independent directors with a proportion of one-third of total number of directors in accordance with the regulations set by the Capital Market Supervisory Board and the Stock Exchange of Thailand. The independent directors response in examining the operation of management team, expressing the opinion, supporting policy that benefit to shareholders or opposing the unfair or ambiguous that may effect to benefit of shareholders and stakeholders. The independent director also monitors on dissemination of related transaction to ensure that Company and shareholders have the best interest. Non-executive directors have experience in the main business or industry in which the Company operates. All directors

are qualified with skills and expertise that are useful in accordance with the business of the organization. The Board Structure can be divided as follows;

- 9 Non-executive directors (representing 75 percent of the total number of directors)
 - 4 independent directors (not less than 1 in 3 of the total number of directors)
 - 5 other directors who are not involved in the routine management of the Company
- 3 Executive directors (equivalent to 25 percent of the total number of directors)

In 2018, the Board of Directors meeting no 9/2018 passed the resolution to correct and add details in the charters of the Board of Directors according to the proposal of the Corporate Governance Nomination and Remuneration Committee to comply with CG Code and the Section 225 of the Securities and Exchange Act (No. 5) B.E. 2559.

Qualifications of the Board of Directors

- Not being prohibited by the Public Limited Companies Act B.E. 2535 or other related laws as well as the requirements of the SET, the SEC and the Company's regulations
- Being a qualified person with leadership, visionery, morality and ethics, knowledge, ability, useful experience and understanding of the nature of business and industry in which the Company operates.
- Being responsible and able to fully devote time to perform the duties as the directors of the Company

Qualifications of the Independent Directors

The number of independent directors is not less than one-third of the total number of directors. At present, the Board of Directors consists of 4 independent directors who are fully qualified according to the criteria set by the Capital Market Supervisory Board as follows;

1. Shall not hold shares exceeding of one percent of the total number of voting shares of the Company, or the parent company, subsidiary company, associated company, major shareholder, or controlling person, whilst the number of shares held by any related person of such independent director must also be counted.
2. Shall not a director participating in management role, or an employee, an officer, an advisor who receives regular salary, or a person having controlling power, of the Company or the parent company, subsidiary company, associated company, a subsidiary company in the same level, major shareholder, or controlling person, unless such an independent director has not possessed the characteristics referred to above for at least two years, provided always that such prohibited characteristics shall not apply to an independent director who used to be a government officer or an advisor to a government authority, which is a major shareholder or the controlling person of the Company.
3. Shall not a person related by blood or legal registration as a father, mother, spouse, sibling, and child, including as a spouse of a child of other directors, management person, major shareholder, controlling person, or the person being nominated to be a director, management person or a controlling person of the Company or the subsidiary company.
4. Shall neither have and have ever had any business relationship with the Company or the parent company, subsidiary company, associated company, major shareholder, or controlling person in the manner in which his/her independent discretion might be affected, and is not and has not been a significant shareholder or a controlling person of the person that has business relationship with the Company, or the parent company, subsidiary company, associated company, major shareholder, or controlling person, unless such an independent director has not possessed the characteristics referred to above for at least two years.
5. Shall not be nor have ever been an auditor of the Company or the parent company, subsidiary company, associated company, major shareholder, or controlling person, and is not a significant shareholder, a controlling person, or a partner of any auditing firm of which the auditor of the Company, or the parent company, subsidiary company, associated company, major shareholder, or controlling person is working, unless such an independent director has not possessed the characteristics referred to above for at least two years.
6. Shall not be nor have ever been any professional service provider, including legal or financial advisor who obtains fee of more than Baht two million per year from the Company or the parent company, subsidiary company, associated company, major shareholder, or controlling person, and not be a significant shareholder, or a controlling person, or a partner of any of such professional service provider, unless such an independent director has not possessed the characteristics referred to above for at least two years.
7. Shall not be a director appointed as a representative of the Board of Directors, major shareholder, or shareholder who is a related to major shareholder of the Company.
8. Shall not undertake any business in the same nature and in competition with the business of the Company or its subsidiary, nor be a significant partner in a partnership or director with management authority, employee, staff member or advisor who receives salary or holds shares exceeding 1% of the total number of shares with voting rights of

another company which undertakes business in the same nature and in competition with the business of the Company or its subsidiary.

9. Shall not have any other characteristics which may restrict such person from offering independent opinions regarding the Company's operations.

Director's Term of Office

The Company's Articles of Association stipulates the director's term of office in accordance with the Public Limited Companies Act B.E. 2535 that at the Annual General Meeting of Shareholders each year, one-third of directors shall vacate office. If the number of directors can not be divided exactly into three parts, directors in a number closest to one-third shall vacate office. In the first and the second year, directors to vacate office shall draw lots. In subsequent years, the directors who remained in office for longest time shall vacate office. However, the Board of Directors has a 3-year term of office and may be re-elected as the Board of Directors deems appropriate. The director vacating office may be re-elected.

The Company established the terms of independent director not to exceed 3 consecutive terms, as indicated in the Charter of the Board of Directors. Should any directors are suitable to be appointed longer than the specified period, the Board of Directors shall consider the period of such appointment based on the efficiency of the performance, expertise and knowledge and understanding of business and/or specialization that is beneficial to the Company in consideration of the best interests of the Company. In the year that independent directors are due to retire by rotation, the Board of Directors will propose the list of such independent directors together with the reasons for the Annual General Meeting of Shareholders to consider and approve the re-election of such director back to be an independent director.

In 2018, Mr. Sompol Kiatphaibool, Chairman of the Board, served as an independent director for more than 9 years, but because he is knowledgeable and experienced and able to perform duties as Chairman and independent directors in order to support the business operations achievement successfully and continually. The Corporate Governance Nomination and Remuneration Committee is of the opinion that Mr. Sompol Kiatphaibool can express opinions independently, therefore, the Board of Directors deemed it appropriate to propose to consider extending the term of independent directors for another term.

Scope of Duties and Responsibilities of the Board of Directors

According to the Board Charter approved by the Board of Directors' meeting no. 9/2018 on October 17, 2018, the Board of Directors is responsible for the policy and direction of the Company and to monitor and supervise the management to be in compliance with policy established efficiently and effectively with care and honesty to achieve the maximize value of business and to generate good profit to Shareholders with responsibility and accountability in the business operation by taking into account the interests of all shareholders equally to preserve benefit for Shareholders. The information was disclosed to the investors accurately, completely, standardized and transparent with details covered as follows;

1. Members of the Board must perform their duties in compliance with the law, regulation, objective and the Article of Associations of the Company, including resolutions of Shareholder meetings' with honesty and carefully for corporate best interest.
2. Member of the Board has authorization to consider and approve all matters about Company operation with major responsibilities as follows:
 - Establishing business policies, visions, missions, strategies, long-term goals and review in accordance with the business environment every

year in order for the executives and employees to have the same direction.

In 2018, the Board of Directors reviewed and approved the vision, mission, strategies, goals and business directions of the Company including reviewing important policies to be appropriate and consistent with the business operations in accordance with good corporate governance principles such as Business Code of Conduct, Regulatory Compliance Policy, Anti-corruption Policy and Board Charter.

- Defining and reviewing the structure of the Board of Directors and approval authority to be suitable for the Company's business as well as supervising the process of nomination and election of directors in a transparent manner and determining the appropriate remuneration for directors.
- Defining organizational structure or management structure suitable for business operations as well as supervising the Company's culture creation that adheres to ethics and morality and monitoring the business operation complying to policies and manuals defined by the Company including being a role model.
- Approving strategies, important policies, operation plan and the annual budget of the Company as well as monitoring the implementation of the Company's strategy to comply with the plan and supervising the management to report the performance to the Board of Directors regularly. In 2018, the Company's performance and operating results according to the strategy were reported every quarter.
- Defining the structure of approval authority and the authority of the management appropriate to the responsibility.

- Establishing investment policy for financial management including policy and credit limit for financial instrument trading (Option). As well as approving significant items such as credit limits from financial institutions, loan, guarantees, new investment projects in accordance with the rules and regulations of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand and related laws.
- Monitoring to ensure that accounting system, financial report and accounting audit are reliable, including disclosure of important information accurately, adequately, timely, in accordance with relevant rules and practices as well as ensuring that the assessment of internal control and internal audit are adequacy and monitoring the implementation to be effective.
- Supervising the management to monitor and assess the financial status of the Company, liquidity, capacity and to report the Board of Directors regularly.
- Overseeing to ensure effective risk management policy covering the entire organization with reviewing and assessing the system regularly.
- Overseeing and supporting the creation of innovations that creates value for the business, together with creating benefits for all stakeholders.
- Overseeing the management of information technology and security measures of information technology systems appropriate and adequate.
- Approving the appointment of sub-committees and its charter such as the Audit Committee, the Corporate Governance Nomination and Remuneration Committee and the Risk Management Policy Committee to consider specific issues, information verification and propose guidelines for consideration.

In 2018, the Board of Directors reviewed and approved the Sub-Committee Charter such as the Charter of the Audit Committee, Risk Management Committee, the Corporate Governance Nomination and Remuneration Committee in order to be appropriate and consistent with the business operation according to the principles of good corporate governance.

- Encouraging the Company to operate in all forms of anti-corruption to promote good governance principles and supervising to have a mechanism for receiving complaints and actions in case of whistleblowing.
- Monitoring and managing potential conflict of interest among the management, directors, and shareholders, including the improper use of assets and other transactions of connected person by focusing on the best interests for shareholders and stakeholders.
- Assessing the performance of the Board of Directors annually by performing as a whole and self-assessment including overseeing to have the performance assessment of Sub-committee, the results of assessments and the review of the performance assessment form every year.
- Overseeing the assessment of the performance of the Chief Executive Officer regularly and the determination of remuneration in accordance with the Company's performance.
- Overseeing to ensure that there is remuneration for top executives appropriately, which is consistent with the Company's performance to create motivation both in the short and long term.
- Supervising the development program and the succession plans of senior managements to be effective for continuity of management.
- Supervising the Company to have a framework and mechanism for overseeing the policies and operations of subsidiaries and considering the appropriateness of the person to be sent as a director in the Company's subsidiary.
- Supervising the operations of the Company to comply with laws and good corporate governance principles to ensure that structures and practices of the existing Board of Directors has been prepared for proper governance and ethical performance.
- Setting up framework for resource management together with development and budget.
- Supervising and encouraging employees to have knowledge and understanding of money management and provident funds.
- Considering the appointment of the Company Secretary to be responsible for the works relating to the Board and to manage the important tasks of the Company in accordance with relevant laws and regulations.

Corporate Governance

The Board of Directors has authorized the Corporate Governance Nomination and Remuneration Committee to be responsible for good corporate governance policy, and to review Regulatory Compliance Policy every year for improvement in accordance with the Corporate Governance Principles of the Stock Exchange of Thailand.

Business Code of Conduct

The Board of Directors is responsible for executives and every employee to understand the ethical standards that the Company uses in conducting the business. Manual of Business Code of Conduct has been made in writing and regularly reviewed every 2 years as well as announced and communicated to everyone in order to acknowledge and adhere to work. It is in the Company's

orientation program and published on website. The Company also organizes activities on this issue regularly to instill employees to have conscience in this regard.

The Board of Directors Meeting No. 8/2018 considered and reviewed the Business Code of Conduct manual in order to be suitable for the current business situation and environment that may be changed. The Business Code of Conduct is published on the Company's website.

Conflicts of Interests

The Board of Directors has set the policy regarding conflicts of interest and related transactions between the Company and its subsidiary. Considerations of any transactions including the approval of such transaction must comply with announcement of the Capital Market Supervisory Board and the Stock Exchange of Thailand, and are subject to normal business conditions with the best interest of the Company and Shareholders. The Company shall avoid any actions that cause conflicts of interest. The Company requires those who have a conflict of interest or connected with the considering transaction to inform the Company regarding their relationship or connected person before considering the agenda of the Board of Directors' Meeting and be recorded in the minutes and not participate any meeting of such approval, and have no authority to approve such transaction. The Audit Committee is responsible for overseeing any conflicts of interests to be corresponding with the policy by concerning requirements, procedures and disclosure of transactions that may cause conflict of interest properly.

Internal Control system

The Board of Directors has established an Internal Control System in terms of finance, operation and compliance including set authority of subcommittees

and management clearly. Internal auditors will monitor the performance of each department according to the annual audit plan to create an effective and independent monitoring system as independent department to monitor and track corrective action (if applicable) in order to ensure that the Company operates in line with guidelines established under the Internal Control system and the risk management effectively and report the results directly to the Audit Committee. The Board of Directors will review the suitability and adequacy of the internal control system once a year.

Risk Management

The Board of Directors oversees that the Company has an effective and reliable risk management policy. The Risk Management Policy Committee is responsible for the assessment of the surrounding risks carefully by considering both external and internal factors that may affect the business of the Company while the Enterprise Risk Management Policy Committee, which consists of employees from all departments, assesses the potential risks to the organization and reports to the Risk Management Policy Committee and to inform the concerned parties to follow the risk management guidelines. The Company has a meeting to manage the risk management continuously, including the preparation of measures to manage risks correctly and suitable for business goals. The risk management policy is reviewed annually. The Risk Management Policy Committee reports to the Board of Directors to prevent and reduce potential losses.

The Board of Directors' Authority

- Approving vision, strategy, policies, short-term and long-term business plan
- Appointing advisory and management team from Executive Vice President and above

- Considering the meeting allowance and directors' remuneration in order to propose to the Shareholders
- Approving budget with credit limit of over Baht 25 million or more
- Approving annual budget plan including goals and criteria for finance and investment
- Approving the loan to other companies or other persons for corporate business objective
- Approving the loan and issued Bank of guarantee and its credit line
- Approving to open and close bank account with financial institution and setting credit line and authorizing person for account payment
- Approving the criteria for connected and related transactions
- Approving the interim dividend payment to Shareholders
- Performing any other duties according to laws and Company Articles of Association

Roles and Responsibilities between the Board of Directors and the Management

The Board of Directors and the management have clearly separated roles, duties and responsibilities in order to counterbalance and review the business management. The Board of Directors will consider and approve the overall policy, corporate governance strategy while the management is responsible for operating daily works in accordance with the policies set by the Board of Directors.

- **The Chairman of the Board** is not the same person of Chief Executive Officer. The authority and function are separated to counterbalance between the Board and the Management team. No one has absolute power. The Chairman of the Board shall be an independent directors and non-executive directors and shall not be associated with management, and shall not hold any corporate shares. Role

and Responsibility of the Chairman of the Board are as follows;

1. Advising on the Corporate policy and strategy
2. Governing the structure of the Board of Directors to be suitable for business according to good corporate governance
3. Overseeing the Board and Sub-committee to participate in creating an ethical corporate culture and good corporate governance to achieve the objectives and main goals of the organization according to the plan effectively and effectiveness
4. Supervising all directors to participate in promoting a corporate culture with ethics and good corporate governance.
5. Being the leader of the Board and presiding over the meeting of Board of Directors including approving matters to be included in the agenda of the Board of Directors' meeting together with the Chief Executive Officer with measures to ensure that a) important matters are included in the meeting agenda and b) directors receive complete and sufficient information prior to the date of Board's meeting as well as allocating sufficient time for discussion of important issues and encouraging directors to exercise discretion carefully and express opinion independently.
6. Strengthening good relations between executive directors and non-executive directors and between the Board and management.
7. Being a casting vote at the Board of Directors' meeting in the case that the votes are equally
8. Presiding over the Shareholders' meeting and conducting the meeting toward agendas, which is according to the Company's Article of Associations and relevant laws.

- **Chief Executive Officer** is responsible for day-to-day operation of the Company under the policies set forth by the Board of Director. The scope of authority of the Chief Executive Officer is clearly defined.
- **The management team** is responsible for managing the Company in various fields. The Chief Executive Officer is as the head and the leader of the management team to operate business according to the policy by covering the following matters;
 - Controlling and managing the general work of the Company including having the authority to act as a boundary under the approved scope of authority in order to comply with the objectives, policies and regulations of the Company
 - Considering investment plans and presenting to the Board of Directors for approval
 - Performing any actions as assigned by the resolution of the Board of Directors' meeting and the resolution of the Shareholders' meeting

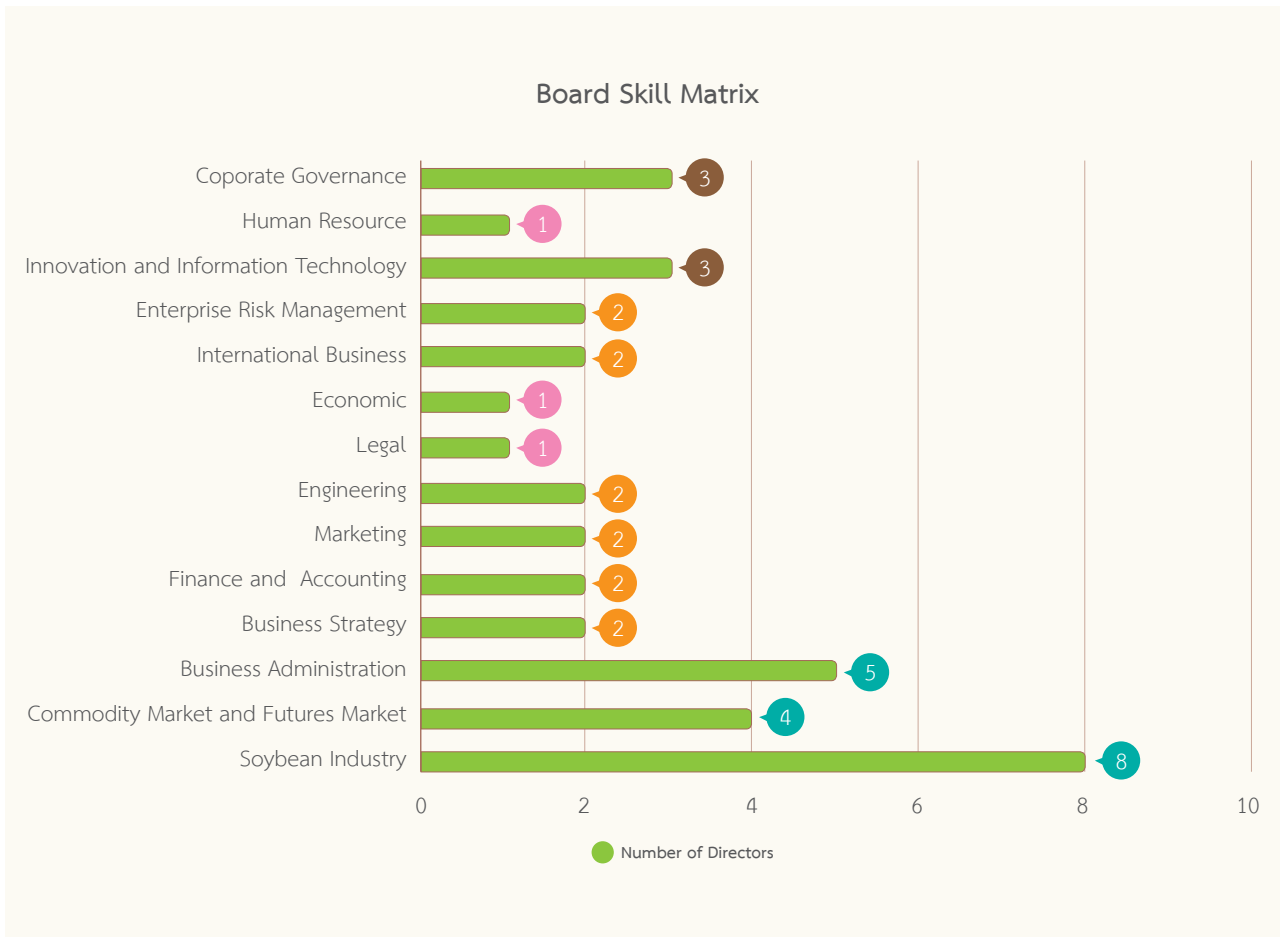
Nomination and Appointment of the Directors and Top Executives

Nomination of Directors

The Board of Directors has assigned the Corporate Governance Nomination and Remuneration Committee to recruit and select qualified persons to be appointed as directors and top executives by considering the appropriateness of the number of directors and Board Diversity in accordance with the business strategy by taking into account the missing of necessary skills including experience, specialized knowledge and expertise that is beneficial to the Company as well as efforts in the business operation and time devotion to the organization.

Criteria for Directors Selection

The Corporate Governance Nomination and Remuneration Committee has determined the criteria of directors selection by considering the nature of the business and the strategy of the Company, therefore, has defined the qualifications of the directors to be appropriate and consistent with the business strategy of the Company by considering the necessary skills that are still lacking and the Board Diversity in professional skills, specialized expertise, knowledge including work experience to determine the appropriate person with experience, knowledge and ability that will benefit the Company to become a director or executive. The Company has established a Board Skill Matrix for reviewing the structure of the Board including using as information for consideration of nomination of directors to ensure that the Board of Directors is qualified in accordance with the Company's business direction. The person who is appointed to be the director or executive must be fully qualified according to Section 68 of the Public Company Act B.E. 2535 (including the amendments) and the SEC's announcement and must not have prohibited characteristics as Securities Act (Including additional amendments), other laws and related regulations.



The Board of Directors currently consists of 12 members, which are suitable for the business. All directors have work experience or have ever worked as the top management positions of government agencies and business sectors. Most of directors have experience in the vegetable oil industry and animal feed ingredients that are beneficial to the Company. Most of directors graduated in business administration and have knowledge in commodity markets and agricultural futures markets. There is a director who has graduated in law as well. The current Board of Directors is composed of qualified persons with experience, expertise from a variety of professions.

The Company invites minority Shareholders through website to nominate qualified person who are not possessing any prohibited characteristics as prescribed by the law concerning public limited companies, the law concerning securities and the stock exchange and according to the criteria set by the Company every year to be selected as a director of the Company. The Corporate Governance Nomination and Remuneration committee will consider and propose to the Board of Directors or Shareholders' meeting, as the case may be.

Appointment of Directors

In every Annual General Meeting of Shareholders, one-third of members of the Board shall vacate office, if the number of directors can not be divided exactly by three, the directors in a number closet to one-third shall vacate office, and then new members shall be elected by Shareholders based on following criterion:

1. One shareholder has votes in a number equal to one share for one vote
2. Each shareholder may use all his/her votes under 1 to elect one or more than one director but may not distribute his/her vote varied for persons.
3. Persons equaled to number of directors to be appointed with highest subsequent votes shall be elected as members of the Board of Directors. In cases where the persons elected in descending order are equal vote, exceeding number of directors to be elected at that time, Chairperson shall cast a deciding vote.

In the case of a vacancy of directorship for reason other than expiration of term of office, the Corporate Governance Nomination and Remuneration Committee shall elect a person possessed of qualifications and not possessed of disqualifications according to the law as the replacement director in the Board of Directors' meeting within the period specified by law unless the remaining term of office of the vacating director is less than 2 months. The replacement director may hold only for the remainder of term of office of the director whom be replaced. In this regards, the resolution must be supported by votes not less than three-fourths of the number of the remaining directors.

Recruitment and Appointment of Top Executive

The Corporate Governance Nomination and Remuneration Committee is responsible for selecting qualified person

with knowledgeable and experiences that is beneficial to the Company's operation to be the Chief Executive Officer and proposing to the Board of Directors for approval including creating a succession plan by considering the experts both inside and outside the organization in order to conduct business continuously and strengthen personnel to be ready for succession of important positions.

Recruitment of top executives, the Chief Executive Officer is responsible for selecting and appointing persons who are qualified for the position and responsibilities including knowledge, ability, business understanding and experiences that are beneficial to the Company's operation. The selection is in accordance with the recruitment rules of the Human Resources Department.

Board Meeting

The Board of Directors requires that the meeting shall be held on a monthly basis, with the meeting dates set in advance for the whole year and assigned the Company Secretary to submit the schedule and agenda of each Board meeting in advance. However, the date of the meeting may be changed as appropriate depending on the importance of the agenda to be considered. In year 2018, the Board of Directors held totally 11 meetings with the proportion of meeting attendance of the entire Board of Directors was 95.16 percent. The attendance report of the Board of Directors' meeting was disclosed on the page 90. For the Board of Directors' meeting in 2019, the Board of Directors will arrange a meeting on the 3rd Tuesday of every month.

Chairman of the Board and Chief Executive Officer jointly consider the matters into the meeting and set the meeting agenda. Each director is allowed to propose his own agenda to be considered as the meeting agenda.

Company Secretary is responsible for sending the meeting invitation together with supporting documents for the meeting agenda to the directors at least 7 days prior to the meeting in order for the directors to have sufficient time to study the information, unless there is an urgent matter.

In a meeting of the Board of Directors, the presence of not less than one-half of the total number of directors is required to constitute a quorum. The meetings are conducted in a manner of presentation, consideration and discussion in appropriate forms of deliberation. Chairman of the Board, as Chairperson of the meeting, will give an opportunity for the Committee to freely express opinion. Management team will join the meeting in some agenda to present an important related persons and to acknowledge policy directly from the Board of Directors themselves in order to have it implemented efficiently.

In the Board meeting with important agenda to be approved, the quorum must consist of not less than two-thirds of the total number of directors to jointly consider important agenda.

The resolution of the Board of Directors' meeting shall be by a majority votes, each director shall have one vote, except the director having interests in any matter who shall have no right to vote in such matter. In the case of an equality of votes, the Chairman of the meeting shall give casting vote.

The Company secretary shall attend the meeting to take minutes of meeting which will be certified correctly by the Chairman of the Board and proposed to the next meeting for approval. The Company Secretary is also a data collector; certified documents and other meeting documents for easy reference searching.

The Board of Directors encourages non-executive directors to convene meeting among themselves without management team attending the meeting. The meeting is independently to discuss business issues, including improvements of the Company. The meeting results shall be reported to the Board of Directors. In 2018, there was 1 meeting of non-executive directors, without participation of the management, on October 6, 2018 to discuss the vision of the Company and 5-year business plan in order to present to the Board of Directors meeting.

No.	Name	Position	Board of Directors	Executive Committee*	Audit Committee	Risk Management Policy Committee	Corporate Governance	
							Nomination and Remuneration Committee	Non-Executive Directors
1.	Mr.Sompol Kiatphaibool	Chairman of the Board (Independent)	11/11 (100%)	-	6/6	-	7/7	1/1
2.	Mr.Apichart Chirabandhu ^{1/}	Director (Independent)	7/9 (77.78%)	-	4/5	-	5/6	1/1
3.	Dr.Chaipat Sahasakul	Director (Independent)	10/11 (90.90%)	-	5/6	3/3	-	1/1
4.	Assoc.Prof.Dr.Kitcha Urairong	Director (Independent)	11/11 (100%)	-	-	-	-	1/1
5.	Miss Sudarath Vitayatanagorn	Acting Chairman of the Executive Board	-	6/6	-	-	-	-
6.	Mr.Bowon Vongsinudom ^{2/}	Vice Chairman / Chief Executive Officer and President	11/11 (100%)	4/4	1/1	4/4	1/1	-
7.	Mr.Visuth Vitayathanagorn ^{3/}	Director	2/2 (100%)	-	-	-	-	-
8.	Mr.Vichit Vitayatanagorn	Director / Executive Director	10/11 (90.90%)	6/6	-	-	-	-
9.	Miss Aranya Vitayatanagorn	Director / Executive Director	11/11 (100%)	6/6	-	4/4	7/7	-
10.	Dr.Witoon Suewatanakul ^{4/}	Director / Executive Director	2/2 (100%)	2/2	-	-	-	-
11.	Mr.Vichai Vitayathanagorn	Director	10/11 (90.90%)	-	-	-	-	1/1
12.	Mr.Vachara Vitayatanagorn	Director	11/11 (100%)	-	-	-	-	1/1
13.	Mr.Pachai Chanpitaksa	Director / Executive Director	9/11 (81.81%)	6/6	-	-	-	-
14.	Mr.Eakarat Wongsupphasatigul	Director	11/11 (100%)	-	-	-	-	1/1
15.	Mr.Voravuth Tangpiroonthum	Director	11/11 (100%)	-	-	-	-	1/1

Remark : * The Executive Committee was cancelled according to the resolution of the Board of Directors' meeting no.6/2018 on July 4, 2018.

^{1/} Appointed as a director (Independent) on February 28, 2018.

^{2/} Appointed as Chairman of the Audit Committee. Corporate Governance Nomination and Remuneration Committee according to the resolution of the Board of Directors' meeting on March 1, 2018. Appointed as Managing Director, Executive Director, Chairman of the Risk Management Committee and ended the position of Chairman of the Audit Committee, member of Corporate Governance, Nomination and Remuneration Committee according to the resolution of the meeting on March 1, 2018.

^{3/} Appointed as Chief Executive Officer according to the resolution of the Board of Directors' meeting on July 1, 2018.

^{4/} Resigned from the Board of Director according to the resolution of the Board of Directors' meeting on August 14, 2018.

^{5/} Resigned from the Board of Director and , Executive Director and Chairman of the Risk Management Committee on March 1, 2018

Sub-Committees

In accordance with good corporate governance principles, the Board of Directors has appointed 3 sub-committees consisting of the Audit Committee, the Corporate Governance Nomination and Remuneration Committee and the Risk Management Policy Committee in order to consider screening important operations specifically with discretion and efficiency and to provide opinions to the Board of Directors including disclosing operation performance in the annual report for shareholders to acknowledge as well as having the authority to consider and decide on some important matters authorized by the Board of Directors as specified in the Charter, which is to define the duties and responsibilities of each committee. Names and roles of sub-committees as at December 31, 2018 are as follows;

Audit Committee

The Board of Directors appoints the Audit Committee, which consists of at least one-third of the total number of independent directors, but must not be less than 3 persons, with qualifications and duties in accordance with the rules prescribed by the Capital Market Supervisory Board by having at least 1 director with sufficient knowledge and experience to be able to perform the duty of reviewing the reliability of financial statements. The Audit Committee has a 2-year term. The members who are due to retire by rotation may be re-appointed as the Board of Directors deems appropriate. The Audit Committee is responsible for overseeing the Company's operations by using the method of auditing and reviewing the management of the Company for the benefit of the shareholders as a whole. The Audit Committee Meeting is scheduled to be held at least 1 time per quarter. The minutes of the meeting is recorded in writing and the certified minutes is stored perfectly for verification. In the year 2018, the Audit Committee convened 6

meetings and held a meeting with the auditor without the management attending the meeting 1 time to request opinions from the auditor on various matters. In addition, the Audit Committee also held a meeting between the Audit Committee and the Internal Audit Department 1 time.

The Audit Committee, presently consisting of 3 independent directors who are knowledgeable, expertise and adequate experience in reviewing financial statement, was appointed according to the Board of Directors' Meeting no. 10/2018 on November 12, 2018.

1. Mr.Apichart Chirabandhu Chairman (Independent)
2. Mr.Sompol Kiatphaibool Member (Independent)
3. Dr.Chaipat Sahasakul Member (Independent)

Scope and Authority of the Audit Committee

1. Verifying the accuracy and adequate disclosure of the financial statement in coordinate with external auditor and management who is responsible of financial report quarterly and yearly.
2. Verifying the efficient and appropriateness of internal control system and internal audit system, as well as considering the independence of the internal audit department in performing duties as responsible for reviewing the effectiveness of the risk management system and internal control, and considering the appointment, rotation and termination of the internal auditor and whom may be responsible for internal audit work.
3. Verifying the Company's operations to comply accurately and appropriately with relevant standard and laws on securities and stock exchange and regulation of Stock Exchange of Thailand and relevant laws related to the business.
4. Nominating, appointing, re-appointing and terminating the independent person to act as an auditors and

- setting their fees also attending the meeting with auditor without management team at least once a year.
5. Verifying the connected and related transactions to prevent a conflict of interest according to the rules and regulations of the Stock Exchange of Thailand to ensure that transactions are reasonable and for the best interest to the Company.
 6. Preparing an Audit Committee Report, signed by Chairman of the Audit Committee, which is disclosed in annual report with following necessary contents;
 - 1) The accuracy, adequacy and reliability of corporate financial statements
 - 2) The adequacy of Risk management and internal audit control system
 - 3) The compliance of rules and regulations of Stock Exchange of Thailand and relevant business laws
 - 4) The suitability of the Auditor
 - 5) The conflict of interest transactions
 - 6) Number of the audit committee meeting and attendance of each member of the Audit Committee
 - 7) Overall opinion and observations that audit committee has received from performing their duties according to the Audit Committee Charter
 - 8) Other transactions that shareholders and investors may acknowledge under responsibility assigned by the Board of Directors.
 7. During performing duty, if there are any suspicious transactions which may significantly affect to financial status and operational performance, the Audit Committee shall have the authority to invite the management, executives or relevant staff to provide opinions, attend meetings or submit documents as deemed necessary and report to the Board of Directors to improve within proper time as deemed appropriate by the Audit Committee.
 - 1) Conflict of interest transaction
 - 2) Fraud, corruption or any other essential flaw from internal audit system
 - 3) Violation against Securities and Exchange Act, regulations of the Stock Exchange of Thailand or other laws related to the business.

If any above mentioned transaction is not rectified by the Board or Executives as scheduled, the Audit committee shall report to the Securities and Exchange Commission and Stock Exchange of Thailand in that case.

 8. Supporting and monitoring the Efficiency and adequacy of Risk Management system,
 9. Reviewing Audit Committee Charter annually to propose to the Board of Directors for approval as well as approving the annual internal audit plan.
 10. Audit committee shall consult any professional advisors if necessary, the Company is responsible for the costs incurred.
 11. Reviewing the Company's anti-corruption process to be in line with the guidelines of regulatory agencies effectively and verifying the accuracy of the reference documents and the self-assessment form of anti-corruption measures of the Company in accordance with the Thailand's Private Sector Collective Action Coalition Against Corruption.
 12. Reviewing to ensure that the Company has internal process of whistleblowing and complaint that has investigation system independently, properly pursuing, confidentially concerning in order to protect those who complain,
 13. Any other duties assigned by the Board of Directors with consent of Audit Committee.

Corporate Governance Nomination and Remuneration Committee

The Corporate Governance Nomination and Remuneration Committee is appointed by the Board of Directors, consisting of at least 3 directors, most of which must be independent directors and the Chairman is an independent director. The Corporate Governance Nomination and Remuneration Committee has a 3-year term. The retired directors may be re-appointed. The Corporate Governance Nomination and Remuneration Committee is responsible for proposing, reviewing and supervising on corporate governance, considering and nominating qualified person for the position of the Company's directors and top executives and performing other duties as assigned by the Board of Directors with the scope of duties and responsibilities as specified in the Corporate Governance Nomination and Remuneration Committee Charter.

The Corporate Governance Nomination and Remuneration Committee requires to hold a meeting at least once a quarter to get the good corporate governance policy improved up-to-date, to consider criteria and methods for recruiting people and to review the performance evaluation system of the Board of Directors and executives including recruiting top executives if necessary. In 2018, there were 7 meetings of the Corporate Governance Nomination and Remuneration Committee.

As of December 31, 2018, the Corporate Governance Nomination and Remuneration Committee consists of 2 independent directors and 1 executive director as follows;

1. Mr.Sompol Kiatphaibool Chairman (Independent)
2. Mr.Apicahrt Chirabandhu Member (Independent)
3. Miss Aranya Vitayatanagorn Member

Scope and Authority of Corporate Governance Nomination and Remuneration Committee

Corporate Governance

1. Defining the scope and policy of Corporate Governance to propose to the Board of Directors as well as always consider improving it up-to-date continuously
2. Providing Corporate Governance guideline and supervising the Company to comply with the corporate governance policy including reviewing the Company's corporate governance policy annually
3. Formulating criteria and process of recruiting directors and executive
4. Reviewing and revising the Charter of the Corporate Governance Nomination and Remuneration Committee in accordance with the business situation in order to propose to the Board of Directors for approval

Nomination

1. Defining criteria, policies and procedures for recruiting directors and top executives and reviewing the criteria and methods of nomination of directors as well as considering the structure of the Board of Directors to propose to the Board of Directors prior to the nomination of directors whose term has expired including considering the results of the performance assessment of the directors who completed the term in the case that the retired director is nominated for re-election.
2. Determining qualification, considering the background and selecting the appropriate person to be a director of the Company in accordance with the business strategy by considering the Board Diversity in order to propose opinions to the Board of Directors and / or the Shareholders' meeting to approve the appointment.

3. Working with Chief Executive Officer to determine qualification and selection of person(s) who is suitable for senior management positions from Managing Director and above and approving the person(s) who is proposed by Chief Executive Officer.
4. Working with Chief Executive Officer to prepare a succession plan for the position of Chief Executive Officer and senior management in order to propose to the Board of Directors for consideration annually.

Remuneration

1. Defining criteria and policies for monetary and non-monetary compensation of the Board of Directors and Sub-Committees to be suitable for their responsibilities and in accordance with the Company's strategy and long-term goals as well as considering meeting allowances and reward for directors by comparing with the compensation rates of other companies in the same industry in order to propose to the Board of Directors and / or the Shareholders' meeting for approval (as the case may be)
2. Formulating policies and criteria for consideration of remuneration to be in line with the operating results of the Company and the performance of individual executives and considering the performance assessment in order to determine compensation, annual bonus and annual salary adjustment of senior executives from the level of the Managing Director and above.

Risk Management Policy Committee

The Board of Directors appoints the Risk Management Policy Committee, consisting of at least 3 directors, with the objective of providing the risk management structure and the separation of duties and responsibilities in risk management work appropriately and clearly by separating

duties between supervision and policy assignments and risk management tasks at the management level. Reporting and communication are both top-down and bottom-up, which are monitored consistently by functional level to corporate level in order to increase the value of the business and build confidence for all stakeholders and create value for the organization in the long term, which helps to reduce the potential impact on the organization and helps the organization to achieve its objectives by reducing unexpected or risks in terms of economic, social, environmental and emerging risks and takes advantage of opportunity quickly and efficiently.

The Risk Management Policy Committee is responsible for establishing risk management policies and procedures that are in line with the objectives, goals, business plans and acceptable risk to be a framework for risk management for everyone in the organization. Compliance with risk management processes is under control and monitor in accordance with laws and relevant standards. The process is reviewed and improved regularly to be suitable for business operations with the scope of authority, duties and responsibilities specified in the Risk Management Committee Charter.

The Risk Management Policy Committee has a 3-years term. The directors who are retired by rotation may be re-appointed to the position. The meeting shall be called at least once a quarter. In 2018, the Risk Management Policy Committee conducted 4 meeting.

At present, the Risk Management Policy Committee consists of 3 directors as follows;

1. Mr.Bowon Vongsinudom Chairman
2. Dr.Chaipat Sahasakul Member (Independent)
3. Ms.Aranya Vitayatanagorn Member

Scope and Authority of the Risk Management Policy Committee

1. Considering and approving the organization's risk management policy and framework that is consistent with the strategy and business plan covering all the major risks that may occur to the Company and reviewing the risk management policy annually to propose to the Board of Directors for approval.
2. Considering and providing opinions on the acceptable risk appetite and risk tolerance deviations to inform the Board of Directors for acknowledgement.
3. Promoting and supporting the assessment, improvement, and development of risk management system continually to ensure optimal efficiency and suitable for managing of all risk categories.
4. Considering and providing comments on risk assessment results, guidelines, risk management measures and action plans to manage the remaining risks of the Company to ensure that the Company has adequate and appropriate risk management as well as supervising the implementation of policies and frameworks for risk management continuously.
5. Communicating and reporting outcomes to the Board of Directors and related parties including the report of the risk management policy committee meeting, the risk management results of the Company and any other matters that the Board of Directors should aware of.
6. Being responsible for their duties directly to the Board of Directors and the Board of Directors is still responsible for all actions of the Company to outsiders.
7. Considering the appointment of the Enterprise Risk Management Committee or the working group related to risk management according to the suitability including defining roles, duties and responsibilities for the purpose of operating according to the objectives as well as providing advice and support to

- the Enterprise Risk Management Committee and senior management in corporate risk management.
8. Other duties as assigned by the Board of Directors.

However, if there is a risk in the business operation of the Company, the Risk Management Policy Committee has the authority to invite executives, officers and relevant departments to attend the meeting to give statements, clarifications and / or provide information about risks under the duties and responsibilities of the executives, officers and relevant departments.

In the case of necessity and appropriateness in order to accomplish the duties and responsibilities successfully, the Risk Management Policy Committee may request opinions from independent consultants. The Risk Management Policy Committee has been trained and enhanced knowledge on matters related to risk management operations.

In addition, the Risk Management Policy Committee has appointed the Enterprise Risk Management Committee, both the office and the factory to consider proposing an enterprise risk management plan to the Risk Management Policy Committee and be responsible for risk assessment and supervise the implementation of the risk management plan to ensure that the risk management measures are appropriate and consistent with the Company's strategy and business plan including communicating with employees at all levels to understand common goals in risk management. Risk management framework and responsibility are assigned according to the level of importance of every person involved.

Scope of Duties and Responsibilities of the Enterprise Risk Management Committee

1. Being responsible for risk assessment and preparation, and overseeing the implementation of the functional risk management and corporate risk management.
2. Monitoring the process of identifying and assessing important risks throughout the organization, identifying risks from both external and internal factors that may affect the operations of the Company, including assessing the impact and potentiality of identified risks and analyzing important risk factors that may occur to the Company to ensure that there is a risk management plan and the risk management measures that can respond to changes and uncertainties appropriately in accordance with the strategy and business plan.
3. Promoting and supporting risk management throughout the organization by overseeing the implementation of risk policy and allocating resources that are essential to risk management sufficiently in order to allow risk management to help achieve objectives and improve operating results, including being one of the culture and decision-making processes of organization.
4. Communicating and encouraging the implementation of policy and risk management guidelines throughout the organization to be aware of the functional risks control until becoming a part of the corporate culture.
5. Arranging a meeting to review the performance according to the risk management system and proposing the corporate risk management plan to the Risk Management Policy Committee regularly or every quarter continuously.

Remuneration

The Company has a remuneration policy to pay for directors and executives at an appropriate level and consistent with the Company's strategy, long-term goal and performance and comparable with the same business or industry and according to their duties and responsibility. The directors who are assigned more duties and responsibilities should receive appropriate remuneration according to the duties and responsibilities assigned to them. The remuneration of the Board of Directors considered by the Corporate Governance Nomination and Remuneration Committee will be presented to the Shareholders' meeting for approval. Remuneration for directors and executives is disclosed in the annual report and Form 56-1 under management structure.

In 2018, Chief Executive Officer received a salary of Baht 6 million.

The remuneration for the executives is in accordance with the principles and policies set by the Corporate Governance Nomination and Remuneration Committee that considers the performance based on the roles, duties and responsibilities of each person.

Limitation of Director's positions in other Company

The Board of Directors has a definite policy on a limitation of number of Companies that a director should not be holding as a director in other listed companies exceeding than 5 companies in order to have adequate time to do their own duties.

In 2018, there was no director holding any position as a director in more than 5 listed companies.

The Position of Chief Executive Office and President in other Companies

The Board of Directors has a definite policy on other positions of Chief Executive Office and President in other companies by considering that the business must be supported by the business of the Company for example; position in the Company's subsidiary in order to control them.

However, being a director in other listed companies of the Chief Executive Officer and President must not be an obstacle to the performance of the Chief Executive Officer and President of the Company and that business must not be the same nature as and in competition with that of the Company and also bring knowledge and experience from being a director in other companies to help enhance the Company.

In 2018, Chief Executive Officer and President of the Company holds positions in other 3 listed companies.

Directors and Management Development

In order to obtain the Board of Director's efficiency in the operation, the Board of Directors has a policy to encourage the Directors and Executives to have received training courses that are beneficial to the performance of duties continuously with both in-house training and external training in other organizations such as Thai Institute of Director (IOD) and overseas trainings. The Human Resource Department has policy and development plan for the executives individually in order to bring knowledge and experience to develop the potential of people in the organization to be ready to work and in line with the Company's expansion plan.

In 2018, directors and executives have passed the training courses organized by the Thai Institute of Directors Association (IOD) and other courses organized by various institutions as follows;

Training Development of Directors and Executives in 2018

Name	Program	Organization
1. Mr.Apichart Chirabandhu	Advanced Audit Committee Program (AACP)	Thai Institute of Directors Association (IOD)
	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)
2. Dr.Chaipat Sahasakul	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)
3. Assoc.Prof.Dr.Kitcha Urairong	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)
4. Mr.Bowon Vongsinudom	Advanced Audit Committee Program (AACP)	Thai Institute of Directors Association (IOD)
5. Mr.Vichit Vitayatanagorn	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)
6. Miss Aranya Vitayatanagorn	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)
7. Mr.Vichai Vitayathanagorn	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)
8. Mr.Vachara Vitayatanagorn	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)

Name	Program	Organization
9. Mr.Pachai Chanpitaksa	The Story, Chapter 1 (The Ultimate leadership tool)	Sripatum University
	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)
	Leadership Succession Program (LSP), Class 9	Institute of Research and Development for Public enterprises (IRDP)
10. Mr.Chanvit Vitayatanagorn	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)
	The Next Gen Corporation of Design	Faculty of Commerce and Accountancy, Thammasat University
	Robotics Summit 2018 - Shaping The Future With Robotics and AI	Ministry of Digital Economy and Society and the Association of Thai ICT Industry (ATCI)
11. Mr.Supachai Vitayatanagorn	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)
	The Next Gen Corporation of Design	Faculty of Commerce and Accountancy, Thammasat University
	eLogistics Summit 2018 -Reimagining The Future of Digital Logistics	Ministry of Digital Economy and Society and the Association of Thai ICT Industry (ATCI)
12. Miss Sunanta Tritepapiruk	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)
	Credit Analysis Strategy 1/2018	Settaluck Co.,Ltd
	Credit Analysis Strategy 2/2018	Settaluck Co.,Ltd
	e-Payment System for entrepreneurs and financial accounting	Dharmniti Seminar and Training Co.,Ltd
13. Mr.Sakchai Padungkiattivong	Anti-Corruption : The Practical Guide	Thai Institute of Directors Association (IOD)
	Credit Analysis Strategy 1/2018	Settaluck Co.,Ltd
14. Mr.Kamtorn Ekmetipunt	Workshop on the drafting of agricultural product standards	National Bureau of Agricultural Commodity and Food Standards
	Thailand: Trans Fat - Free Country	Alumni Association, Faculty of Agro-Industry, Kasetsart University

Directors Orientation

The Company organized the orientation procedure for a new director in order to prepare in performing duties as a director, the Company Secretary and Compliance Department will organize program to visit the factory and its production process, prepare Director's handbook as an introduction to the Company such as vision, goal of the Company, industry overview as well as the Company's regulations, related laws including framework of the operation, scope of duties and responsibility of the committees including matters under consideration by the Board.

In the year 2018, the Corporate Governance Nomination and Remuneration Committee appointed one new director, Mr. Apichart Chirabandhu as Independent Director and Chairman of the Audit Committee and member of the Corporate Governance Nomination and Remuneration Committee. He is a knowledgeable person with ability and experience suitable for the business. He had meeting with the Chairman of the Board and Executives organized by Company Secretary.

Current Directors and Management Executives

The Company gives important to the knowledge development and encourages the existing directors to attend relevant training courses related to the roles and duties of the directors organized by IOD. The Board of Directors has completed the training with IOD for 12 persons from the number of 12 directors, representing 100%, including courses related to directors' roles and related to the business. The Company encourages executives to gain knowledge about laws, rules and regulations relating to the performance of executive duties including training / seminars that are beneficial to the organization and participants.

Relevant parties in corporate governance

The Company Secretary, the secretary to the Audit Committee, and those doing relevant jobs, the Company supports and promotes related training / seminars organized by the SEC / SET / Thai Listed Companies Association, IOD institutions and other institutions continuously.

Succession Plan

In order to be prepared for a continuation of the business, the Board of Directors, therefore, requires the management to have a succession plan of the Chief Executive Officer and senior executives by assigning the Corporate Governance Nomination and Remuneration Committee to be responsible for succession plan for important positions and to present to the Board of Directors for consideration including determining the knowledge, ability and experience of positions that are important and affecting the business as well as to prepare assessment plans of knowledge, capabilities, weakness, strengths and readiness of the Executive Vice President and above especially the Chief Executive Officer position in order to find qualified people to participate in individual development programs, which is to develop the knowledge of potential executives to be ready to manage the business in the future. The Chief Executive Officer is responsible for reporting the succession plan to the Corporate Governance Nomination and Remuneration Committee to summarize and report to the Board of Directors at least once a year.

Board of Directors Self-Assessment

The Board of Directors shall oversee the performance assessment of the Board of Directors and sub-committees annually at least once a year by dividing the assessment into evaluation of the performance of the entire Board (As a whole) and self-assessment including the evaluation

of the performance of the Chief Executive Officer by assigning the Corporate Governance Nomination and Remuneration Committee be responsible for assessing performance including finding ways to improve the performance of the Board of Directors. The Company Secretary is responsible for submitting the assessment form to all directors, then gather back to process to propose to the Corporate Governance Nomination and Remuneration Committee to report to the Board of Directors.

For the evaluation criteria, the percentage is calculated from the full score of each item as follows;

Score	Meaning
From 90 percent or more	Excellent
From 70 percent or more	Very Good
From 50 percent or more	Good
Less than 50 percent	Need Improvement

Performance Assessment of the Board of Directors

The Corporate Governance Nomination and Remuneration Committee is responsible for assessment process of the Board of Directors by applying the assessment form of the Stock Exchange of Thailand to be adapted to suit the nature and structure of the Board of Directors and to be used as a framework for monitoring the performance of the Board of Directors. There are topics to evaluate as follows;

- Topic of the entire Board Assessment
- 1. Structure and Qualification of the Board of Directors
- 2. Role and Responsibility of the Board
- 3. Board Meeting
- 4. Directors’ Duties

- 5. Relation with management
- 6. Self-development of directors and executive

Topic of Individual Assessment

- 1. Structure and Qualifications of the Board of Directors
- 2. Meeting
- 3. Roles, duties and responsibilities of the Board of Directors

Sub-committee Self-Assessment

The Board of Directors requires that the sub-committees, consisting of the Audit Committee, Risk Management Policy Committee, the Corporate Governance Nomination and Remuneration Committee, shall have a self-assessment of their performance and shall report the assessment results to the Board of Directors meeting every year to review the performance of the sub-committee. The evaluation form of the sub-committee is prepared in accordance with the scope of authority, duties and responsibilities in accordance with the charter of each sub-committee and reference to the form from the Stock Exchange of Thailand, which has topics about the structure, and qualifications of sub-committees, roles, duties and responsibilities of sub-committees.

In 2018, the Board of Directors and all sub-committees have performed their duties with knowledge, ability, according to the scope of authority and responsibility assigned by the Charter and in accordance with the best practices of the regulatory authorities. The Company Secretary has summarized the evaluation results of the Board of Directors both the entire Board and individual including the evaluation results of each sub-committee and reported to the Corporate Governance Nomination and Remuneration Committee to present to the Board

of Directors Meeting No. 2/2019 on February 27, 2019. The evaluation results of the Board of Directors were excellent and the evaluations of the sub-committee were good and excellent.

Board of Directors	Score (%)
As a whole assessment	91.9
Individual assessment	90
Sub-committee	
The Audit Committee	94
The Corporate Governance Nomination and Remuneration Committee	86.8
The Risk Management Policy Committee	96

Assessment of Chief Executive Officer and President

The Board of Director shall arrange to evaluate the performance of the Chief Executive Officer every year on the topic of leadership, formulation and implementation of strategic plans, financial planning and performance, relationship with the Board, succession plan, risk management, internal control and corporate governance by using the guidelines from the Stock Exchange of Thailand.

The Company Secretary is responsible for submitting the assessment form to all directors including non-executive directors to evaluate the performance of the Chief Executive Officer and compiling the assessment results, reporting to the Corporate Governance Nomination and Remuneration Committee to present to the Board of Directors for determining the annual remuneration of the Chief Executive Officer. A discussion session is provided to give comments on performance improvement. The assessment result of the performance of the Chief Executive Officer and the President for the year 2018 was scored of 94.3 percent, which was excellent.

Supervision of Operation of Subsidiaries and Affiliated Companies

The Company assigns qualified persons to be director in subsidiary company to represent the Company in proportion according to the Shareholding of the Company. This is an agreement between the Company, its subsidiaries and affiliated companies to participate in formulating an important policy and supervise its subsidiaries to have proper internal control system and mechanisms of governance in various aspects under the same criteria as the Company. Its subsidiaries are responsible for submitting financial statement to the Company to make consolidated financial statement.

Auditor's Remuneration

1. Audit Fee

The Company and its subsidiary paid Baht 2,540,000 for audit fee to EY Office Limited, which was appointed as the auditor in the fiscal year 2018.

2. There was no any other fee