

(Translation)

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

BUSINESS MORALITY

2<sup>ND</sup> Revise Edition

Board of Company Director are fully aware of the role, duty and responsibility of directors, executives and officials that available toward the operation of the company, reliably, transparency according to the principle of good corporate governance so as to allow the company task proceed efficiently and effective to correspond with the objective and in accordance with the regulation of the company to occur the maximum advantage to the shareholders and every group of stakeholder.

### **Association philosophy**

Maximum satisfaction of the customers is the maximum aspiration of us.

### **Visibility**

We intend to develop for leadership sake in Frozen agriculture products.

### **Mission**

- The Company intends to develop and select fruits – vegetables of quality, clean, free from chemical and deliver the products quickly as required by the customers.
- The Company intends to make a good investment return by seizure the principle of good corporate governance.

## **Ideal**

- The Company will treat the shareholders and stakeholders equally and justice.
- The Company will always think of risk and manage the risk appropriately.
- The Company will build up state of leader to occur in every level, promote to occur good working atmosphere, happy and safety in working.
- The Company will create a good relationship with society, community and intends to maintain environment.
- The Company will build up quality organization and go through learning of organization.

## **Principle of Good Corporate Governance in conducting business**

### **1. Honesty, justice and virtuous**

Whatever act will be done with honesty, justice and virtuous, faithful against duty both oneself and every concerned people, not take advantage of, by thinking of organization benefit as main.

### **2. Wide open, transparent**

The Company will conduct business with transparent, ready to disclose an important information that related with the company properly, completely, in time, always in present inclusive ready to obtain inspected and wide open to receive opinion from every concerned section for continuously developing and modifying.

### 3. Equality

The Company will conduct business and treat the shareholders, customers, co-traders, creditors, officials and people who concerned every sections with equality and equally, will not choose to treat due to difference in race, religion, sex, marital status or body defective.

### 4. Justice

The Company will conduct business and treat the shareholders, customers, co-traders, creditors, officials and people who have concerned every sections with justice for benefits of jointly equilibrium.

### 5. Stick on promise

The Company will conduct business and work with responsibility to the shareholders, customers, co-traders, creditors, officials and people who have concerned every section in the operation according to

the policy, good working system and agreement contract given to various concerned people.

### 6. Pay attention to the society

The Company will conduct business by treating to the stakeholders , community, society according to the right obtainable by law as background and conduct various activities by thinking of environment factor and society for lasting development and growth.

## 7. Keep secret

Will not disclose secret data of shareholders, customers, co-traders, creditors, officials and every concerned people of the company both by intention and not intention to the third person except to get consent from information owner and will not use an obtained information for personal financial interest and other persons.

## 8. Disclosure on benefits

Directors, executives and officials must disclose benefits from personal business or other business inclusive any matters that is the conflict of interest or may lead to the conflict of interest.

## 9. Act accordance with the law

The Company will keep for acting in accordance with the law, rule and provision concern with the conducting business strictly.

## **Practical points**

### 1. Management on conflict of interest.

Directors, executives and officials must not seek for personal benefits that are contrary to the benefits of the company or whatever act which creates the conflict of interest toward the company by having following practical lines:

- Directors, executives and officials should avoid the behavior that create the conflict of interest toward the company, all this, if it must necessary to have any proceeding that concerns

with the conflict, directors, executives and officials must think of maximum advantage of the company as main.

- Directors, executives and officials that are participated in conducting outside activity of organization or hold an office outside the company such as to be director, executive, adviser or represent in other organization, such activity must not create conflict of interest with the company not either direct or indirect and must not affect to self performing duty in the company.
- Directors, executives and officials must not receive any assets or pay any benefits that dishonest with the co-trader and/or creditors inclusive concerned section or use self authority to seek for personal benefits.
- Directors, executives and officials will not behave or participate concern with giving a bribe or use self authority to seek for personal benefits.
- Directors, executives and officials can receive any gift or presents from the people that the company dealt with in amount not exceed 3,000 baht. If any received gifts or presents worth exceed formulated in case of company director, let report to the Board of Corporate Governance. For officials, let report to their boss of higher position one level.

## 2. Maintain secret of information.

The Company thinks that it is the responsibility of directors, executives and officials that has to maintain secret

of information of the company strictly, then formulate the following practical lines:

- Directors, executives and officials will responsible and maintain the secret information of shareholders, customers, co-traders, creditors and officials by not disclosing such information if no consent from information owner, except that disclosure is in accordance with the law, regulation, provision or attached conditions which the company has to follow inclusive not to reach the secret of such person information by means of dishonest or inappropriate.
- Directors, executives and officials will not seek the benefits for oneself or people concerned by taking internal information that still not disclose or in secret for using or take for disclosing to the outsider either direct or indirect.
- Directors, executives and officials will not buy, sell, transfer or receive transferring assets of the company by means of internal information of the company which has not yet disclosed toward concerned units.

### 3. Responsibility on assets and reputation of the company.

The Company promotes as executives and officers to use the resources and assets of the company efficiently and it is the responsibility to cooperate in promoting and maintaining the reputation of the company, then formulate the following practical lines:

- Directors, executives and officials will perform duty with thoroughness, cautious for preventing damages toward the stakeholders and reputation of the company.
- Directors, executives and officials will maintain honor of oneself to be accepted in society, lay oneself to suit with the rank and circumstances.
- Directors, executives and officials will manage to take care any assets of the company to be in usable conditions, maintenance and uses various resources with valuable and full capability.
- Directors, executives and officials will behave as rule, discipline, regulation of the company and good moral principle strictly.

#### 4. Responsibility on the stakeholders.

The Stakeholders that the company have paid an important consisting of the shareholders, customers, co-traders, creditors, officials, business competitors, community and society.

#### **Responsibility on the shareholders**

The Company holds the principle of practical equality and equally toward shareholders by having following practical lines:

- Directors, executives and officials will intend in building up growth with quality and security in order the shareholders receive lasting return from efficient working and good business result of the company.

- Directors, executives and officials will respect the right of shareholders in receiving necessary information with equally and disclose business result, financial status along with support information with truthfulness as formulated by the Securities and Stock Exchange of Thailand and Securities and Exchange Commission.
- Directors, executives and officials will perform duty with honesty, transparent, justice for building up confidence that decision and whatever act are thinking of maximum advantage of every shareholder and every related group.
- Directors, executives and officials will control of having the operation and treat according to the policy of the company and develop working to have better quality continuously.

### **Responsibility on customers**

The Company is intended to create satisfaction with the customers then formulate following practical lines:

- The Company will manage to have service system that creates satisfaction of the customers by treating everyone will equality and equally without choosing.
- Executives and officials will provide information concerning the service completely, correctly and not distort the facts by thinking of customer benefits as main.
- Executives and officials will manage the system to enable the customers ask claim concerning the service or conducting business of the company by proceeding very quickly and repay the customers at the best.



- The Company will control an environment, internal area and around circle of factory building and office for life safety and customer assets and contractors with the company.
- Executives and officials have an intention in creating the satisfaction with the customers for receiving good service.

### **Responsibility on co-traders**

The Company treats with the co-trader which are regarded as business partnership with equality and thinks of co-benefits by holding following practical:

- Executives and officials will develop and maintain lasting relationship with co-traders and build up reliable with each other.
- Executives and officials will manage accepting claim system concerning the service or conducting business of the company and do the best for the co-traders to allow the co-traders service return very quickly.
- Executives and officials will not make false advertising or intend to deceive the co-traders misunderstanding.

### **Responsibility on creditors**

The Company has a policy to treat the creditors with justice by having following practical lines:

- Executives will maintain and act in accordance with the conditions having toward the creditors strictly.
- Executives will control to have paying off loans and interests to the creditors of every loan completely as due time and

follow as conditions of loan as agreed completely by not using such loans by way of apposing the objective in loan.

- Executives will exercise the work to ensure the creditors in financial status and ability in paying off a debt of the company.
- Executives will report the correct and complete information to the creditors.

### **Responsibility on officials**

As the officials are the valuable resources and be the factor of success, the company then takes care and treats the official as justice both in opportunity, return benefits, transfer through developing potential in which the company holds the following practical:

- Executives will supervise an environment in working to be safety for life and assets of the officials.
- Executives will give appropriate return benefits, justice to the officers, coordinating with the operation result of the company by considering from working result.
- Executives will manage to have a system of individual resources management in the matter of appointing, transfer inclusive rewarding and clear penalty for the officials by treating with honesty, put on the background of knowledge, competent and appropriate of the officials.
- Executives will pay an important in developing knowledge, competent and growth of the official by all.

- Executives will listen the opinion and advice from every rank of the officials equality and equally without choosing.
- Executives will behave oneself as a good sample in morality, moral law and role of duty.
- Executives and officials will treat with the fellowship with politeness and respect each other.

### **Responsibility on competitors**

The Company conducts business under the rule frame of competition with justice by holding the main practical as follows:

- Executives and officials will not seek secret information of the competitors by way of dishonest or inappropriate.
- Executives and officials will not do anything that is violated intellectual property of others or competitors.
- Executives and officials will behave under the rule frame of good competition, not ruin the reputation of competitors by accusing the competitor with dishonest and without true information.

### **Responsibility on community and society**

In order to maintain good whole society, the company then formulate the following practical lines:

- Directors, executives and officials will behave according to the right of own-self in a capacity as a good population as law and/or regulation issued by cooperate governance unit strictly and give cooperation with the state section regularly.

- Directors, executives and officials will take care and protect not allow the operation of the company to incur damages toward life quality of community and environment.
- Directors and executives will create mind conscious in responsible toward society in every level of officials group continuously and earnestly.
- Directors, executives and officials will cooperate to promote and create the society in the part of life quality development, save energy, maintain environment for making progress toward the society as a whole both in presence and behind.

Business morality, 2<sup>nd</sup> revise edition has been received permission for modifying from the Board of Company Meeting No. 1/2013 dated February 26, 2013.

Signature

(Mr. Prayoon Pholpipatanaphong)

Chairman of Board of Director