

(Translation)

BOARD OF COMPANY CHARTER

Of

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

1. Objective

Board of Company as an representative of the shareholders have an duty to corporate governance on exercise of the company to correspond with the laws, objective and regulation of the company and oversee the management exercise its work under policy of Corporate Governance, corporate socials responsibility for promoting and creating belief of shareholders, the people and every group of stakeholder.

2. Components and appointment

Board of company consist of chairman, managing director and other directors not less than 5 persons and directors not less than half of total director must have residence in the Kingdom and available freely directors not less than one third of total director and must not lower 3 persons.

- Shareholders are the one who consider to approve for appointing Board of Company.
- Chairman of the company shall select from one director in the Board of Company.
- Appointment of company director shall be according to the regulation of the company and provision of related laws.

All this, it must be transparent and clear by considering from education background and work experienced of such person with having sufficient particulars for the sake of making decision of Board of Company and shareholders.

### 3. Board of Company property

- Company Director must be a person of knowledgeable, competent, honest, having ethics in conducting business and have sufficient time to devote its knowledge, competent and perform duty to the company.
- Having property and no forbidden condition as laws of Public Company Limited and other related laws including must not be any sign that show lack of suitability in receiving reliable to exercise activity management that having the common people as shareholders as formulated by Securities and Exchange Commission.
- Company Director can hold the director position in other registered company not more than 3 companies but all this such director must not be hindrance toward performance duty as director of the company and must be in accordance with the guide line of Securities and Stock Exchange of Thailand and Securities and Exchange Commission.
- Independent Director must have the property with regard to independence as company formulated and in accordance with the same guide line with the property of Audit Committee as proclaim of Securities and Stock Exchange of Thailand subject: property and operating scope of Board of Audit Committee and must take care of benefits of every shareholder equally and not allow to incur conflict of interests. Besides, can be able to attend Board of Company Meeting with independently opinion.

For Independent Director, the company intends to mean the directors whose not perform duty as executive. They are freely from management and authorized shareholders and have no business relations with the company in the condition that would make restriction in expressing freely opinion and must have more property; that are:

- Not hold the shares exceed 0.50% of paid up capital of the company, subsidiary company, joint company or related company, all this, let include the shares held by related person as well.
- Is a director in other registered company not more than 3 companies

- No participation in exercising work including not be employee, official, consultant with monthly salary or authorize in controlling company, subsidiary company, joint company, related company or the company that main shareholder hold the shares both direct and indirect exceed 5% of paid up capital or is a person who has conflict by having no benefits or common interest in such condition for not less than 2 year.
- Not be a person who has blood relationship or by registering as laws in the form of parents, married couple, relatives and child including married couple of child, executives, main shareholders, control authorized or a person to be proposed as executive or control authorized of the company or subsidiary company.
- No business relation with the company, subsidiary company, joint company or juristic person that may have conflict in the form of hindrance, freely usage of discernment and no any other form that cause unable to express freely opinion with regard to the company operation.
- Not be or has been Auditor of the company, subsidiary company, joint company or juristic person that may have conflict and not a main shareholders, directors who are not independent directors, executives or managing partner of audit accounting office which has certified public accountant of the company, subsidiary company, joint company or juristic person who may have conflict attached unless has quitted from such condition not less than 2 year before date of submitting license to the office.
- Not be or has been provided any profession service which include provide legal adviser service or financial adviser which received service fees exceed 2 million baht per year from the company, subsidiary company, joint company or juristic person that may have conflict. All this, in case of one who provides profession service is a juristic person, let include of main shareholders, directors who are not independent director, executives or managing partner of whom provide profession service, unless has quitted from such condition for not less than 2 year before date of submitting license to the office.

- No benefits or common interest not either direct or indirect in financial and exercising work in the company, subsidiary company, joint company or main shareholder of the company.
- No forbidden form as formulated by Securities and Exchange Commission.
- Free from main shareholder of the company.
- Can take care benefits of every shareholder equally.
- Can take care not to incur conflict of interests between the company and executives, main shareholders or other company which having executives or main shareholders in the same group.
- Can attend Board of Director Meeting for making decision in crucial matter of the company.
- Is a person of knowledgeable, competent, comprehension, talented, experienced through state of leadership and vision that will be useful in conducting business of the company

#### 4. Holding term

Company Director are formulated to hold its term of each 3 years and when holding term completed, it may be considered to re-elect as company director once again.

In every annual ordinary shareholder meeting, allow company director to quit from the position by one third of number of director at that moment. If number of director shall not properly divided into 3 parts, allow to quit by closest number of one third.

The Directors whose will quit from the position in the first and second year after registered company, allow to cast lots. For later year, allow the director who holds longest position to quit from the position.

Apart from such quitted from the position, company directors may quit from the position when:

- Pass away.
- Resign.
- Lack of property to be company directors or forbidden condition as laws of Public Company Limited or condition that show lack of suitability in receiving reliable to exercise activity management that having the common people as shareholders as formulated in the Royal Act of Securities and Stock Exchange.
- The Shareholder meeting resolve to quit from the position.
- Quitted by the command of Court.

Any company director would resign from the position, can do by tender one's resignation toward the Chairman.

In case company director position vacant because of other causes apart from complete term, allow Board of Company appoint person having appropriate property and no forbidden condition as laws to be director in replacement in the next Board of Director Meeting. Unless term of vacant director remains less than 2 months, person whose replaces such director shall hold the position only remaining term of replacement director.

#### 5. Authority and responsibility

Apart from main duty in his capacity as an representative of shareholders as already mentioned, authority and responsibility of company director are still correspond with formulated by laws, company regulations and resolution at the shareholder meeting which include the operating as follows:

- Board of Director have an duty as regulation of the company which include taking care and manage the company to follow the laws, objective, regulation and resolution at the shareholder meeting.
- Formulate vision, mission, ideal, principle of good corporate governance in conducting business and tactics of the company.
- Exercise and operate according to the objective, financial target and company plan including follow up and take care to have performance as formulated plan.

- Manage to have accounting system, financial report and auditing account including take care to have internal control system and internal inspection with sufficient and effective.
- Investigate and manage to resolve problem on conflict of interest that may happen including related subject.
- Formulate guide line of risk management with comprehensive and take care an executive to have its system or efficient process in risk management.
- Manage to have system or remuneration engine to high rank executive appropriately to incur induce strength both in long-run and short-run.
- Make assessment on work result of Managing Director and fix remuneration to coordinate with the operation result.
- Manage to have communication channels with each group of shareholder and stakeholders of the company appropriately.
- Manage to disclose correct information, clear, transparent, reliable and standard.
- Be a leader and example in good performing.
- Board of Company and high rank executives are accepted toward measurement of anti-misconduct and corruption, having an authority and responsibility in formulating policy, guide line and performance step and support to bring various measurement to perform to incur form and appearance of things to convince that Board of Company and high rank executives have fully aware and pay an important with such measurement truly and establish firmly to hold practice till become culture of organization.
- Directors, executives and officials must perform according to the policy of misconduct and corruption strictly. If not, it would regard a guilty in discipline and be punished as formulated company regulation and would receive punishment by laws.

## 6. Meeting

- The Company formulates meeting schedule of Board of Director yearly in advance by formulating to have regular meeting at least one time/quarter and each director acknowledges of its.
- The Chairman and Managing Director jointly consider agenda of a meeting.
- Manage to send an invitation letter for meeting, agenda of a meeting and document for meeting to the director at least 7 days in advance before meeting for having time to consider information sufficiently.
- Formulate to call the directors attend the meeting to complete as quorum when having consideration to resolving various important matters such as acquisition or distribution of company assets and subsidiary company that having important impact toward the company, investment project expansion, administrating power formulation, administrating financial policy formulation and risk management chiefly.
- At the meeting, if any director who has common interest in considering agenda, must leave the meeting before start considering that agenda.
- Every director has a right to propose the matter into agenda of meeting, check the document for meeting and other important documents. If any doubt, other director and management must answer that doubt.
- Company secretary or one who assigned must manage meeting report completely within the time formulated by laws.

## 7. Quorum

In the meeting of Board of Company, there must be company director to attend the meeting not less than half of total company director then to complete as quorum. Arbitration of the meeting shall regard maximum vote.

One company director has one voice in voting. If equal vote, the Chairman in the meeting shall give one vote for arbitrating.

## 8. Assessment

Performance assessment of Board of Company shall manage to gather every year by dividing into 3 types that are 1) performance assessment of director individually 2) performance assessment of the whole board and 3) performance assessment of Managing Director. All this, Board of Director shall use this performance assessment as information with an opinion of Board of Company propose to the shareholders in consideration for electing director which complete term.

Board of Company Charter have received approval from Board of Director Meeting No. 1/2013 dated February 26, 2013, 1<sup>st</sup> revise edition from Board of Director Meeting No. 1/2016 dated February 26, 2016.

Signature

(Mr. Prayoon Pholpipattanaphong)

Chairman of Board of Directors