

## 10.1 General Policy

The company has policy to operate its business with corporate social responsibility. The company is aware and gives importance to supporting activities for society and the surrounding community, including continual care for the environment with the intention to work with the persons involved by aiming to build and continue good relationships from mutual acceptance and trust with consideration of potential impacts on stakeholders such as shareholders, employees and communities where the company operates business, customers, trading partners and government agencies including society and the country in addition to building attitude and corporate culture with the aim for employees to have responsibility for our shared society.

This policy had principles specified to be joint practice guidelines as follows:

1. Corporate Governance – The company is determined to become a good model by building reliability for investors and stakeholders in business operations, increasing value and promoting the organizations sustainable growth including management according to international good governance principles to benefit Thai society and achieve goals while maintaining moral excellence as a fundamental value of a leading organization.
2. Human Rights – The company gives importance to basic human rights to promote respect for rights and freedom without discrimination, equality without gender and class division. The company does not employ child labor and is against corruption in every form.
3. Labor Practices – The company maintains wages at suitable levels for Thailand's industry. Modifications, structural changes and organization regulation will be carried out with responsibility under the framework of Thai law including strict compliance with the law and regulations related to occupational health and safety to build a safe work environment for employees, contractors and visitors by attempting to keep everyone safe from accidents and any potential hazards.
4. Environment – The company has a clear environmental policy and has strict adherence by having measures to reduce environmental impacts from various activities of the organization to preserve and maintain ecological and environmental systems at communities where the company operates business in addition to building corporate culture by building conscientiousness among employees and persons working in the company to enter green culture and green networks with sustainability.
5. Fair Operations – The company is determined to operate its business with fairness, ethics, attention to compliance with the law, respect for social rules and being a politically neutral organization.
6. Customer and Procurer Relations – The company focuses on good service for maximum customer satisfaction and the company is sincere in customer complaint management including efforts to correct mistakes from production or service. At the same time, the company expects to receive goods and service with the same characteristics from procurement organizations and the company emphasizes on maintaining sustainable relationships with customers and procurers.
7. Community Participation and Development – The company will consider community needs, promote personnel to become partners with persons involved in local areas around operating facilities in the area of education, cultural and social development while participating to improve quality of life in communities along with promoting and supporting employee participation in volunteer work and public benefit activities with communities.

## 10.2 Operations and Report Preparation

### Report Preparation Processes

To regulate compliance with the Corporate Social Responsibility Policy (CSR) and the Anti-Corruption Policy by the company and subsidiaries, the company has assigned the Human Resources Department the responsibility of organizing CSR activities by presenting work plans to the Executive Committee meeting for approval on an annual basis in addition to reports summarizing CSR activity performance during the past year for the Board of Directors to acknowledge. In 2014, the company held Taokaenoi employee rallies to plant mangrove forests in Phetchaburi to build conscientiousness in maintaining the ecosystem and the environment among employees. Furthermore, the company organized activities to donate food, dry goods and donate to temples in the vicinity of the company during important Buddhist festivals along with granting scholarships to schools in factory neighborhoods in Pathumthani. The company reports these activities to employees via mail in the company and newsboards along with reporting to executives at monthly meetings of the Executive Committee.

In regulating the Anti-Corruption Policy, the company specified for employees with any form of complaint related to corruption to present facts to internal audit agencies to prepare reports for consideration and presentation to the Audit Committee for further action.

### Operations under Policies Disclosed by the Company

Operations according to the Corporate Social Responsibility Policy had many processes specified in operation regulations according to ISO standard systems, departmental and individual key performance indicators (KPI) and in various processes with specification of guidelines and communications with employees in addition to visits to inspect operating processes of certified ISO institutes to ensure the company operates according to disclosed policies. Examples of operations consisted of the following:

The Personnel Department assigned to carry out this activity coordinated with every agency involved such as by setting practices or notifications in factories in Thai, English and Burmese along with providing opportunities for every employee of every nationality to participate such as merit-making on important religious days and New Year parties, etc..

The objectives were to promote equality among employees in every class, modify the scenery around factories and the surrounding communities by planting trees along public rails in front of factories, provide training for employees at every level to review and promote work knowledge.

The Procurement Department specified regulations requiring more than one supplier for a single raw material or packaging material, printing channels for complaints on every package and communicating directly with the Chief Executive Officer via electronic channels, etc.

## 10.3 Business Operations Impacting Corporate Social Responsibility

Business operations of the company and subsidiaries are not investigated, being investigated or accused of having negative impacts on society and the environment with significant potential impacts on business operations, reputations or reliability of the company or subsidiaries.

## 10.4 Social and Environmental Benefit Activities

Taokaenoi aims to build economic and social growth in every community where the company operates business, reduce environmental impacts and use resources cost-effectively by building environment preservation conscientiousness at every level, developing every work process and selecting environmentally-friendly technology. Furthermore, the company also carries out activities to build networks for sustainable development and education in order to be able to truly answer needs of associated persons.

Global warming is considered an important problem with impacts on society and every living creature on Earth. Humans, animals or even the environment are threatened by these changes with growing severity, climate and seasonal fluctuations, loss of ecological balance and extinction risks. As a result of these concerns, Taokaenoi has shown interest in the aforementioned issues. Therefore, planting seaweed to reduce carbon dioxide is one of the options that should be monitored the most at this time because, apart from reducing carbon dioxide, this method can also be used to produce algae biofuel and high-value chemicals.

## 10.5 Corruption Involvement Prevention

### Policy

The Anti-Corruption Policy was approved in the 3/2015 Resolution of the Board of Directors on 12 March 2015 as follows:

The company is determined to operate its business morally and adhere to corporate social responsibility and responsibility to every stakeholder group based on good corporate governance principles. Therefore, to ensure the company has policies specifying responsibilities, practice guidelines and specifications for appropriate operations to prevent corruption in every activity of the company in addition to having fair, transparent and accountable business operations, the company has prepared this written Anti-Corruption Policy as a practice guideline for transparent and sustainable operations by the organization as part of business operations.

The company has set the following practice guidelines in line with the Anti-Corruption Policy:

1. The Board of Directors, executives and employees at every level are required to comply with the Anti-Corruption Policy by being neither directly nor indirectly involved in matters of corruption.
2. Anti-corruption measures are considered part of business operations and a duty and responsibility of the Board of Directors, executives, supervisors and employees at every level to render opinions related to practices to ensure that anti-corruption operations succeed in line with appropriate policies in addition to reviewing practice guidelines and specifications for operations to be concurrent with changes in business, rules, regulations and specifications of the law.
3. The company developed anti-corruption measures to be consistent with associated laws including moral practices by arranging risk assessments in associated activities or corruption risk groups along with preparing practice guideline handbooks for associated persons.
4. The company does not perform or support bribery in any form. Every activity under the care of the company, including the control of donations to charity, donations to political parties, business gifts

and support for various activities are transparent without intentions to persuade government or private officials to perform inappropriate actions.

5. The company arranges proper internal control and regularly examines internal control to prevent improper practices among employees.
6. The company provides anti-corruption education for the Board of Directors, executives and employees to promote honesty and responsibility in duties and responsibilities along with relating to show the company's determination.
7. Employees are not to neglect or ignore corrupt actions involving the company. Employees must notify supervisors or the persons responsible and cooperate in various fact examinations. If there are any doubts or questions, employees are to consult with supervisors or persons assigned to perform duties and responsibilities related to monitoring ethical practices. Inaction or refusal to cooperate in investigations is considered a crime.
8. The company offers justice and protection for employees or outside persons who reported corruption related to the company.
9. Directors, executives and employees who carried out corrupt actions committed ethical crimes requiring consideration for the highest disciplinary action according to the company's regulations and may be punished by law if the aforementioned actions are illegal.
10. The company has the Audit Committee or consents for outside agencies to review the management report system and the risk management system to ensure systems are in compliance with international standards as deemed fitting and effective for the business.

### Performance

The company and subsidiaries have company operations in compliance with policies for preventing involvement with corruption as follows:

1. Business Risk Assessment to Identify Operations by the Company or Subsidiaries with Risk for Involvement with Corruption

The Risk Management Committee arranged for business risk assessments by combining corruption risks with financial risks and has controlling measures by using Key Risk Indicators (KRI).

2. Practice Guideline Specifications to Control, Prevent and Monitor Corruption Risks

The company has a clearly specified and practical policy for reporting on suspected crimes to control, prevent and monitor corruption risks.

3. Employee Communication and Training to Provide Education on Anti-Corruption Policies and Practice Guidelines

The company has policy to combine with employee orientation handbooks to communicate anti-corruption policies and practice guidelines to employees along with notifying policies to employees via email and public relations boards.

4. Guidelines for Monitoring Assessment of Practices under the Anti-Corruption Policy

The company has internal auditors plan internal audits in the aforementioned topic before making presentations to the Audit Committee and the Board of Directors to monitor the aforementioned assessments of practices according to the Anti-Corruption Policy.

5. Have the Audit Committee or An Auditor Approved by the Office to Review Completeness and Sufficiency of All Processes

Completeness and sufficiency of all processes are concurrent with auditor processes requiring Management Letter (ML) issuance to executives after audits or reviews and issuance of quarterly and annual financial statements for further presentation to the Audit Committee and the Board of Directors.