

Corporate Governance Report

The Board of Directors of Thai Union Group Public Company Limited has realized the importance of good corporate governance, which should be provided by the company to support its operations for sustainable growth and wider acceptance in both the domestic and international markets. For this reason, the Board of Directors has been committed to running operations under a good corporate governance framework, which comprises directors and executives who are leaders with visions and responsibilities, and a management structure which controls, monitors, provides checks and balances for fairness, morality and transparency concerning the equity of the shareholders and the stakeholders in order to increase the competitive advantage, which will build confidence among shareholders, investors and stakeholders, to make the company operate with efficiency, stability, and sustainable growth along with added value in the investments for the shareholders in the long term.

The Company's corporate governance in 2019 was rated "excellent" for the fourth consecutive year from Corporate Governance Report of Thai Listed Companies 2019 conducted by the Thai Institute of Directors Association (IOD) and the Company received a full score on the assessment of the Annual General Meeting of Shareholders by Thai Investors Association.

Operations under good corporate governance

The Board of Directors has set up a good corporate governance policy for registered companies by adhering to the principles of good corporate governance of the Stock Exchange of Thailand and has consistently reviewed, adjusted and improved this for suitability to ensure that the duties of the Board of Directors are performed with effectiveness and constant good corporate governance. In addition, the Company reviewed the policy to comply with legal, economic and social change and inform directors, executives and employees to acknowledge and abide as part of the work.

The Board of Directors has verified the performance in accordance with the Guidelines of Corporate Governance Code ("CG Code") for listed companies and found that the performance was in accordance with the stipulated policy and work processes, except for a few matters, resulting in implementation pauses as follows:

Principles/Good Corporate Governance of the Stock Exchange of Thailand	The Company's Explanation
<p>Equitable Treatment of Shareholders: The delivery of the invitation to shareholders 21 days prior to the Annual General Meeting of Shareholders</p>	<p>Due to the preparation of the annual report, we have to wait for the results of operations for 2018 and will be prepared and audited by the Auditor within 60 days of the date of the balance sheet on December 31, 2018. The company scheduled a board meeting to consider and approve the results of operations on February 20, 2019, which takes at least 14 days to close and compile the shareholders' list which the company has scheduled on March 7, 2019. It then took about eight days after the closing date to distribute the meeting invitation letter due to waiting for the list of shareholders' registrar and postal process on March 21, 2019. As the company has set the date for the Annual General Meeting on April 5, 2019, this affected sending the invitation letter to shareholders at least 21 days prior to the meeting date.</p> <p>However, the company publicized the Invitation to the 2019 Annual General Meeting of Shareholders along with the documents in sufficient and accurate detail on www.thaiunion.com from 4 March 2019 – 32 days prior to the Annual General Meeting of Shareholders.</p> <p>Moreover, the company understands that the company had the option to defer the Annual General Meeting in order to give shareholders more time to read and study the invitation letter, but due to April having many holidays that resulted in a large number of SET listed companies holding their meetings after Songkran, then the company looked to set the meeting earlier in order to have more shareholders attend.</p>
<p>Board Responsibilities: The Chairman of the company should be an independent director.</p>	<p>The Chairman of the company is Mr. Kraisor Chansiri, who founded the company and holds the position of major shareholder, resulting in not qualifying as an independent director.</p> <p>However, the Nomination and Remuneration Committee considered, then gave their opinion that he has long experience and vision, and is able to ensure that all directors participate in a corporate culture that promotes ethical and good governance. He is therefore able to control the meetings in a manner beneficial to the organization. This experience is demonstrated by the effort of the past 30 years, when the company has grown from a registered market value of 20 billion 70 billion baht and has shown steady growth.</p>

Principles/Good Corporate Governance of the Stock Exchange of Thailand	The Company's Explanation
An independent director should not remain in the position of Director of the company for more than 9 years.	Although Mr. Sakdi Kiewkarnkha has been an independent director of the Company for 19 years, his commitment and his capabilities, which can be verified by the Audit Committee Report, make the Board of Directors feel confident that he will definitely become non-independent. In addition, there are three other independent directors that have not held their positions for a long time. Therefore, the Board believe that checks and balances will be properly implemented.
Each of the company's directors should regularly attend meetings (at least 75 percent of all meetings).	Since one member of the Board of Directors has been appointed by our business alliance of more than 25 years, Mitsubishi Corporation, represented by Mr. Norio Saigusa, who reside in Japan, it is unavoidable that he could not attend meetings as scheduled. Nevertheless, the company sent the meeting agendas along with supporting documents to all directors and made opportunities for directors to submit questions and comments directly to the Group Chief Financial Officer of the company before the meeting days.
The board should have at least one woman as an independent director.	The company has a policy of diversifying the structure of the Board, professionally and in terms of skills, specializations, and gender, because currently the company has a sufficient number of directors. When the company has the opportunity to nominate directors, it is ready and willing to have an independent woman director on the committee.
The board should appoint Corporate Governance Committee	The Company is being studied and considered accordingly.
Companies should provide project grants to executives to purchase shares of the company for the period of three years and set the exercise price higher than the market price at the time of allocation of rights, including no significant concentration up to 5 percent.	The Company is being studied and considered accordingly.

To comply with the principles of Corporate Governance Code (CG Code) for listed companies of the Securities and Exchange Commission as well as the business leadership concept, and delineated as the Board's roles and responsibilities for the company's long term sustainable value creation. In this regard, the value created should not only be good for the company but also for its shareholders, stakeholders, the capital market and the society at large. This report sets out the guidelines for the directors with 8 principles as follows;

Principle 1 : Establish Clear Leadership Role and Responsibilities of the Board

Principle 2 : Define Objectives that Promote Sustainable Value Creation

Principle 3 : Strengthen Board Effectiveness

Principle 4 : Ensure Effective CEO and People Management

Principle 5 : Nurture Innovation and Responsible Business

Principle 6 : Strengthen Effective Risk Management and Internal Control

Principle 7 : Ensure Disclosure and Financial Integrity

Principle 8 : Ensure Engagement and Communication with Shareholders

Principle 1 : Establish Clear Leadership Role and Responsibilities of the Board

The Board of Directors is authorized to manage the company in conformity with objectives, regulations and shareholder resolutions with honesty, in good faith, and for the best interests of the company. Additionally, the Board of Directors is responsible for setting corporate policy and direction as well as ensuring that the management implements the policy effectively and efficiently.

Board members are required to disclose any material interests in transactions or contracts which the company enters into and increase/decrease in share/debenture ownership in the company or its subsidiaries during any fiscal year. The Board of Directors is authorized to implement and direct the company's activities except for the following issues, which require prior shareholder approval:

- 1) Any issue that requires shareholder approval, pursuant to the law;
- 2) Altering the company's par value or registered capital;
- 3) Increasing the company's Board members.
- 4) Any deed that yields the Board of Directors a gain or loss or any deed that is obliged, by SET regulations, to have shareholder's approval.

The Board of Directors is responsible to the shareholders in overseeing the company's business operations and steering the company towards the agreed targets and on a path that maximizes shareholders' long-term benefits, with consideration to business ethics and fairness to all relevant stakeholders.

Principle 2 : Define Objectives that Promote Sustainable Value Creation

The Board together sets the objectives and main goal including running business policies of company groups. In consideration of situations under in each environment relating to company visions and missions. By Analysis the environment within the organization in order to know the strengths and weaknesses, get the competitive positions and analyze the environment beyond organization, for example economic, society and environment factors, legal issues and market competition. To determine and understand the changes beyond the organization both an opportunity and obstacle for the organization including the support of innovation and technology to add the value and bring into the sustainable growth.

Analysis of changes of all these factors may affect to business and stakeholders so the board supports cultivating values to consider good corporate governance for always practices. The cooperation of all employees to help developing the organization continuously and aware of the importance of sustainable organization.

In addition, the board formulates strategies, policies, plans and budgets of the organization which assigned and followed by the management to do the practices effectively.

Principle 3 : Strengthen Board Effectiveness

The Board understands the roles and their own responsibility by dividing clearly between the Board and management to whom the Chairman and CEO are not the same persons. The Board defines the roles and control to supervise the operation of the management for practices ethically. According to the policies effectively as well as not having the conflict of interest between stakeholders with the disclosure of company information completely and accurate consistently.

The Board of Directors consists of experienced and knowledgeable directors in various fields e.g. engineering, business management, accounting and finance, engineering, law, and information Technology. All of whom have attended the Direct Accreditation Program of the Thai Institute of Directors Association (IOD).

The structure of the Board of the Company in 2019 consists of five committees as follows:

1. Board of Directors
2. Audit Committee
3. Executive Directors
4. Nomination and Remuneration Committee
5. Risk Management Committee

The company has clearly established and separated the authority of each committee. The consideration of any important issues must be approved by each committee which has specific responsibilities before being proposed to the Board of Directors for consideration or acknowledgement so as to balance the power and ensure transparency and fairness to all related parties.

The Directors of the company who reside in Thailand have attended various workshops conducted by the Thai Institute of Directors (IOD) and other institutions as follows:

Continuous Development Program	1*	2*	3*	4*	5*	6*	7*	8*	9*
Director Certification Program (DCP)		10/2001			10/2002	13/2011 2/2006 1/2013	70/2006	27/2003	
Director Accreditation Program (DAP)			86/2010	84/2010			48/2005		120/2015
The Role of Chairman Program (RCP)	15/2007					4/2001	14/2006		
The Role of Compensation Committee (RCC)						9/2009		5/2007	
Audit Committee Program (ACP)							10/2005		
Understanding the Fundamental of Financial Statement (UFS)							7/2007		
How to Develop a Risk Management Plan (HRP)						2/2012			
Handling Conflict of Interest (HCI)						4/2008			
TLCA Executive Development Program				2/2009	1/2009				
Advance Audit Committee Program (AACCP)						20/2015			2017
National Director Conference (NDC)						2016 2017			
Audit Committee Forum (ACF)						2016			2016
A discussion on a corporation's preparedness for cybersecurity threats in the digital transformation Era						2016			
The Audit Committee's Role in Compliance and Ethical Culture Oversight						2017			
Updated COSO Enterprise Risk Management: Integrating with Strategy and Performance						2018 2019			
Dealing with Cyber Risk in the Boardroom						2018			
Preparing for cash flow statements, Ministry of Commerce						2016			
Senior Executive Program: Capital Market Academy	12/2011			25/2017					
Advanced Master of Management Program (Class 1): NIDA				2018					

*Name of directors

1. Mr. Kraisor Chansiri, Chairman
2. Mr. Thiraphong Chansiri, Executive Director and Chief Executive Officer
3. Mr. Chuan Tangchansiri, Executive Director
4. Mr. Rittirong Boonmechote, Executive Director
5. Mr. Shue Chung Chan, Executive Director
6. Mr. Sakdi Kiewkarnkha, Independent Director
7. Dr. Thamnoon Ananthothai, Independent Director
8. Mr. Kirati Assakul, Independent Director
9. Mr. Nart Liuchareon, Independent Director

Principle 4 : Ensure Effective CEO and People Management

The Board of Directors gives importance to personnel who will be in top executive positions, which are important management positions such as Chief Executive Officer including other positions equivalent to the Managing Director of subsidiary companies by considering knowledge, ability, experience that is consistent with the strategy and goals of the company. Therefore, the Board of Directors must oversee the recruitment of such personnel appropriately.

Management Team

As at 31 December 2019, the company’s management team, as defined by the Securities and Exchange Commission, consisted of the following persons;

Name	Position
1. Mr. Thiraphong Chansiri	Chief Executive Officer
2. Mr. Rittirong Boonmechote	President of Global Frozen and Related Unit
3. Mr. Shue Chung Chan	Group Director, Human Resources
4. Mr. Joerg Ayrle	Group CFO
5. Dr. Darian McBain	Group Director, Sustainable Development
6. Dr. Tunyawat Kasemsuwan	Group Director, Global Innovation
7. Mr. Leonardus Coolen	Managing Director, Marine Ingredient
8. Mr. Sanjeev Pant	Managing Director, Emerging Market
9. Mr. Patrick Bertalanffy	Group Director, Strategy Business Development
10. Ms. Arunrat Surattanajindaporn	Assistance General Manager, Group Accounting and Control

The Board of Directors has recognized the importance of the succession planning in the top executive administration of the organization, particularly for organizing the leadership position as Chief Executive Officer (CEO) and President of Global Frozen and Related Unit. Including the top administration position of the company in each region, which is an important part to be successful in the organization. By implementing a Human Resources Department coordinator to consider criteria and succession planning both foreign and domestic would keep the confidence high for stakeholders.

The company has a policy to review the critical positions in the organization, the direct affect to business profits and corporate goals. The procedure is to considerate the positions systematically each year so that it will be used in succession planning both long and short term.

Succession planning in this category will have Group Corporate, Regional and Business Categories. In addition, the company has a development readiness plan for an individual successor by analyzing their knowledge, abilities and skill development requirements. The successor should be ready to take over immediately whenever the company needs. Such a development plan will be reviewed every year with the direct leadership of the successor and the committees who are selected by the company in each position level.

Principle 5 : Nuture Innovation and Responsible Business

The Board perceives the importance of the sustainability, that will set the standard for economic responsibility, social and environmental following the United Nations' Sustainable Development Goals. To becoming the world's most trusted seafood leader, sustainability underpins our core business functions and serves as a measurable standard to which the company align key decisions and practices. Aiming to take a leading role in supporting the seafood industry's sustainability objectives, the Company committed the global sustainability strategy which can be classified into four areas as below.

1. Responsible sourcing - Providing safe, legal and freely-chosen employment in our own facilities and in supply chains is critically important to Thai Union.
2. Safe and legal labor - Traceability is the key to improving the transparency and operational practices of the entire seafood supply chain.
3. Responsible operations for environment - The way we operate must be environmentally responsible and show a duty of care for our workers.
4. People and Communities - At Thai Union we take responsibility for improving the lives of those living and working in the regions in which we operate.

5.1 Promote innovation and responsible for the stakeholders

The Board perceives the importance to promote innovation. The Company is committed to being the seafood industry's leading agent of change. Innovation is a strategic cornerstone of Thai Union. This will help drive sustainable growth and play an important role in shaping the future of the Company. The Global Innovation Center (GIC) is a world -class R&D facility to develop new products, packaging and processing, and thus add more value to the Company's seafood business. The GIC's main R&D facility, located in central Bangkok, conducts research related to fundamental studies of raw materials, new processing technology, and utilization of rest-raw materials to create added value. The main focus is on 1) enhancing product quality, nutritional value and consumer satisfaction; 2) accelerating sustainability through smarter utilization of fishery resources, optimization of processes and technology, and value creation of products, and 3) creating new corporate revenue streams from research and development tailored for new business growth.

The GIC leverages public and private partnerships with industrial entrepreneurs, government, and academia by innovating together and coordinating knowledge between academia and industrial entrepreneurs for the goal of the innovation to benefit the public.

As a global seafood leader, we have a responsibility to set the standard for social, environmental and economic performance across our operations and into our supply chains. Recognizing this responsibility to show leadership, we heeded the calls of our stakeholders with SeaChange®, Thai Union’s sustainability strategy with measurable commitments to delivering real, lasting changes in the way we operate. SeaChange® aims to drive a positive transformation throughout the global seafood industry.

5.2 Responsible operations for society and environment

The Board perceives the importance of the right of all stakeholders and equitable treatment, as the company foresees the importance of their support and the mutual cooperation between the company and the various groups of stakeholders, in that it can secure long-term business wealth, employment, financial stability and implementation to further the Company’s objectives, goals, and strategies in support of sustainable value creation. Therefore, the board is urging management to adopt responsible operations with high ethical, environment and society standards. Also to adhere to equitable treatment of all stakeholders as well as ensures that effective administration of internal controls and compliance controls are established and maintained, as summarized below.

Responsibilities to Shareholders

The company is determined to represent all shareholders efficiently through generating maximum long-term returns on investment and is committed to conducting business with transparency, to put in place reliable financial and accounting systems, and to deliver optimum shareholder satisfaction with regular and sustainable strong operational performance and continued growth. The executive board and all employees shall perform duties with integrity and make decisions in good faith and in fairness to major and minor shareholders alike, as well as for the good of relevant parties. They shall refrain from any activities that could cause conflicts of interest and serve self-interest. Confidential information shall not be divulged to outside parties while simultaneously paying attention to accurate, complete and punctual disclosure of material information to all shareholders in response to their unwavering trust and support given to the company and provide the investment returns that satisfy the shareholders the most.

Responsibilities to Employees, Staff, and Workers

The company treats employees equitably and fairly with no discrimination against nationality origin, religion, gender, marital status, language, or workforce rank, not associating with forced labor, child labor, human trafficking, and not supporting bribery or any form of corruption.

The company has employee’s compensation management policy to retain capable employees who are attracted towards the organization and focus on performance-based compensation in consideration of fairness within the organization, throughout the competitiveness in the labor market, as well as cultural, rules and regulations to be consistent with the mission and values of the organization. The company sets the appropriate compensation comparable to compensation paid in the same industry by considering knowledge, experience and performance of individual employees, combined with parity within the company’s evaluation based on responsibility, task complexity, work experience and skills. In addition, the company has set the compensation management policy based on the employee’s performance and operation’s performance as motivation for performances.

Compensation to Employees, Staff, and Workers

The company has provided fringe benefits which exceed the legal requirements i.e. provident fund, annual health check, health insurance plans, life insurance, accident insurance, gym, recreational activities so that employees can relax from work. The company has allocated significant long-term benefits that help employees and their families of livelihood after retirement from the job in the form of a retirement pension and the most important thing is that each year the company sets aside funds to ensure that the company can pay the compensation to employees in accordance with their rights in the future to encourage employees to prepare the readiness of every department in the company by coordinated with the topflight institutes to make activities for employees before retirement as follows;

1. Training with Samutsakhon community college for various occupational curriculum according to expertise and interests of the employees, such as Thai culinary arts baking and handicraft courses.

2. Training with the Sustainable Agriculture Foundation for growing vegetables without chemicals or in city areas.

3. Make a physical and mental health curriculum with Samutsakhon and Vichaivej hospital to take care of employees; moreover the retired employees will be congratulated by the executive administrators and give a gift for good intention and long time dedication to work.

Compensation of employees is as follows:

1. Compensation relating to the short-term business performance including salaries, which have increased the rate of one time per year, annual bonus, provident fund that is available to employees at all levels by contributions from 2.5 percent to 10 percent of salary depending on the length of employment. In 2019, the company contributed to the provident fund for employees totally THB 50.29 million.
2. Compensation relating to the long-term business performance, including of retirement paid to the conditions set forth in the Employee Handbook. The company has set aside money for retirement for 2019 at the amount of THB 110.31 million and in 2019, the company has paid money for the employee retirement totaling THB 37.68 million.

Human Capital Development

The policy of development of employees is to help unlock the potential in people and improve the value of resources of the organization. We believe that all personnel have the ability or an advantage of their own. The company will help every employee to bring out their strength for the benefit of themselves and the organization, so that everyone has an opportunity for self-development and career advancement.

Developing people at every level is part of the company's core strategy and an ongoing commitment from senior management. We focus on providing training and staff development by focusing on the changing attitude and practices in order to provide organizations with international standards by incorporating the classroom training, coaching, giving feedback and applying real on-the-job training: On-the-job training through training and development is done through these various methods:

- An on boarding process that facilitates a warm welcome, a smooth transition and a foundation for long-term success.
- Vocational, corporate values, cross cultural and Code of Conduct classroom training led by internal and external experts for employees so they can access the information and resources they need to become leaders in excellence.
- Mentoring, coaching and feedback mechanisms to provide support and build leadership capacity.
- Cross-functional projects to promote knowledge building, sharing and collaboration.
- Stretch assignment with coaching and learning resources available to foster growth.
- Job rotations to support skill set expansion and motivate inspiration, connections, including developing a long-term broad vision.
- International project assignments to enhance cultural competencies and language skills, adding value to current and future roles; and
- A structured and personalized follow-up process to access the Global Talent Development Program's impact and track talent development progress.

Details of staff and management training in 2019 for Leadership, Industrial standard, Professional skill and On the job training are as follows:

Total hours of training: 133,804 hours.

Average number of hours per employee per person: 12 hours.

Moreover, the company stresses the importance of communicating information concerning its business to all employees, such as when the CEO meets employees every six months to announce the annual targets, which also helps life spirits and morale.

Responsibilities to Customers

The company's policy is to treat customers with the following responsibilities:

- The company has produced quality food under Food Safety and traceability under standardized manufacturing process technology and appropriate technology, including the development of new products and processes to ensure customer benefit and satisfaction.
- The company determines the price of goods and services at appropriate level of detail and quality of customers' products and services demand.
- The company runs as reasonable cost as possible while maintaining quality of service standards, according to the company's customer requirements.
- The company delivers high quality products and services to meet or exceed customer expectations and on-time delivery adhering to commitments given to customers.
- The company treats customers with politeness, hospitable and honesty, pays attention to every customer with fairness, equality without bias.
- The company complies with the contract terms or conditions, and if not viable, will inform customers in advance and find a solution to prevent irreversible damage to the stakeholders.
- The company provides information regarding the instructions on the product features and specifications of goods and services, as well as how to use. The company also keeps customers informed about the products and other services so there is no misunderstanding about the quality or condition of any products or services.

- The company focuses on maintaining the confidentiality of customer information, not disclose customer's confidentiality or use for their own benefit.
- The company also sets aside a special unit or appoints persons in charge of handling customer complaints and responding to those complaints without delay.
- The company will not receive bribes from customers.

Responsibilities to Business Partners

The company treats suppliers equitably and fairly in line with commercial conditions, is open to hear their opinions and suggestions to forge stronger business relations and places much attention on their commercial confidentiality.

Company policy has selected partners in consideration of the use of labor laws at all times, including communications, acknowledged to be aware of Labor Code of Conduct, including of safety, health, environment and energy conservation policies in the selection of partners and the price comparison or tender which must be approved by authorized personnel to ensure transparency in the procurement function.

Routine engagements have been channeled to various business functions such as marketing teams versus customers, procurement teams versus trading partners and suppliers, human resources versus employees, government relations and administrative functions versus government and local communities, finance teams versus financial markets and institutes, investor relations versus capital markets and investors, corporate communication versus media and public sectors, etc. In addition, some new key initiatives have been launched during the year, namely, deploying sustainability features and capabilities to innovate as new sources of inspiration for customers, investing in resource sustainability in partnership with international NGO(s), collaborating with academic institutions and government to strengthen the basic knowledge and science of seafood products, participating together with customers, trade associations, and business partners in various taskforces in order to tackle the challenges in natural resource and labor protection, and exchanging views and experiences about sustainable development with private institutions and regulators, etc.

Responsibilities to Creditors

The company honestly and strictly adheres to loan agreement commitments given to respective creditors and financial institutions so as to ensure the availability of proper and fair returns on their loan investments. Furthermore, the company works to minimize its exposure to potential conflicts of interest with creditors by not omitting information or facts that may damage creditors. If the company cannot respect the conditions of the contracts, it must notify its creditors in advance to jointly solve the problems.

Responsibilities to Competitors

The company competes with competitors under fair commercial competition, with business ethics and in compliance with applicable legislation. The company does not seek information such as its competitors' trade secret by dishonest means and not destroy the reputation of a competitor in wrong way or find false information, thereby having no trading disputes with any competitor.

Responsibilities to the Community and Society

The company realizes the responsibility to its community and society, especially for improving the lives of those living and working in the regions where it operates. The Company has worked together with private sector peers, local government, international organizations and civil society, for example: Educating children of migrant workers, Providing nutritional information to local communities, Famine and disaster relief programs yearly, as part of our commitment to support the United Nations Sustainable Development Goal (SDG) to end hunger.

Operational activities;

- Preschools for children of our migrant and local workers in Samutsakhon province
- Asean economic community language learning center for interpreting and coordination in communication with the migrant workers.
- Pracharath project: The aim to improve the lives of the local community as well as boost the education standards of children across Samutsakhon, Samutsongkhram, Phetchaburi, and PrachuapKhirikhan provinces consistent with the leadership project for CONNEXT ED in order to minimize inequality in society, development of people's potential, and increase competitiveness for students in public schools under the Office of the Basic Education Commission. Pracharath project of love and unity for Samutsakorn province supporting local businesses and helps to put them on better commercial footing also to help drive the Thai economy at a grassroots level, allowing small business operators to generate more income for the local community such as agriculture, agriproduct processing, and community tourism.
- Providing nutritional information and nutritional training to local communities.

Responsibilities to the Environment

The company realizes all its responsibilities to keep the environment while managing any negative impact on the environment from all aspects of the Company's operations. Sustainable objectives are goals of the company as the world's most trusted seafood leader it has a responsibility to set the standards for environmental protection across operations into our supply chains. Sea Change is the company's sustainability strategy with measurable commitments to deliver real, lasting changes in the way it operates. Sea Change aims to drive a positive transformation throughout the global seafood industry. It covers every aspect of the seafood business on how to look after and maintain the oceans and how it manage its waste. The core of its strategy is to promote sustainability and the ability to fully track its seafood from catch to consumption with full track ability in place. The company will be able to identify, investigate and improve performance on key issue such as labor and responsible sourcing.

Operational Activities;

- Indian Ocean Tuna Purse Seine Fishery Improvement project in order to improve management of the three most important commercial tropical tuna species. With a commitment to seafood sustainability which is a part of our partnership with World Wildlife Fund (WWF).
- Capacity building program to our partner farms to help them improve their farm management practices and meet the standards of BAP, to lead environmental standards, bio-safety, and water management.
- The Company together with International Union for Conservation of Nature (IUCN), Thailand's Department of Marine and Coastal Resources, and Department of Fisheries support various

community-based initiatives in Koh Yao Yai, Phang Nga, to manage marine and coastal resources, to develop sustainable tourism and enhance livelihood resilience.

- The digital traceability pilot program will test scalable platforms for Electronic Catch Data and Traceability (ECDT) systems that utilizes mobile applications and satellite connectivity for solutions pertaining to illegal fisheries, the lack of reporting and without controls. It's the first time for the fishery industry of Thailand to use this communication system.
- Zero project to reduce greenhouse gas emissions.
- To use innovation and management approach effectively for reduction in water use and electricity.
- To use innovation development packages for reducing concerns about the environmental impact of things such as food waste, changing weather and plastics packaging in the oceans for the life cycle assessment project. In order to understand the process of packaging to adhere to the many standards required to protect the environment, starting with production, packaging, logistics and disposal procedures.
- Beach cleaning and protecting the endangered species.

In addition, Thai Union Group's policy must comply with the legal requirements and other commitments relating to the Group. The company has prioritized developing the foundation of an environmental, occupational health and safety management system and systematically integrate environmental, occupational health and safety and energy conversation considerations into our business processes. The Group's targets in 2020 are to reduce its greenhouse gas emissions by 30 percent per ton of production, reduce water use by 20 percent per ton of production and reduce waste to landfill by 20 percent per ton of production, giving the necessary education and training. The action plan can be summarized as follows:

1. The Environmental Policy Occupational Health and Safety with focus on capacity development, as well as the involvement of employees in preventing the negative effects on the environment. (<http://www.thaiunion.com/en/about/environment-health-and-safety>)
2. The establishment of the excellence in Environmental, Health and Safety Center, which has established a device comparable to international standards for the collection of knowledge about the environment, health and safety and a training center for employees.
3. Training before starting work and during operation. This training is organized to suit the nature of the staff and to ensure that employees have a better understanding of how to protect themselves from harm and reduce the environmental impact of the practice on their own.
4. Assessment of compliance with the law continued to ensure that employees have been trained or qualified by law. The company have additional training requirements by local law to begin the process of evaluating employee's potential on environmental, health and safety to ensure their appropriateness and effectiveness and how they compare to international standards.

Respect of Copyrights and Intellectual Property Rights

The company respects copyrights and intellectual property rights of others by forbidding employees from using illegal programs or software and ensuring they strictly comply with the Copyright Act B.E.1994.

Anti-Corruption

The company has received the Collective Action Coalition Certificate from Thailand's Private Sector Collective Action Coalition Against Corruption on 12 February 2018. Hence, the company has issued an Anti-Corruption Policy and Code of Conduct for Anti-Corruption, which details strict guidelines to prevent and/or deal with any corrupt activities. Further, the process of reviewing our policies and procedures are implemented on a periodic basis, in order to make sure our guidelines are up-to-date and responsive to new developments in the current business as well as changing laws, rules and regulations to which the company is subject, and to make sure that our integrity and ethical business conduct is upheld; and by which all board members, management and employees must abide. Board members, management and employees shall perform their duty in compliance with this policy and communicate the policy to external stakeholders for corruption-related risk prevention. The company shall provide protection to board members, management and employees who act against corruption in accordance with this Policy and respective Code of Conduct.

Anyone who violates this Policy and Code of Conduct shall be subject to disciplinary action in accordance with the company's rules and regulations.

Role and Responsibility

- 1) The Board of Directors are responsible for making sure that the business conduct is transparent, accountable, and strictly in accordance with Anti-Corruption policy, respective code of conducts and procedures. The Audit Committee is responsible for: Overseeing internal controls, both financial and operational, of accounting and documenting procedures including all other anti-corruption related procedures, providing channel(s) for complaints or reports of corrupt activities, providing advice on the implementation per Anti-Corruption Policy and Code of Conduct, and reporting finding(s) to the Board of Directors on a regular basis.
- 2) Management is responsible for implementing this Anti-Corruption Policy, including communication and awareness-raising among internal and external stakeholders. Proper management systems and measures must be put in place and periodically reviewed to ensure effective governance and implementation in alignment with the intent and new developments in the current business conduct as well as changing laws, rules and regulations.
- 3) Management and employees at all levels are responsible for mitigating and preventing corruption-associated risks in their assigned duties, and are responsible for reporting of corrupt activities.

General Provisions

- 1) Board members, management and employees must agree to perform their duties and services in compliance with the company Anti-Corruption policy; and must not allow any person, whether directly or indirectly, to exert influence on their behalf so as to engage in any corrupt practice, with the purpose of obtaining any personal or undue advantage.
- 2) In addition to carrying on their duties as assigned, they shall agree not to engage in any corrupt practices as mentioned in section 1, which also including of Giving or accepting gifts or hospitality, Giving or accepting cash or its equivalents, Bribing government officials or third parties or accepting or soliciting bribery, Embezzling company assets or working hours, Laundering money, Obstructing or impeding due administration of justice or judicial

proceedings, Making any political contributions, whether in cash or in kind, including offering goods and services or contributing for advertising purposes, etc. Donating to charitable causes, and Sponsoring for a personal or other undue advantage.

5.3 Governance and information technology management

The Board of Directors implemented the board of information technology. They will plan the related strategies in regards to information technology of the company in order to have convenience, speed, effectiveness, added reliability and added business competitiveness as well as playing a supporting role in the business to get the maximum benefits and risk management regarding information technology risk. Thus, the board will specify the assessment and risk management for information technologies and report the findings to the risk management subcommittee regularly.

The committee for information technology addresses the governance of information technologies for reliability and effectiveness by prioritizing as below;

1. Organization structure and management
 - 1.1 Segregation of authority to set the planed policies and operation procedures.
Implement segregation of authority, provide the planning policies, operation procedures and especially the policies when it comes to planning and operation procedures related to the security of information technology systems and other important routine technical operations.
 - 1.2 Governance and checking operations
Implement the operations report and check operations to make sure that it is completed and accurate. Follow the policies and operations procedures within the frame of authority and responsibility.
2. The information of security and information technology system
 - 2.1 Access control of computer center and damage prevention
Grant access control of the network precisely by limiting and assigning only those involved and checking the access of the computer network regularly.
 - 2.2 Control access by using information technology systems and intrusion prevention that pass through logical security network, implement intrusion prevention systems for external outside networks, for example: Firewall system, user authentication before entering the system, authorization assignment within the system and audit logs by gagging security according to security policies of implemented information technologies.
3. Back up the network in preparation for an emergency
 - 3.1 Back up all data on the network with scheduled backups of the network and test the accuracy and reliability of the data on the network.
 - 3.2 Prepare for emergency situations
Implement an emergency response plan that includes testing of the plan to insure, that it is viable.
4. Routine maintenance on all computers and servers
Set governance and routine operation controls in computers according to the board requirements for all procedures and operations. Have a clear and verifiable reporting system for routine inspections.

On the part of risk management, the risk management subcommittee will set governance of the policies and approach to risk management as well as assessment and process development for proper risk management for both company and its subsidiaries while reporting to the company board every three months in regard to information technology risk for administration to address the risk and make plans of risk management, information technology strategies, information management for appropriate business response, information technology services and security.

In addition, the board appreciates the importance of governance and information technology control so they can provide internal checking and information technology network checking which is directly reported to an audit committee making the plans in regards to information technology management, including security of information for the company annually.

Principle 6 : Strengthen Effective Risk Management and Internal Control

Controlling System and Internal Audit

The company has established an audit unit that functions as an independent unit. The current head of this unit is Mr. Pongpol Plipuch, Assistance General Manager of Audit unit. He holds a Bachelor's Degree in Audit from the University of the Thai Chamber of Commerce, and is a Certificated Public Accountant (CPA) No. 8549. He also attended training of the Anti-Corruption: The Practical Guide 2013 & 2016 conducted by the Thai Institute of Directors (IOD) and IIAT Annual Conference 2019 and Indispensable IA Insightful, Agile & Innovation by The Institute of Internal Auditors of Thailand.

The internal Audit Unit regularly oversees the internal controls system, to inspect significant items including operations, compliance controls, risk management and extraordinary items, to ensure the effectiveness of the controlling system for greater credibility of the financial statements. They report directly to the Audit Committee and administratively to the President & CEO. The internal audit unit has adopted a risk-based approach in the annual audit plan which focuses on key business risks of the company and subsidiaries that might have an impact on business goals and the accuracy of financial reports. The Audit Committee reviews the annual audit plan and the audit results and progress reports continuously.

The past internal audit reports indicated that the company's operations have been in line with the planned systems, possessed efficient internal controls, risk assessment, risk management and prevention measures, compliance control and shown no significant non-compliance in its operations.

Risk Management

The Board of Directors has overall responsibility to ensure risk management is appropriately and effectively implemented. The Risk Management Committee oversees risk management implementation and reports the company's significant risks, mitigations and improvements to the board. They assign the management team to regularly identify internal and external risk factors as well as to conduct an assessment of their impacts on the company's business. The risk management team is diversely composed of management members and top executives who are directly responsible for the work areas where risk factors are identified. The risk management team analyzes target risk factors in order to determine root causes and create countermeasures. The countermeasures are turned into practical guidance to either prevent or minimize potential impacts of those risks. In addition, the

risk management team also follows up and ensures that taken corrective and preventive actions are in line with its directed countermeasures, and reports the performance of countermeasure implementation to the Audit Committee for subsequent address in the Board meeting.

Securities holding report of Directors and Executives

The company imposes preventive measures to guard against the use of internal information for personal gains among the Board and management members by the directors and the management must inform about the company's own trading to company secretary at least 1 day in advance before trading and have their mandatory duties to report any changes made to the securities ownership of their own, those of their spouses and children below lawful age to the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 on an immediate basis and not later than three business days following the date of purchase, sale, transfer or receipt of such securities. The Board or management members or sections with access to, or knowledge of, internal information are not allowed to leak the information to outsiders or other unauthorized persons. In addition, no securities trading by those management is allowed within the period of one month prior to the disclosure of financial statements or any other material information to the public in order to prevent illegal use of internal information undisclosed to the public, which can affect the trading of the company's share on the Stock Exchange of Thailand.

The company secretary reports every change in the company's securities held by directors and management to the Chairman of the Board and Chairman of the Audit Committee, and also provides the report of any changes made to the securities held by directors and management for year to the Board meeting.

Report on Interest of Directors and Executives

In compliance with Section 89/14 of the Securities and Exchange Act B.E. 2551 as amended by the Securities and Exchange Act (No.4) B.E. 2551 and the Notification of the Capital Market Supervisory Board No. TorChor. 2/2552 Re: Report on Interest of Directors, Executives and Related Persons, Director and an Executive shall file with the company a report on his interest or a related person's interest in relation to management of the company including requiring the company secretary to have a copy of the report on interest to the Chairman of the Board of Directors and the Chairman of Audit Committee within 7 business days from the date of receiving the report. The Board of Directors must set rules and procedures for such reports.

Principle 7 : Ensure Disclosure and Financial Integrity

The Board of Directors is aware of its role to maintain financial credibility to shareholders and stakeholders such as investors, analysts, financial institutions including the disclosure of such equitable information to the public. The details are as follows;

Information Disclosure and Transparency

The Board devises policy on correct, complete and punctual disclosure of material financial and non-financial information through dissemination channels of the Stock Exchange of Thailand and the investor relations section on the corporate website in both English and Thai languages so as to

provide equitable and credible access for shareholders, institutional investors and any persons interested in obtaining such information.

The Board stands behind the company and its subsidiaries consolidated financial statements and financial information presented in the company's annual report. The said financial statements are prepared in accordance with generally accepted accounting standards by applying appropriate accounting policy on a regular and carefully considered basis. Material information is sufficiently disclosed in the notes to the financial statements.

The Board has provided a report indicating its responsibilities to prepare financial statements. Such a report is exhibited alongside the auditor's report in the company's annual report to ensure a true and fair presentation of the financial statements regularly following the generally accepted accounting standards and accounting policy.

The Board's opinion is that there is effective administration of internal controls in the company and that the reasonable fairness is assured for the financial statements for the period ending 31 December 31 2018, for which the company's auditors have conducted the audits on generally accepted auditing standards.

Information Disclosure to Public

The Board perceives the importance of correct, complete and transparent information disclosure to all shareholders, investors and all parties concerned on an equitable treatment basis. Information on operations and financial status is communicated clearly and timely under relevant laws to provide target groups with a correct understanding of the company, thereby creating acceptance and investment sentiment among investors. The communication also allows the company to gain insight into the public's view on the company's operations, which will be a part of considerations for future goal and strategy setting. The Investor Relations Unit is officially set up, the company clearly assigns the management and other personnel to assist in communicating with the public as follows:

- | | |
|----------------------------|--|
| 1. Mr. Thiraphong Chansiri | President & CEO |
| 2. Mr. Joerg Ayrlle | Group CFO |
| 3. Mr. Bunlung Waiyanont | Assistance General Manager, Investor Relations |

The communications of operational performance, financial and non-financial information to stock analysts, investors and shareholders during 2019 were as follows:

1. The company's executives has provided the overview of the operation and answered questions of the analysts and investors in the following events;

- Approximately 34 company visits by investors and stock analysts
- 20 conference calls
- Four analysts' meetings
- Participated in four Opportunity Day's by the SET
- Three plant visit by minor shareholders and students
- Five overseas investor conferences
- 14 local roadshows

In addition, the board promote the effective use by the Company of information technology in disseminating information to provide the public with written information in both Thai and English

dissemination through its corporate website, <http://www.thaiunion.com> and printed media as follows:

- Investor note, a press release giving information on operational results issued to investors and stock analysts on a quarterly basis
- Presentation issued to investors and stock analysts on a quarterly basis
- IR-Newsletters, a quarterly corporate newsletter delivered to shareholders and investors to regularly report new information and updates on the company's operations
- IR calendar, Raw material price, and the details of debt payments on the company website
- Annual report for shareholders, investors and other interested general public
- Sustainability report by annually

2. 17 media briefings and press conferences are organized.

3. Information provided to the Stock Exchange of Thailand and Securities and Exchange Commission i.e. Annual report, Form 56-1, the Company's financial statements, quarterly and annual financial analysis reports, Letters informing the resolution of the Board of Directors, Annual General Meeting of Shareholders and others, Report or notification of any corporate changes in need of public disclosure pursuant to the Notifications of the Securities and Exchange Commission and the Stock Exchange of Thailand.

Due to continued strong adherence to transparent information disclosure, the company achieved awards as follows:

EXECUTIVES:

Multiple awards in the Global Banking & Finance Awards® 2019 by Global Banking & Finance Review:

- Best CEO (Thailand), Mr. Thiraphong Chansiri, President and CEO
- Best CFO (Thailand), Mr. Joerg Ayrle, Group CFO

Asia's Best CEO (Investor Relations) at the 9th Asian Excellence Awards by Corporate Governance Asia:

- Thiraphong Chansiri, President and CEO

CORPORATE:

- Best Managed Companies for the Decade Since 2010 in Asiamoney's 30 Years of Corporate Governance Awards by Asiamoney Magazine
- Most Outstanding Company in Thailand: Consumer Staples Sector in the Asiamoney Asia's Outstanding Companies Poll 2019
- No. 1 Best Crisis Management in IR Magazine Awards – South East Asia 2019 by IR Magazine

INVESTOR RELATIONS:

- Outstanding Investor Relations Award at the SET Awards 2019 by the Stock Exchange of Thailand (SET)
- No. 1 Best Overall Investor Relations (Mid-Cap) in IR Magazine Awards – South East Asia 2019 by IR Magazine
- No. 1 Most Improved Investor Relations in Thailand in 9th Annual Best Corporate-Institutional Investor Awards by Alpha Southeast Asia Magazine

- No. 1 Best Investor Relations Company in Thailand at the 9th Asian Excellence Awards by Corporate Governance Asia

Contacting the Board

The stakeholders may express their opinions, recommendations, complaints, or whistle blowing which may bring damages to the company, the company's unlawful actions or unethical actions, in writing and send them to the Audit Committee or the Board of Directors at the following address:

Thai Union Group Public Company Limited
Company Secretary, Office of the President & CEO
979/12 M Floor, S.M. Tower, Phaholyothin Road, Phayathai, Phayathai, Bangkok

Or to our email:

The Audit Committee at compliant@thaiunion.com

The Board of Directors through the Company Secretary at paralee.sukhatungka@thaiunion.com

Principle 8. Ensure Engagement and Communication with Shareholders

The Board follows good corporate governance principles and sets clear business policy by perceiving equitable treatment of shareholders and stakeholders. This can be evident from the fact that the Board and the management cooperate to efficiently deliver work performance while prudently and carefully carrying out their administrative duties for the best interests of the company and shareholders. Operations are transparent and can be verified. Information disclosures are made in a complete, accurate, punctual, and equitable manner to all parties concerned. The company has appropriate and adequate control systems and risk management plans to facilitate well-informed decision making. The company adheres to business ethics as a main pillar to prevent damages to all stakeholders. The Board oversees the company's disclosures of all material information to ensure its accuracy, fairness and timeliness in order to secure investor confidence.

The company's information disclosures to shareholders are made on the basis of equity regardless of share volume owned, status as individual or juristic person - local or overseas. In each meeting of the shareholders, the company places emphasis on and respects the rights of the shareholders by strictly carrying out the meetings pursuant to the Public Limited Companies Act. Also, the company recognizes that the shareholders have the rights to decide, to obtain adequate, complete and timely information and to be encouraged to use their rights and not to have their rights violated, as follows:

Shareholders' Meeting

- The Annual General Meeting of Shareholders (AGM) has been set annually within four months counting from the annual closing date of its accounting books, i.e, within April 30 of each year. For urgent matters regarding the shareholders' interest or those requiring shareholders' approval, the Board shall call for the Extraordinary General Meeting of Shareholders (EGM). For the year 2019, the company had arranged the Annual General Meeting of Shareholders (AGM) on 5 April 2019 and with preparations as follows:

The Preparation for the Meeting and the Delivery of the Invitation to the Meeting

- The Board allowed shareholders to propose a name list of potential director candidates and a meeting agenda including the questions for the 2019 Annual General Meeting of Shareholders.

The Company Secretary was assigned to publicize such information by using the electronic media through the communication systems of the Stock Exchange of Thailand, forwarded to the corporate website 137 days prior to the date of the delivery of the Invitation to the Meeting in order to allocate appropriate time for the shareholders' proposals.

- The company publicized the Invitation to the 2019 Annual General Meeting of Shareholders in both English and Thai languages along with the documents in which details, objectives and reasons had been sufficiently and accurately provided for shareholders to exercise their rights, including the comments of the Directors in each agenda and the proxy forms, comprising of Form A, Form B, Form C, as stipulated by the Ministry of Commerce, voting procedures including voting count and verification of voting results criteria, details concerning independent directors proposed by the company to act as proxies for shareholders and invitation to propose the questions in advance on www.thaiunion.com since 4 March 2019 – 32 days prior to the Annual General Meeting of Shareholders.
- The company authorized Thailand Securities Depository Co., Ltd., in its capacity as registrar, to deliver the Invitation to the Meeting to shareholders along with the documents in which details, objectives and reasons had been sufficiently and accurately provided, including the comments of the Directors in each agenda, to make opportunities for the shareholders to appoint their proxy or to authorize any independent director to act as proxy to vote on his/her behalf, and also to deliver the annual report in the form of CD-ROM to shareholders 15 days prior to the date of the 2019 Annual General Meeting of Shareholders.
- The company publicized the Invitation to the Meeting in Post Today newspaper (in Thai) and Bangkok Post (in English) for three consecutive days, seven days prior to the date of the meeting to reassure shareholders' attendance on the scheduled meeting date and time.

On-site Meeting Procedures

- The company facilitated all shareholders, including institutional investors, in a fair manner by arranging the officers to welcome and provide sufficient information during the checking of documents before the registration. The company also arranged the AGM voting systems, serviced by Quid Lab Company Limited, to facilitate the Annual General Meeting of Shareholders and to cover the preparation of information regarding shareholders who had the right to attend, the registration of shareholders who attended by printing ballots and the process of counting the votes in the meeting. The Registration was open from 12:00 - 14:00 hrs. of 5 April 2019 at the well-known and easy-to-commute-to Benjapatchara Room, 2nd Floor, Royal Thai Army Radio and Television Station (TV5), Phaholyothin Road, Bangkok. In 2019 there were shareholders who attended and proxies as follows;

Shareholders	Total(persons)	Total(shares)	Percent of the total issued and paid-up shares
Person Attended	336	758,088,609	15.89
Proxies Attended	1,603	2,430,210,356	50.93
Total Attended	1,939	3,188,298,965	66.82

- Chairman of the Board was the chairman of the 2019 Annual General Meeting of Shareholders with responsibility for compliance with applicable legal requirements and the company's

articles of association, in which there were 11 board members in attendance out of the whole board of 12 members, and they were the Chief Executive Officer, the President of the Global Shrimp Business, the Executive Directors and the Audit Committee members who were independent directors. The directors who could not attend were representatives of overseas shareholders who could not make it to the meeting due to the inconvenience of long journeys. However, without their presence, the directors had analyzed the information and expressed their opinions on the issues through the agendas delivered to them prior to the meeting. Moreover, the Group CFO, the General Manager – Group Finance, the General Manager – Group Accounting and Control, the Manager - Investor Relations, and independent auditors from Price Water House Coopers ABAS Limited, attended the meetings to completely answer questions from the agendas while the Chairman provided appropriate and sufficient time and encouraged the shareholders to express their opinions and queries with equity.

- The Chairman of the meeting assigned the MC to inform the number and the proportion of shareholders and shares represented at the meeting in person and through proxies, clearly explain the vote-casting and vote-counting procedures for each agenda to the eligible shareholders as well as the procedure of one vote per one share according to the Company's Articles of Association No.35. The company's auditors from Price Water House Coopers ABAS Limited and two volunteers from the shareholders were the inspectors of the vote counting. The meeting was conducted in the manner that allowed and encouraged all shareholders to raise questions, express opinions and give suggestions about the issues throughout the entire meeting session. There were seven shareholders who made queries and presented opinions for the 2019 Annual General Meeting of Shareholders.
- In order to preserve voting transparency, the company made available ballots to facilitate the exercise of voting rights by shareholders in case of their disapproval or abstention of any agenda needed to be considered. Such votes were deducted from the total votes of the meeting. The remaining votes were counted as approvals of such agenda. In order to conduct the meeting in a timely manner and to separate the election of the directors, shareholders were allowed to freely cast their votes for each director candidate on an individual basis, not on the whole board of candidates. Vote counts were clearly announced onsite to make known to all attending shareholders immediately following the end of the voting procedure in each agenda. The meeting session was also videotaped for further dissemination on the company's website. Interested shareholders may request a copy of the videotape from Office of the President & CEO.

Post-meeting Procedure and Meeting Minutes

- The company publicized the resolutions of all agenda considered in the 2019 Annual General Meeting of Shareholders (AGM) on www.thaiunion.com immediately on the date of the meeting, except for questions raised by shareholders and answers given during the meeting session. Complete resolutions of the meeting were subsequently submitted through the Stock Exchange of Thailand communication systems and forwarded to corporate website on 19 April 2019, or 14 days following the date of AGM. Shareholders and investors may obtain further information on the meetings or submit their questions in advance by contacting the Company Secretary at 0-2298-0024 ext. 4390, 4392. The hosting of the shareholders' meeting

with great emphasis on equitable voting rights has earned the company an excellent performance in the 2019 annual evaluation of Annual General Meeting of Shareholders conducted by the Thai Investors Association.

However, the Board perceives the importance of right of shareholders, is well aware of its responsibility to ensure equitable treatment of shareholders and therefore have put the following initiatives into action.

- The Board assigned the Company Secretary to prepare data and communicate to shareholders with regards to the company's invitation for shareholders to propose a name list of potential director candidates and a meeting agenda for consideration in the 2019 Annual General Meeting of Shareholders. Such information was publicized electronically through the Stock Exchange of Thailand communication systems and forwarded to the investor relations section on the corporate website 137 days prior to the date of meeting invitation delivery in order to allocate appropriate time for their proposals. Although the company has provided shareholders with such these proposal opportunities since 2007, no proposals, however, were submitted for either director candidates or the meeting agenda during the past year. In addition, no additional agenda items that were not notified in advance.
- The Board facilitated shareholders who cannot attend the meeting by assigning any independent directors and proposed the name list of at least two independent directors who were to act as proxies to vote in each meeting agenda on behalf of shareholders. In the 2019 Annual General Meeting of Shareholders, there were 1,145 shareholders who authorized Dr. Thamnoon Ananthothai, member of Audit Committee, there were 36 shareholders who authorized Mr. Nart Liuchareon, member of Audit Committee, there were 17 shareholders who authorized Mr. Kirati Assakul, Chairman of the Risk Management Committee, to act as proxy and vote on his/her behalf. All of them have been serving as independent directors.
- The Board provided voting cards for the shareholders by the AGM voting system for each agenda separately so that they could vote as appropriate. The voting cards were then collected and calculated together with the votes cast before in the proxy form. The votes were then announced in the meeting room and filed the cards for inspection.
- The Board assigned the Company Secretary to document and file the meeting resolutions in a correct and complete manner and to publicize the resolutions of all agenda considered in the 2019 Annual General Meeting of Shareholders in the investor relations section on www.thaiunion.com immediately on the date of the meeting, except for questions raised by shareholders and answers given during the meeting session. Complete resolutions of the meeting were subsequently submitted through the Stock Exchange of Thailand communication systems and forwarded to the corporate website within 14 days following the date of meeting.
- The company imposes preventive measures to guard against the use of internal information for personal gains among the Board and management members by communicating their mandatory duties to report any changes made to the securities ownership of their own, those of their spouses and children below lawful age to the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 on immediate basis and not later than three business days following the date of purchase, sell, transfer or receipt of such securities. The Board or management

members or sections with access to, or knowledge of, internal information are not allowed to leak the information to outsiders or other unauthorized persons. In addition, no securities trading by those management is allowed within the period of one month prior to the disclosure of financial statements or any other material information to the public in order to prevent illegal use of internal information undisclosed to the public, which can affect the trading of the company's share on the Stock Exchange of Thailand. However, this prohibition is exempted in the case of continued fluctuation of securities trading prices driven naturally by overall stock market mechanism, which encourages those management to trade their securities only in response to the stock market situations and in good faith. Furthermore, the Board and management members are made aware of legal punishment and penalty pursuant to the Securities and Exchange Act B.E. 2535 and relevant regulations.

- The Board assigns the Company Secretary to oversee and follow up items with potential conflict of interests and connected transactions. The Company Secretary is responsible for preparing a quarterly summary report of those items and transactions and regularly publicizes such reports at year-end in the company's annual report and Form 56-1. Furthermore, the Board and management members, in any Board meeting, are required to comply with good corporate governance policy by not participating in casting votes or giving opinions on any issues sensitive to conflict of interests or vested interests.
- The Board assigns the Company Secretary to maintain the filing of the report of vested interests as disclosed to the Company by the Board and management members pursuant to the Notification No. Tor.Jor.2/2552 of Capital Market Committee Governing Required Vested Interests Disclosure by Listed Company Directors, Management Members and Connected Persons. With regards to this issue, the Section 89/14 of the Securities and Exchange Act B.E. 2535, as subsequently amended under the authority of the Securities and Exchange Act (No. 4) B.E. 2551, stipulates that the Board and management members must report to the company their vested interests in the company's and its subsidiaries' operations and management, or those of their connected persons. This requirement is aimed to furnish necessary information to the company and to enable the company to comply with its own connected transaction handling procedures, which are established to prevent such items with potential conflict of interests from leading to possible siphoning of corporate funds and interests from the company and its subsidiaries.