

## Corporate Governance Policy Overview

The Board of Directors has established the corporate governance policies, corporate governance principles, business ethics, code of conduct for company directors, the management, and employees by written. The Company has established the good corporate governance principle according to the corporate governance principles for listed companies. In addition, the Company has arranged the practices in compliance with the laws, rules, regulations and guidance required by the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC). The good corporate governance principle (Revised edition 1) had been approved by the Board of Directors meeting no.1/2014. The revised edition was approved on February 25, 2014. In 2018, the Board of Directors assigned the Corporate Governance Committee to arrange the new good corporate governance code by applying the 2017 corporate governance code for listed companies according to the announcement of the Securities and Exchange Commission (S.E.C). The revised corporate governance code of the company has been approved by the Board of Directors meeting no.1/2019 on January 24, 2019 to replace the previous version, consisting of followings:

- **The Good Corporate Governance Policies.**
- **The 8 Good Corporate Governance Principles.**
  - 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.
- **The Business Ethics.**
- **The Code of Conduct for Directors, Executive Officers and Employees.**

See more details with new Good Corporate Governance Code in company's website under "Investor Relations : Corporate Governance"

In 2021, the Board of Directors has stipulated the use of the 8 Good Corporate Governance Principles of to be suitable for the business which covers 5 categories of the Corporate Governance Practice as follows:

### Section 1 : The Rights of Shareholders

The Board of Directors appreciates and respects the ownership rights of shareholders. No actions are taken to violate or infringe the rights of shareholders. Neither the interests of shareholders are fairly safeguarded and the exercise of rights by all shareholder groups are supported and promoted, whether domestic or foreign, major shareholders, minority shareholders or institutional shareholders, incorporating both the basic rights of shareholders, and the other rights to determine directions for operations and decisions on matters having a significant impact on the company, as follows:

### 1.1 Basic rights

Referred to the right for shares transaction, the right to receive equitable profits allocation in term of dividend payment, the right to access company information in sufficient, timely, and equitable manner, the right to attend and cast votes at the shareholders' meeting, the right to elect individual company director and approve directors' remuneration, the right to appoint company auditor and approve audit remuneration, and the right to appoint proxy to attend and cast vote on his/her behalf.

### 1.2 The right to significant information access

Shareholders were entitled to access information on an equitable basis. In that regard, the company facilitated information distribution in both Thai and English languages, via the channels of The Stock Exchange of Thailand and company website ([www.snjinter.com](http://www.snjinter.com)), to provide shareholders with additional access channel. Such information included performance results, connected transactions, changes in the funding structure, changes in supervisory control, transactions of significant company assets, and other information essential for decision-making by shareholders.

### 1.3 The right to attend the shareholders' meeting

The company has a policy to support and facilitate the shareholders, including institutional investors to attend the shareholders' meetings by holding its annual shareholders' meeting regularly each year, within 4 months after completing its accounting year. In order to allow shareholders to participate in monitoring the company's performance, the company set appropriate date, time, place, and method. In case of emergency which the company needs to propose special agenda regarding shareholders' benefit, regulations or related laws which need to be approved by shareholders, the company shall call for an extraordinary shareholders' meeting. In 2021, the company convened the shareholders' general meeting once, without convening any shareholders' extraordinary meeting, according to the following details:

- **Prior to the shareholders' meeting**

In 2021, the Company scheduled to convene the Annual General Meeting of Shareholders No. 42 on Tuesday 27 April 2021.

(1) The company provided the shareholders with the opportunity to propose meeting agenda prior to the meeting date for 2021, during the period of November 16 – December 30, 2020, by providing related conditions on company website on November 12, 2020 together with news channel of The Stock Exchange of Thailand. Nevertheless, there were no shareholders proposing any meeting agenda during the said specified period.

(2) Shareholders were notified of the Board of Directors' resolution determining the date of 42<sup>nd</sup> shareholders' meeting 58 days prior to the meeting date, namely on March 1, 2021, through the Stock Exchange of Thailand's website and the company's website so as to enable the shareholders to set aside time for attending the meeting.

(3) The meeting notice together with all relevant documents in both Thai and English were published on the Company website on March 26, 2021, which was 33 days prior to the meeting date.

(4) The same information was sent to the Thailand Securities Depository Company Limited, the Company's Share Registrar, for forwarding to shareholders in document format on April 2, 2021 or 25 days prior to the meeting date in order to give the shareholders sufficient time to study the meeting documents.

(5) The notice of the meeting were also advertised in daily newspapers for a period of 3 consecutive days, and 19 days prior to the meeting date, during April 8-9,12, 2021.

(6) Prior to the meeting date, the Company had provided an opportunity for shareholders who may have queries regarding agenda to send them in advance during March 26 – April 23, 2021, via company's website. The procedure of sending questions was also mailed together with the notice of shareholder's meeting. In 2021, there were no questions received in advance.

(7) The documents sent out to the shareholders were, the meeting invitation letter providing details on the rationale for each meeting agenda, together with related opinions by The Board of Directors and the documents in support of the voting decision by the shareholders for each meeting agenda. Furthermore, the documents also included the annual report publication, profile of the persons nominated as directors replacing those due to retire upon term completion, definition of independent director, profile of independent directors proposed as proxies by the shareholders, company regulations regarding the shareholders' meeting, the documents and evidences required for the shareholders to present for meeting attendance, meeting regulations, procedures for shareholders to post advance questions prior to the shareholders meeting, meeting procedures, the map of the meeting venue, and the registration form. Other documents were the proxy appointment letter form B for voting in line with the shareholders' decision, or the proxy appointment letter either Form A and C which shareholders could download from company website.

With this regard, the company published the annual report within 120 days from the end of accounting period (December 31) via company website (March 26, 2021) and sent the annual report to the shareholders by mail (April 2, 2021).

● **On the day of the shareholder's meeting**

(1) The company decided to set the meeting date, time, and venue in such manner being most convenient and not posing problems to the shareholders to attend. For year 2021, the company held the shareholders' meeting on Tuesday, April 27, 2021, at 13.00 p.m., at Montien Riverside Hotel, started registration at 11.00 a.m.

(2) The shareholders were allowed to register by barcode system not less than 2 hours prior to the meeting, and continued until the meeting completion. At the registration desk, the company prepared sufficient personnel to take care of the registration, as well as providing stamp service for proxy appointment forms authorized by the shareholders. Furthermore, the company handed out vote placard and vote-casting ballot to each shareholder.

In case that shareholders appointed proxies to attend the meeting instead, the company gave the right to the proxies and treated as shareholders.

(3) The Board of Directors placed much emphasis on the shareholders' meeting, by considering as their obligations to always attend the meeting in person unless facing inevitable circumstances or becoming seriously ill.

For the shareholders' meeting for the year 2021, there were 13 directors out of 15 directors accounting for 86.67% attended the said meeting, including Chairman of the Board and Chairman of sub committees. Furthermore,

the meeting was also attended by the Managing Director, the Chief Financial Officer, Executive Directors, as well as the company auditor, so as to provide shareholders with the opportunity to ask questions related to the meeting agenda in progress. In addition, the company also invited representatives from the company's audit office of EY Office Co., Ltd., and Vira Law Office Co., Ltd., to act as meeting observers during vote tallying for each meeting agenda, to ensure that the meeting was conducted in a transparent manner, complying with legal and company articles requirements.

(4) Prior to meeting commencement, the Company Secretary informed the meeting of the meeting quorum, the vote-casting and vote-counting methods for each meeting agenda according to laws and company regulations. In the case where some shareholders joined the meeting after the meeting commencement, the company still allowed said shareholders to cast votes for the remaining agenda not yet considered and voted upon by including them as the meeting quorum.

(5) During the meeting, The Chairman proceeded with the meeting agenda in such order earlier set forth in the meeting invitation letter without adding any further agenda or altering any significant information without prior notice to the shareholders, while allowing equal opportunity for all shareholders to present question, comment or suggestion for each meeting agenda.

In that regard, for the shareholders' meeting in 2021, there was 1 shareholders presenting question to the meeting, where by the Managing Director responded in a straightforward manner.

(6) The Company has adopted Barcode system used to sum up votes on each meeting agenda and displayed resolution of the screen in the meeting room and acknowledged by the shareholders simultaneously in order to provide fast and accurate results which being announced promptly after the end of each agenda. The Company has used ballot item on the agenda of appointment of directors and permit the shareholders to elect directors individually. For transparency, the company kept the said ballots at the Bangkok office for checking after finishing the meeting.

The summary of voting in each agenda on the General Meeting of Shareholders No.42 held on Tuesday, April 27, 2021 is as follow;

Agenda	Approve			Disapprove			Abstent		
	No. of Shareholder	Share	%	No. of Shareholder	Share	%	No. of Shareholder	Shares	%
1	60	122,998,699	100.00	-	-	-	-	-	-
3	61	122,998,703	100.00	-	-	-	-	-	-
4	61	122,998,703	100.00	-	-	-	-	-	-
5.1 – 5.2	61	122,998,703	100.00	-	-	-	-	-	-
5.3 – 5.5	60	122,998,693	100.00	1	10	0.00	-	-	-
6	61	122,998,703	100.00	-	-	-	-	-	-
7	61	122,998,703	100.00	-	-	-	-	-	-
8	50	38,905,030	100.00	-	-	-	-	-	-

Remark : No voided ballot

- **Subsequent to the shareholders' meeting**

(1) The company disclosed the resolutions adopted by the shareholders' meeting, together with the voting results for each meeting agenda, in both Thai and English, via the news channel of The Stock Exchange of Thailand, and the company website, on the following day.

(2) The company compiled the meeting minutes subsequent to the shareholders' meeting, by incorporating all essential details and summarizing voting results for each meeting agenda, classified as approve, disapprove, abstention and voided ballot votes, together with the record on the discussion and conclusion regarding significant topics. Said minutes was submitted to The Stock Exchange of Thailand and The Securities and Exchange Commission within 14 days subsequent to the meeting, and disseminated on the company website, in both Thai and English, so as to enable the shareholders to review said minutes content without having to wait until the next shareholders' meeting. Also, sent the reports to the Ministry of Commerce within time set forth by law.

(3) The company recorded the meeting on VDO, for further distribution to the shareholders upon request.

In recognition of its consistent efforts dedicated to holding the general shareholders' meeting efficiently on a continuous basis resulting, the company was awarded the "Excellent" appraisal result in 2021 for the quality of its shareholders' meeting by the Thai Investors Association.

## **Section 2 : Equitable Treatment of Shareholders**

The Company attaches importance and ensures that all shareholders are treated equally and fairly either they are major shareholders, minority shareholders, overseas shareholder or institute investors as following :

### **2.1 The shareholders' meeting**

(1) The company provided the minority shareholders with the opportunity to nominate candidates as directors prior to holding the shareholders' meeting in 2021 during the period of November 16 - December 30, 2020. For such purpose, the company compiled the nomination conditions and disseminated them on the company website, as well as notifying the shareholders via the news channel of The Stock Exchange of Thailand. Nevertheless, there was no shareholder nominating any candidate for consideration as company directors.

(2) The allocation of votes in the meeting was based on the number of shares being held by each shareholder, with 1 vote representing 1 share with no shareholding any special privilege in restricting the right of other shareholders.

(3) In the case of foreign shareholders, the company sent out meeting invitation letter in English, to facilitate the understanding by foreign shareholders, as well as disseminating said information on company website [www.snjinter.com](http://www.snjinter.com) in both languages 33 days before the meeting date.

(4) In the case where shareholders could not attend the meeting in person, the company provided opportunity to shareholders to assign any person or independent director of the company as their proxy to attend the meeting and exercise the rights on their behalf. The company provides information concerning all 4 members of Audit Committee by informing name, age and address attaching to the letter of invitations in addition to identifying the documents, evidences and instructions on procedure of the assignment of proxy to all shareholders in order that they can arrange appropriately and do not have any problem for the attendance of proxy.

In the General Meeting of Shareholders No.42 held on Tuesday April 27, 2021, 20 shareholders who possesses 43,129,662 shares assigned the proxy to member of the Audit Committee who was the independent director of the company and delegated their vote to him.

(5) The exercise of vote must be done openly and ballot box must be prepared for each and every agenda. The counting of vote is done on the no consent votes and/ or abstaining only. These numbers will be deducted from the total votes presenting in the meeting, the remaining numbers will be regarded as consent votes. The company implemented the barcode system to count the votes and display on screens available in the meeting room immediately for the transparency and check.

## **2.2 Supervision over inside information**

The company has laid down the policy safeguarding against inside information abuse, by stating in writing in the business ethics manual, and the code of conduct for company directors, the management and employees, not allowing company directors, the management, and employees, to exploit the information or assets belonging to the company, or accorded own position, in such manner seeking unjust gains for own self or for others. In relation to this, the company handed out relevant manuals to company directors, the management, and the employees, to serve as guidelines for their business operations and assignments, while also disseminating that information on company website.

Furthermore, the company also incorporated above information into company regulations, together with the penalty provision. During 2021, the directors, the management, and the employees strictly followed those company policies on a consistent basis. The company did not encounter the case where its directors and the management traded their securities by using inside information.

## **2.3 Supervision over the transaction of company securities**

(1) The company clearly specified conditions regarding the transaction of company securities in its business ethics, by forbidding the directors, the management, and the employees working in those departments accessible to inside information, to engage in the transaction of company securities, during the period of 1 month before the disclosure of such information to the public and 24 hour after disclosure of financial statements. The company distributed said instructions in circular to all concerned parties each quarter.

In 2021, all the company directors and management members strictly followed accordingly, without engaging in such transactions during said period.

(2) The company informed company directors and the management to acknowledge of duty to report their first securities holding, together with any subsequent change in securities holding, to The Securities and Exchange Commission, in accordance with article 59 of The Securities and Exchange Act B. E. 2535. Furthermore, the company provided for the report on securities holding by the directors and their spouses, as a regular item in The Board of Directors' meeting

(3) The company has set a policy for directors and top management to inform of the company's securities trading to the company secretary at least 1 working day prior to trading. In 2021, the directors and the management have strictly followed the above policy by informing to the company secretary 4 - 6 days prior to trading.

## **2.4 Treatment of conflict of interests**

The company treated the issue of conflict of interests with caution and reason, with the company's interests in mind, by laying down operations systems in a transparent manner, deemed as one major policy regarding good governance practice and business ethics for the company. The company supervised the implementation of connected transactions so as to comply with the announcement by The Capital Market Supervisory Board. Before implementing each connected transaction requiring prior approval from The Board of Directors, the item was first proposed to The Audit Committee for endorsement prior to submitting to The Board of Directors for further approval. The directors with possible conflict of interests were not allowed to take part in the meeting. Afterwards, the company informed said meeting resolution to the shareholders via the news channel of the SET together with the company website. The information included the disclosure of names and relationship of connected parties, pricing policy, transaction value, and other related details, as well as the opinions of The Board of Directors pertaining to such transactions.

Furthermore, the company held The Board of Directors' meeting subsequent to the shareholders' meeting each year, to decide on the approval criteria for business transactions under normal business term, conducted between the company and the directors, management members, or connected persons.

## **2.5 Supervision over assets transaction**

The company supervised assets transaction in accordance with the announcement by The Capital Market Supervisory Board regarding the acquisition and disposal of assets, whereby directors with possible conflict of interests were not allowed to participate, so as to facilitate fairness and transparency.

# **Section 3 : Consideration of the Roles of Stakeholders**

Based on its recognition of the rights of stakeholders, The Board of Directors duly laid down relevant policies and guidelines in the company' s business ethics manual, and distributed them to the directors, management members and the employees, to be followed as practice guidelines, to ensure that all stakeholders receive fair and equitable treatment.

## **3.1 Shareholders**

The company duly respected the basic rights accorded the shareholders in accordance with the laws, regulations, and business ethics of the company. At the same time, the company had proper mechanism in place to ensure that the shareholders receive accurate and reliable information, having proper measures safeguarding against conflict of interests, and against the exploitation of inside information for personal gain. Furthermore, the company also aimed to generate justifiable return for the shareholders, by laying down appropriate dividend payment policy on a consistent basis

In year 2021, the company paid the interim dividend from the result of business performance of year 2020 at rate of 1.00 Baht per share accounting for 62.94% of net profit of the separate financial statements by setting the date of payment on May 25, 2021. The dividend has been paid to shareholders for 42 years consecutively and of which accounted as real long- term wealth for all shareholders. So, each and every shareholder was invited to attend the Annual General Meeting of Shareholders of Year 2021 and has right of vote for each and every important agenda item as well as receive the important information through various medias, e. g. pamphlet and e- information. Besides, the company also reports the business performance at every quarter and disclose the transactions done with related persons in the same

condition as that done with external persons for their awareness via the news system of the Stock Exchange of Thailand and the company's website.

### 3.2 Employees

In the company's recognition of company employees as its valuable human resources playing the critical role in leading the organization toward success, The Board of Directors therefore set the company's policy to devote its best efforts to develop and upgrade the employees' potentials on a consistent basis. At the same time, the company sought to provide job security and advancement opportunities to all employees based on their own potentials, as well as encouraging the employees to play a part in charting the company policies. At the same time, the company laid down its remuneration policy toward the employees by providing the employees with fair and reasonable remuneration commensurate with the capability, responsibility, and performance results for each employee, which is in line with the compensation of the same industry. (See details under the heading "Management Structure" on employees).

The company provide benefits to promote quality of life and well-being, such as Provident Fund, Retirement gratuities to employees, Nursing room, Annual health check, product purchase welfare rates, Uniform, Loans for housing project, etc. Also has established welfare committees the opportunity to engage employees in welfare administration. As well as promoting the preparation of activities to engage employees, such as "Pheun Chuay Pheun Project", "Dharma Sa-buy Jai Project", New year activity.

At the same time, the company is also taking into consideration the safety of life, health and property of employees defined as Occupational Health and Safety Policy as follow:

1. Compliance with the law, Occupational Safety, Health and Environment, including a business deal for both current and future
2. To manage for committed to prevent injuries and reduce the accident rate to zero, including improved working environment to be safe.
3. Committed to developing performance management system in occupational health, safety continuously.
4. Support adequate resources in management to control and prevent danger from work of workers.
5. To cultivated conscious mind for everyone to recognize the safety to work by considering to be the primary function of all.

As noted in the policy, the company encourages and supports its employees and external workers to work safely and reduce the risk of occupational injuries and illnesses. The company has established an occupational health and safety management standard system in accordance with ISO 45001:2018 to enhance the compliance of occupational health and safety, and raise awareness of safety in order to reduce the number of accidents resulting in injury and property damage. In addition, the company encourages executives and employees in the organization to attend training, prepares standard operational procedures or manuals, improves the safety of machines and processes, and supports various projects that contribute to reducing the likelihood of work-related accidents and injuries.

As a result of the implementation of the aforementioned policy, the company's performance in occupational health and safety in 2021 was as follows.



The rate of lost time due to work-related injuries (Lost Time Injury Frequency Rate: LTIFR)

Continual improvement of safety program with the goal to achieve the lost time injury frequency rate (LTIFR) of 2.0 by year 2022.

Developing employees and supervisors to be involved in enhancing safety in order to achieve the organization's goal of reducing the rate of work-related accidents and injuries.

The company has set the 2021 Occupational Health and Safety Goals for each department to prepare action plans and proceed to achieve the following goals.

1. No accident that stopped working for more than 3 days with more than 650 cumulative working days

Overall performance 598 days

2. Zero case of work-related injuries or illnesses

Overall performance The injury severity rate (in case of work absence) is zero

In recognition of the company's efforts, the Institute for Occupational Safety, Health and Environment Promotion (Public Organization) under the supervision of Ministry of Labor awarded the company a plaque honoring the Zero Accident Campaign 2021 for the achievement in gold level and silver level.

**Remark:** For more details, please see "Sustainable Development Report 2021: Occupational Health and Safety."

### 3.3 Customer

The Board of Directors recognizes that the customer satisfaction and confidence is success of the company for sustainable company policy and guideline to consistent with the integrity and do not take any action to be a violation the rights of the customer, we focuses on the service provider that impressed by creating the satisfaction in the products and services to customers by offering a quality product in a reasonable price to allow the customer to get the most out of both quality and price, we also operates its business with a commitment to develop products and services to devise new innovations that add value and services to products for meet the needs of customers, along with providing the information is necessary to decisions without obscuring or misrepresentation of facts, in addition the production and services must be safe for consumers and environment friendly as well as maintain the confidentiality of the customer not used to the benefits of their own or that those involved an improperly, as well as the care and perform a fair of complaints from customer we have customer service team for more information and comment of multiple channels including over telephone number 02) 676-2727 Fax (02) 676-2726

The evaluation of customer satisfaction report compares year 2019 - 2021

	2021	2020	2019
Local-Customer	88%	88%	89%
Oversea-Customer	84%	85%	93%

In 2021, the Company received confidence from customers and consumers and got "Watson Award 2021" for Avocado Hair Treatment Wax, which has become their best-selling hair treatment.

**Remark:** For more details, please see "Sustainable Development Report 2021: Customer Relationship Management."

### 3.4 The Competitor

The Board of Directors operates business in accordance with the provisions of law. In this regard, the following policies and guidelines have been prescribed:

1. The Company shall conduct its business within the rules of fair competition with due regard to business ethics and trading laws competition of various countries in which the company operates.
2. The Company will not damage the reputation of its trade competitors.

In addition to these policies. The company did not seek the confidential information of competitors by dishonest or inappropriate ways. We considered competitors take part in empowering your organization's stability and even stronger. Throughout the period of the past, we never had any disputes with competitors.

### 3.5 Trading Partner

The company treats trading partners equitably and takes into account mutual interests by prescribing the following policies and guidelines:

1. The company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards, and friendliness to the environment. Trading partners are treated on the basis of fair competition, equality and mutual respect.
2. The confidentiality of secrets or communications of trading partners are maintained and not exploited for wrongful gains of oneself or of others.
3. Relationships and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and services are jointly undertaken to promote mutual growth.
4. The Company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the company will expeditiously engage in early negotiations with trading partners in order to reach a mutual remedy and loss prevention solution.
5. The company does not demand, receive or consent to the receipt of properties or any other benefits outside trade agreements.

In addition, the company have a policy for selection of trading partners that recognizes its responsibility and environment, encourage partners to develop a process that takes regard to human rights, not using forced labor and regard to children rights. As well as offering products and service that take into consideration the environmental impact and the safety of consumers. As well as improving process of work to prevent pollution and impacts on the environment along with conservation of natural resources, reduce energy consumption and eliminate the risk of unsafe conditions, including got certified of quality standards ISO9001:2015 , ISO 14001:2015.

#### Selection Criteria and Trading Partners Evaluation

The Company set up partner selection system based on the ability to manufacture products that satisfy the needs of the customer, the quality of business partners, production capacity, standard system, availability of services, transportation, safety, health, including operation of business partners who be responsible for social and environment, by using the questionnaire in the preliminary assessment and follow up to ensure that business partner are sufficient ability and reliable.

In which year 2021, there is no event that we do not abide by the contract partner.

**Remark:** More detail in “Sustainable Development Report 2021 : Supply chain management.”

### 3.6 Creditors

The company's policy of treating all creditors equally and fairly by complying with the contract or the terms strictly creditors to disclose financial position correctly, on time, and in the case that cannot abide by any one institution that let the creditor know in advance in order to jointly find solutions and prevent damage.

For The Creditors, the company provides can be billed on the 1st to the 6th of each month and payable every 25th of every month by means of bank transfer in Media Clearing, Which are the facilities for the creditors.

In the year 2021 The Company pays to the trade meets Credit Term agreed in advance, without payment of any company's business been adhered to competition in good faith and fairness under the framework of the law strictly.

### 3.7 Community and socialty

The Board of Directors is aware of the responsibility toward the community and the society to define policies, there is a strong responsibility to the community and society, formed within the company, and employees at all levels as well as support activities beneficial to the community and society as a whole.

#### Social Responsibility Policy

S & J aim to a good model to operate in according with corporate governance. Proceed to social activities without force. Participate in society other than the pursuit of profit. Focus on the existence of the business coupled with value creation and corporate social responsibility from the process all section within the organization.

The company has appointed the Corporate Social Responsibility Committee responsible for determining corporate social responsibility policies and establishing guidelines for social activities consistent with the United Nations Sustainable Development Guidelines 17 GOALS covering CSR IN PROCESS and CSR AFTER PROCESS.

**Remark :** More detail in “Sustainable Development Report 2021 : Good Society.”

### 3.8 Environment

The Board of Directors of the company are aware of the responsibility for the environment. The policy is one of the missions of the company's governance and ethics in the operations. The company are aware for the impact on the natural resources and the environment.

The company has appointed a working group on environmental and conservation of energy in order to work in accordance with the laws and systems for environmental standards ISO 14001:2015 along with policy and planning environmental projects to reduce the negative impact that sources since in the process including. Waste disposal based on the 3R were Reduce: reducing resource usage, Reuse : reuse worthy and Recycle : recycled process standard. As well as a support and rehabilitation in emergency situations.

#### Environment Policy

S & J International Enterprises Public Company Limited is focused on producing quality products. By focusing on the importance of risk that has impact on the environment and the resources arising from the sources of the raw materials, production process, storage and delivery of the goods.

Company focused on maintaining environmental quality under the intention as follows.

1. Compliance with legal, the customer requirements, the Treaty and environmental standards both in the present and might have in the future.
2. Focus on management to prevention, reduction, reuse, recycle. Including getting rid of things that pollute the environment.
3. Strive to improve and developed environmental performance continuously for environmental sustainability
4. Promote to the consideration of life cycle to achieve maximize efficient use of resources.
5. To cultivated conscious mind of the employees to realize and participate in the prevention of problems that affect the environment.

The company also has environmental surveillance measures, such as to measure and track air quality, lighting, sound, and water waste within the company for assign the proactive measures, such as the Working Group of structures with energy to approval reduce CO2 emissions and indirect projects, for example set up Solar roof, improve water quality after treatment for reuse, Improve the production process in order to reduce energy consumption, etc. All of this performance and measurement of environmental quality and safety will be systematically stored and has been monitoring compliance with safety and quality Department regularly.

In addition, the company has opened a channel of complaint for the community if it has been affected due to the company's business operations, which in the past year, the company has not received complaints about the impact of the operation on the environmental.

**Remark :** More detail in "Sustainable Development Report 2021 : Environmental Management"

### 3.9 Social Responsibility Reporting

The Board of Directors is aware of social responsibility by providing an Sustainable Development Report to disclose its business practices, in accordance with the Code of Conduct and results of the implementation of the policies and guidelines for sustainable development of the company both on economic, social and environment.

Sustainable Development Report" of the Company have been prepared in accordance with International Standards of "Global Reporting Initiatives Guideline: GRI (G4 Guidelines)" has the analysis and link to the company's performance relative to the strategies and objectives of sustainable development of the company by further disseminating innovation in business and society. Including the implementation of against corruption consistent with the reporting guidelines of the Stock Exchange of Thailand.

The company has the commitment and work in this continuously, result in year 2021, the company received award of "Thailand Sustainability Investment 2021" from the stock exchange of Thailand which is a reward for the listed companies that have business operations in accordance with good corporate governance, social responsibility and the environment. The company has received 8 consecutive years.

The company has delivered Sustainable Development Report 2021 to shareholders on QR Code together with invitation letter of The Annual General Meeting of Shareholders for the year 2022 and published the report for those interested on the company website "www.snjinter.com" under the topic "Investors Relation : Publication".

### 3.10 Encouraged to use resources efficiently

The Committee recognizes the value of the resources. To achieve efficient use of resources coupled with business operations, one of the established guidelines is "to promote the use of resources in the production process economically and efficiently". The company provides training and the campaign to conserve energy conscience continuously regarding ways to use resources to maximize value in all activities of the organization covers the use of electricity, water, paper and other consumables.

The company has implemented an energy conservation in various aspects, as follow:

- **Energy** - Energy conservation, Renewable energy
- **Water** - Water conservation, Renewable water, Waste water management
- **Air** - Reduces Carbon Dioxide and others emissions
- **Industrial waste management**

**Remark** : More detail in "Sustainable Development Report 2021 : Environmental Management"

### 3.11 Educating and training employees on environmental

The board of directors encourage the employees to realize the importance of the environment. The Company provides dissemination environment to employees through computer system, manage the Information board and publicity through the sound cable. Activities about nature conservation and the environment, as well as encouraging employees to increase their knowledge training in environmental matters continuously. In 2021, the company provided training environment course "Basic knowledge of ISO14001/OHSAS18001".

### 3.12 Supporting and Participation in Community Development

The company gives priority to business of social responsibility and the environment. In addition to conducting business without creating a negative impact on society and the environment, then. Engagement and social assistance, sustainable growth along the way. That is what the company has been addressed with its actions. It can be seen from the policy and guidelines on how to conduct activities that are clearly defined in various ways, such as Children and Youth, Community and Underprivileged, Elephant and other Animals, Religious charities, Environment, and assistance projects during the COVID-19 epidemic situation that are still ongoing.

**Remark** : More detail in "Sustainable Development Report 2021 : Good society.

### 3.13 Policies and practices regarding unrelated to human rights violations

The company places great emphasis on basic human rights and conducts its business according to laws and human rights principles without discrimination regarding gender, race, religion, political rights, or any other matter, such as hiring or promoting people with disabilities. The company has a policy of not taking any actions or not supporting activities that violate human rights.

The Company has established a human rights policy and published it by providing employees with training from the start of their job. This is to ensure that all departments comply with human rights laws, employment regulations, and basic human rights principles as per international standards. The company also conforms to the Thai labor standard system TLS 8001:2020 that it has been certified at the highest level by the Department of Labor Protection and Welfare,

Ministry of Labor. Throughout the past period, the company has never had any history or court case involving human rights violations.

In 2021, the company has been awarded for the fourth consecutive years the “Excellent Support Organization for People with Disabilities for the year 2021” by the Ministry of Social Development and Human Security from “the SJI Care You project that promotes the employment of persons with disabilities”.

**Remark** : More detail in “Sustainable Development Report 2021 : Good people.”

### **3.14 The Policies and practices of non-infringement of intellectual property or copyright**

The company adheres to our policy on business operations that are not related to intellectual property violations by imitators or take other people's intellectual property used in the business without permission. But we developed a new raw material, goods and services, the company continuously research and development team, more than 150 people sharing valuable innovation of business enterprise. By realizing corporate social responsibility and the environment proactively until the company can bring to a patent to be protected of creative concept of the company.

In addition, the company also encourages employees to continuous innovation in both product production by Small Group Activity through projects or suggestions that will help- system as a mechanism to store employee of innovation in the practice and delivery of various innovative projects competition in the Saha group, continuous innovation and awarded annually.

In the year 2021, the company was not associated with abuse of any copyright and/or other intellectual property.

**Remark** : More detail in “Sustainable Development Report 2021 : Innovation”

## **Section 4: Information Disclosure and Transparency**

Disclosure of information is one of the cornerstones of the company's operations and also an important index of operational transparency in line with good corporate governance principles. Information disclosure is an important channel for shareholders who are not involved in the management of the company to follow up on activities of the management. Hence, the company places a high priority on the dissemination of accurate, complete, timely, consistent, and equitable information to all groups of shareholders.

The company discloses information according to the criteria prescribed by the Stock Exchange of Thailand to be reported according to accounting period, including financial statements, Form 56-1 One Report, Sustainability Development Report, and incident reporting on the company's website ([www.snjinter.com](http://www.snjinter.com)), both in Thai and English, and the website of Stock Exchange of Thailand.

In 2021, the company has disclosed information that is required to be reported periodically according to accounting period and information related to important events as per the following.

### **Financial Information**

The Company's financial statements have been prepared in accordance with generally accepted accounting standards and have been reviewed and audited without reservation by independent auditor and have been reviewed and approved by the company's Audit Committee. Additionally, the company has never been instructed to amend its financial statements and has always published the quarterly and annual financial statements before the time stipulated by law.

In the event that the company's revenue or net profit changes by more than 20% compared to the same period of the previous year, the company has submitted an analysis of quarterly results on the Stock Exchange of Thailand's website and the company's website.

The company has published three quarterly performance reports in 2021.

#### **Non-Financial Information**

1. The company discloses non-financial information in conformity with the requirements of applicable laws in an accurate, complete, timely, and transparent manner through the channels of the Stock Exchange of Thailand and on the company's website, and it is constantly updated.

Information disclosed on the company's website

- Vision, Mission, Core Values
  - Corporate Business Nature
  - Board of Directors and Management
  - Financial Statements and reports on the current and previous year's financial position and performance
  - Form 56-1 One Report which can be downloaded
  - Sustainability Development Report which can be downloaded
  - The Company's Holding Structure
  - Organizational Structure
  - Shareholding Structure
  - Notice of Shareholders' Meeting including detailed agenda and the minutes of the previous meetings
  - Articles of Association, Memorandum of Association
  - Corporate Governance Policy, Anti-Corruption Policy, Risk Management Policy
  - Business Ethics
  - Code of Conduct for the Board of Directors, Executives, and Employees
  - Charter of the Board of Directors
  - Charter of the sub-committees
2. The company's shareholding structure that is clear and presenting the structure of major shareholders and the proportion of minority shareholders and the shareholding of directors and executives
  3. Disclosure of connected transactions made by the company, its subsidiary, or with connected person
  4. Report of securities holding of directors and management including related person
  5. Report of Board of Directors' responsibility for financial report together with the auditor's report
  6. Information of the auditor's remuneration comprising of audit fee and other services
  7. Remuneration of directors and executives as reported in the Form 56-1 One Report
  8. Number of the Board of Directors' meetings and the attendance of directors in the year 2021
  9. Tax management and operations. The company has a tax policy with strong tax management to protect the reputation and image of the company on tax-related issues, as well as create maximum added value for

shareholders. The tax policy has been approved by senior management in conformity with the company's business ethics.

**Tax Policy** In its tax policy, the company adheres to the principles of honesty and transparency. Taxes are paid correctly and in a timely manner according to the law to build credibility for the company. The company ensures that tax operations are legal and tax advantages are used to maximize efficiency within the legal framework. Among them is complying with laws and regulations regarding the disclosure of financial and tax information to government officials and related organizations, as well as to the public. This is in line with the business strategy for the shareholders' best interest and maintains good relations with government officials and customers.

**Tax Policy Implementation Procedures** The company works on tax duty and closely monitor tax and legal news. This includes a process of reviewing operations by senior officers, executives, and internal auditors on a regular basis in line with the annual internal audit plan. The company follows up on operations, including reviewing the company's certified public accountant according to the audit cycle to ensure that its tax operations are efficient, transparent, and legal.

## **Section 5 Responsibilities of The Board of Directors**

The Board of Directors had important responsibility in setting the direction for the company's business operations, following up on the work results by its management members, and being responsible for their duties to contribute to the best interests of the shareholders and the company.

### **The separation of the positions of Chairman from the Chief Executive Officer**

Directors and the Chief Executive Officer, the company therefore specified the Chairman of The Board of Directors and the Managing Director to be different persons, so as to clearly separate the supervision and management authority for the company, and contributing to proper authority balance in company management within the company. In relation to this, the company has set up The Board of Directors Charter, setting the authority and duty scope for each committee, Chairman of the Board of Directors and Managing Director.

### **The roles, authority, and responsibility scope of the Board of Directors**

#### **(1) Leadership and vision**

The Board of Directors consisted of members who had extensive capabilities and experiences beneficial to company management, together with leadership and independent decision-making qualities, necessary to supervise company operations in such manner best contributing to the objectives and goals of the company and shareholders.

The Board of Directors were obliged to assign the vision and mission of the company, with yearly revision, in which in 2021, The Board of Directors' meeting had considered and reviewed that vision and mission were still appropriate with current business engagement. Moreover, The Board of Directors also approved strategy, target, plan, and annual budget of the company proposed by the management. At the same time, they were required to ensure that there were adequate mechanisms in supervising, monitoring the implementation of the company's strategies, and



evaluating performances by the management, so as to meet the targets contributing to further value and wealth for both shareholders and the company, while properly safeguarding the interests of all stakeholders concerned.

## **(2) Good Corporate Governance**

In due recognition of the importance of good corporate governance practice, The Board of Directors therefore laid down good corporate governance policy in writing, consisting of 4 parts of information which are corporate governance policies, corporate governance principles, business ethics, and code of conduct of the company's directors, the management and employees. The good corporate governance principles were prepared in two languages: Thai and English. There was evaluation of compliance and review of good corporate governance principles annually, and revealed through the company website. The manual was distributed to directors, the management, and employees, which required that all of them comply with such manual strictly. The ethics and code of conducts also being presented to the management and employees in animated cartoon for easy understanding.

The Board of Directors followed the measures of good corporate governance to strengthen its management and business engagement transparency, and those who do not comply with such measures will be appropriately punished and might be prosecuted in the case of law violation. If the employees are in doubt and cannot comply or make decision, they shall consult with sequence supervisor. In the case of dispute, the judgment from the Managing Directors, The Executive Board and The Board of Directors will be considered as final order. ( See full details of corporate governance policies, business ethics, and code of conduct for company directors, the management and employees on the company website).

## **(3) The policy regarding possible conflict of interest**

The Board has a clear guideline for care. To eliminate conflicts of interest with prudence for the benefit of the Company and its shareholders. The item may have a conflict of interest. The company has informed the meeting about these transactions for transparency in accordance with the Capital Market Commission, Directors who have conflict of interest were out of the meeting and abstained on the agenda for independent of the company's decision. In addition, the company do not to provide financial assistance except in the case of loans or loan guarantees in proportion to their shareholding by preparing report in the Annual Report (56-1 One Report).

## **(4) Supervision over internal control and audit system**

The Board of Directors address on the systems overseeing financial control, company management, and corporate supervision, by assigning The Internal Audit Office to supervise over the audit, review, and monitoring of those operations results. Furthermore, The Internal Audit Office also provided recommendations to ensure independent and effective practices according to those guidelines in an independent and balanced manner.

Accordingly, The Board of Directors instructed The Internal Audit office to directly report to The Audit Committee every quarter, so as to allow the Committee to review and ensures sufficient internal control practice. At The Board of Directors' meeting no. 1/2021, also attended by The Audit Committee members, the meeting together reviewed the adequacy of the internal control system and risk management system, and then concluded that the company had adequate internal control system in place. (The details are disclosed under the heading "Internal control and risk management").

With this regard, The Audit Committee is responsible for considering and giving approval for the appointment, transfer and dismissal of the head of internal audit office. Currently, the head of the company's internal audit office is Mr.Jittipong Somyapukdee, who has good quality of knowledge, abilities and experiences in internal audit.

#### **(5) Risk Management**

The Board of Directors places emphasis on risk management affecting the organization's goals by having risk management process in a systematic and in compliance with the company's policies.

The Board of Directors appointed The Risk Management Committee to supervise the risk management to be effective and meet the standard with risk assessment and monitoring risk management plan, as well as reporting to the Board of Directors. ( See the details on risk management for each area of the company under the heading " Risk factors").

#### **Supervising the Operations of subsidiaries and associates**

The company's directors were assigned to hold a joint meeting to consider selecting the person to be the company's representative. The number of individual that the company nominated and voted to appoint as director in subsidiaries and associates is in accordance with the company' s proportion of shareholding. The person who was appointed as a director in subsidiary or associated companies was entitled to perform the operations for the best interests of their subsidiaries or associate, unless it is important policies affecting the company's business operations. The company required the appointed person to be approved by The Executive Board prior to cast a vote.

The company has laid down the policy for subsidiaries and associate that are the company's main business to have proper and adequate internal control systems. The internal control systems of subsidiaries were monitored by the Internal Audit Office of the company annually.

Furthermore, the company has assigned the person who was appointed by the company to oversee its subsidiaries to operate and disclose significant information according to the rules in the same way as the company performed, such as making connected transaction, the acquisition or disposition of assets, or making other important transactions, including to supervise the information storage and bookkeeping of the subsidiaries for the company, so that it can be reviewed and collected for financial statements in due time.

The company had no agreements between the company and other shareholders in the management of Subsidiaries due to the company is a major shareholder and no other persons holding shares more than 10% of the shares with voting rights of subsidiaries. In addition, the company had no agreements between the company and other shareholders in sharing returns beyond normal returns according to proportion of their shareholding in subsidiaries.

#### **Compliance with the Corporate Governance Principles**

The company places great importance on good corporate governance, which is embodied in our policy for good corporate governance principles, business ethics, as well as codes of conduct for directors, executives, and employees. The company has compiled a manual and provided training to test knowledge, understanding, and communication to promote the real-world practice to build confidence among all stakeholders.

In 2021, the company has followed up to ensure compliance with good corporate governance with regards to the following areas:

#### **1. Prevention of conflicts of interest**

The Board of Directors has a duty to supervise and manage conflicts of interest that may arise between the company and its management, board of directors, or shareholders, as well as to prevent misuse of the company's assets, information, opportunities, and transactions with those who are related to the company in an inappropriate manner. The Board has therefore established a policy on transactions that may have conflicts of interest that it must be for the benefit of the company and shareholders as a whole, so a list of potential conflicts of interest is carefully considered and is reviewed and scrutinized by the Audit Committee before being presented to the Board of Directors for approval. Directors with vested interests do not participate in the decision. After approval of the connected transaction, the resolution of the meeting resolution was sent to the Stock Exchange of Thailand to be disseminated to shareholders within the meeting date or by no later than 9.00 AM on the following business day for shareholders to receive accurate and timely information.

To avoid any conflict of interest within the company, the following steps were taken:

- Establish policies and guidelines regarding confidentiality and the use of inside information for directors, executives, and employees, as well as related parties or agencies, to strictly follow so that inside information cannot be used for securities trading or for self-interested purposes.
- Approve the principle of commercial agreements with general commercial terms allowing management to do transaction between the company and subsidiaries, with directors, executives, or related persons if those transactions have commercial agreements in the same way a reasonable person would deal with general counterparties in the same circumstances with commercial bargaining power without considering any influence of their status as directors, executives, or related person.

#### **2. Inside information supervision**

The company placed much emphasis on the protection and supervision over inside information, by clearly specifying in the business ethics and code of conduct for company directors, management members and employees that directors, management members and employees perform their duties with responsibility, carefulness and honesty, as well as consider the interests of the company as the most important. The significant policies can be summarized as follows.

- The company prohibited company directors, management members, and company employees having access to inside information, from engaging in any act in exploitation of such information, particularly that information not yet disclosed to the general public. Any violation would be deemed as a disciplinary offence of company regulations. Furthermore, for the period of 1 month prior to the disclosure of financial statements to the public and 24 hour after disclosure of financial statements, the company sent out related circular to the directors, the management, and the employee having access to inside information, instructing them to refrain from any purchase or sales transaction of company shares during said period.

During 2021, the company directors, management members, and company employees were not found to have committed any authority abuses related to inside information.

- The company informed company directors, management members to acknowledge of duty to report their shareholding status, as well as those by spouses and children not yet reaching legal maturity, within 30 days from the day of their appointments to become directors or management members. Furthermore, in the case of any change occurring to their shareholding status, they were required to report such change details within 3 days from the day of change to The Securities and Exchange Commission according to article 59 of The Securities and Exchange Act B.E. 2535. Furthermore, The Board of Directors was regularly informed each quarter of the securities holding status by the directors and management member.
- The company has set a policy for directors and top management to inform of the company's securities trading to the company secretary at least 1 working day prior to trading.

In 2021, the company directors and the management who had the company's securities trading strictly followed the above policy by informing their trading to the company secretary at least 4 – 6 days prior to trading.

- The company has in place a measure for monitoring of the company director and the management's interest by requiring the interest report of company director, the management, and related persons which their interest are connected to the company's business operation.
- The company developed internal control system regarding inside information, by applying information technology system to classify inside information access level for each employee level, through the setting of ID code for accessing such information.

In 2021, the company did not receive a caution offence by the Securities and Exchange Commission (SEC).

### 3. Anti-Corruption

The company has set anti-corruption policy and prepared a manual for anti-corruption measures for Directors, Executives and employees to use as guidelines. The key focus of such policy and measures is to prevent and corruption in all forms whether directly or indirectly. The company will not participate in any bribery or corruption to government officials, public as well as private sectors in order to gain or maintain competitive advantage. In addition, the company have set the practice guidelines for activities with potential risk of corruption in order to clear guidelines in the doing business and reduce the risk of corruption.

The Anti-Corruption Policy and Practices 6 editions are "Principles and guidelines for Anti-Corruption" and provide to the Board of Director, Executives and other units within the organization to compliance guidelines in case of doubt in regard to corruption. In addition, there has been published on the company's website ([www.snjinter.com](http://www.snjinter.com)) under the heading investor relations: Corporate Governance: Anti-Corruption.

In 2021, the company has reviewed and updated the Anti-Corruption Policy and relevant guidelines to comply with the 71 questionnaires in self-assessment form version 4.0 by the Thai Private Coalition Against Corruption (CAC), which has been revised up its assessment of facilitation payments, hiring government officers, political party support, conflict of interest, and follow-up and review. This policy was approved by the Board of Directors' Meeting No. 9/2021

dated December 24, 2021. The company has published the revised policy on the company's website, along with expanding the anti-corruption coalition to its subsidiary, Top Trend Manufacturing Company Limited.

#### **Corruption risk assessment**

The company requires units whose transactions may create corruption risks of all units which contact the government department, such as Engineering section, accounting and finance section, import and Export department, to conduct corruption risk assessment. Cause and chances of the corruption risks in the entire business process, from project development to project financing, project and power plant management and organizational administration, are identified while practice guidelines, regulations and rules used for control such risks are prepared.

Corruption Risk Assessment represented that the Company has effective risk prevention, such as prevention, whistleblowing system, control and monitoring. Chances of such risks are very low. Although the assessment also represented that some anti-corruption guidelines are already in writing, such as gifting, entertainment, internal control, human resource management and procurement, as well as such other practices, including sponsorship, training and communication. The Management and employees however have correctly, properly and transparently performed, which is a strong organizational culture, To support effective implementation and provide clear guidelines, the Company has improved and put in writing those guidelines by preparing the "Anti-corruption Measures Manual". The manual has been disseminated throughout the entire Organization via internal communication channels and to outsiders via the company website under Corporate Governance.

#### **Performance and Implementation of Anti-Corruption Policy for the year 2021**

- Anti-corruption Policy and Practices are regularly communicated within the Organization 2 times per day by voice channel. Set up a poster and QR Code for publication about anti-corruption principles and practices at various point of the company , adding detail of anti-corruption policy in employee manual for new employee and set up Brochure for officer and outsider , which can be see become aware of company commitment.
- Training "SJI cooperation for Anti-Corruption " for employees of all levels for the year 2021 through the E-learning system and assessment for average score at level "Excellent".
- Orientation for new employees, which have content policies and guidelines, operating for anti-corruption, to cultivate the consciousness from the start.
- The Company has notified its policy to its trading partners by sending a notice informing the anti-fraud policy. In cooperation, if found guilty person in the organization. In addition, the company has prepared the memorandum committing to Anti- Corruption for the represent of the company to provide customers and partners to realize in this matter.
- The company has set the notification letter policy stopped accepting gift from business partner every year.

- Follow up on the results of the anti-corruption coalition expansion to Top Trend Manufacturing Company Limited (a subsidiary), which has adopted the policies and practices of its parent company to be adapted in keeping with the company's rules and regulations, as well as public relations, and providing personnel training within the company. In addition, it provides an anti-corruption risk assessment in order to assess whether the internal control system is adequate to prevent any events that might lead to corruption.

#### **Annual Plan for the Anti-Corruption for the year 2022**

- Preparation for the renewal of the company's membership in the Private Sector Collective Coalition Against Corruption (CAC) for the second time, which it has been certified to since 2016 to present.
- Organization of training courses on "Extending the Coalition (Partners) Against Corruption to Sustainable Organization Development" via the internet for trading partners with a turnover of from Baht 10 million to attend and announce their intention with S&J of 40, and in 2023 of 45, to expand the Anti-Coalition Project for partners to understand the importance of such matters and to encourage all stakeholders their responsibility to self and society for sustainable growth.
- Extending the Anti-Corruption Coalition to a subsidiary company by reviewing its manual, procedures, rules and regulations and adjusting to comply with the Anti-Corruption Policy, as well as review its internal control system and assess the risks to find ways of preventing corruption within the organization.

#### **Whistleblowing**

The company encourages its employees and stakeholders to participate in monitoring the actions in compliance with related laws, regulations rules, corporate governance practice and business ethics and report or complain on breach of laws, ethics or malpractice that may involve corruption. Measures for whistleblower protection are also put in place so as to keep reported information confidential and will be acknowledged only be relevant parties to provide whistleblowers with full confidence and protection.

The company provides a channel for all stakeholder groups to report or complaint that may cause damage to the Company. Wrongful action against related laws, regulations and business ethics or Corruption and bribery or suspected actions that may involve money laundering, wrongful actions related to accounting, finance, control and auditing. Issues to be reported directly by telephone or e-mail as following:

Division	Telephone Number	E-mail Address
Human Resource Division Manager	(02) 676-2727 ext. 2208	patchara@snjinter.com
Company Secretary	(02) 676-2727 ext. 2812	sumit_k@snjinter.com

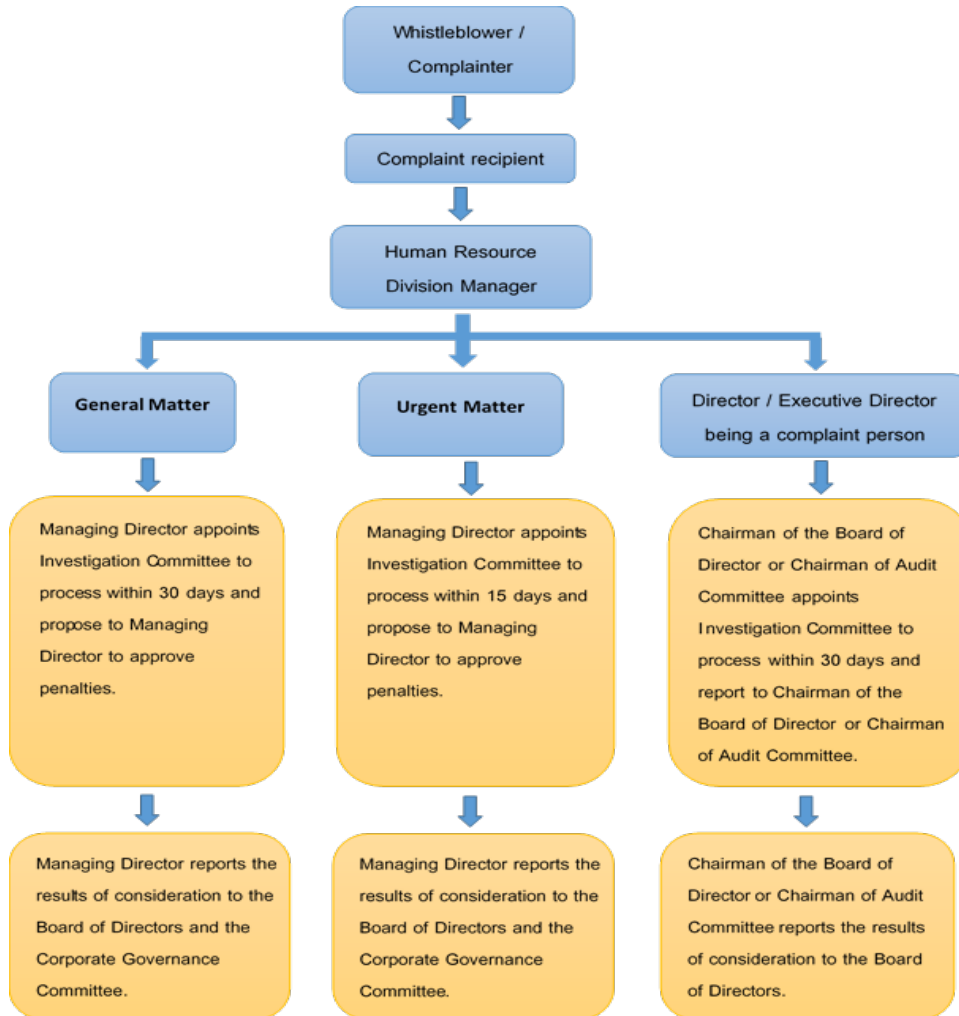
Or send a registered mail to Chairman of the Audit Committee or Chairman of the Corporate Governance Committee or Human and Resource Division Manager or Head of Internal Audit or Company Secretary at the following address :

S & J International Enterprises Public Company Limited

2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok, 10120

#### Process of whistleblowing and complaints

The company conducted the investigation with fairness, transparency, prudence and fairness to the complainant, as following :



#### The protection of the whistleblower and complainer

The company will protect the whistleblower and complainer made by fide intent by concealing the name or any information that could identify the whistleblower and complainer and maintain the information of whistleblower and complainer to be confidential by limited to those who have a responsibility to investigate complaints only.

### The protection of employees

The company will provide care and protect employees who comply with Anti-corruption policy and regulation by protection complainer set in Code of conduct the Board of Directors, executives and employees. Including the company give justice and protection to employee. By employee will not be punished, or reduce position, if denied the corruption acts, even though such actions would cause the company to lose business opportunities.

The company has set whistleblowing process and protection of whistleblowers and those being complained as well as penalty and clue reporting; and clearly published such details in the Anti-corruption Manual. In 2021 the company did not receive any complaints about a violation of work regulations and corruption.

### **Monitoring, Reviewing and Assessment**

The company has a process to review, monitoring and assessment of the risks of corruption, as well as plans for preventing such risks. The supervisory board governance is the risk assessor in corruption and coordination with internal audit checks and presentation at the meeting of the Audit Committee to review the internal control and internal audit follow-up. In the case of fraud, internal audit work unit will report directly to the Audit Committee and the Audit Committee will report to the Board of Directors, respectively.

### **4. Communication Channel**

Stakeholders are able to provide their recommendations and concerns to company via the following channels:

Channel	Telephone Number	E-mail Address
Company Secretary	(02) 676-2727 ext. 2812	sumit_k@snjinter.com
Investor Relations	(02) 676-2727 ext. 2508	sj_sec@snjinter.com
Human Resources Division	(02) 676-2727 ext. 2208	patchara_p@snjinter.com

The mailing address is S & J International Enterprises Public Company Limited. 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok, 10120.

The Company Secretary is responsible for sending documents directly to the Board and then forwarding them to relevant committees or directors. Issues and recommendations will be summarized and submitted to the Board on a quarterly basis. In 2021, the company did not received neither complaint nor involved recommendations from stakeholders.

## **Business Ethics**

The company has established business ethics and a code of conduct for its directors, executives, and employees, which is compiled in the manual on good corporate governance principles. Directors, executives, and employees of the company must perform their duties with honesty, comply with the laws and regulations, adhere to the rule of law, be transparent, resist injustice, and be conscientious. It is responsible for shareholders, customers, business partners, competitors, creditors, and employees, as well as society-at-large, the community, and the environment. The company takes into account all stakeholders, including the rights of individuals as permitted by law, respects human rights, counters corruption, not giving or receiving anything in return that goes beyond the norm, not associated with the call or bribes,



avoids conflict of interest, safeguards assets, does not misuse inside information, and does not infringe on the rights of others' intellectual property or copyright.

The company has disseminated manuals to directors, executives, and employees, as well as published them on the company's website. It requires everyone to strictly follow the manual. It also brings the company's business ethics and code of conduct to create cartoon animations for the matter to be easier to understand.

(Detailed information of the company's business ethics and code of conduct of directors, executives, and employees is available on the company's website ([www.snjinter.com](http://www.snjinter.com)) under Investor Relations section and the topic of corporate governance.)

## The Important Change and Development of Corporate Governance Policy, Guideline and Charter during the past year

### 1. Major changes and developments relating to the review of policies, guidelines, corporate governance, and charters in the past year

1. Establish a confidentiality policy and the use of inside information as a guideline for directors, executives, and employees to ensure the company's confidentiality and that of its stakeholders.
2. Incorporate a personal data protection working group to perform duties related to the protection of personal information according to the Personal Data Protection Act (PDPA).
3. Prepare a personal data protection policy to ensure compliance with the Personal Data Protection Act.
4. Establish rules on trading in company securities as a guideline for directors, executives, and those who know inside information for trading company stocks.
5. Revise the Anti-Corruption Policy and guidelines for anti-corruption policy to comply with the revised version of self-assessment 71 questionnaires of the Thai Private Sector Collective Action Coalition in preparation for renewal of membership for the second time.
6. Provide online training and public relations on anti-corruption, as well as having employees take a test to assess their knowledge of relevant policies and practices.

### 2. The adoption of CG Code 2017 for listed companies issued by the SEC

The Company has annually reviewed the appropriateness of compliance with the CG Code for listed companies issued by the SEC and adopted the Code for the Company's business context as appropriate. Throughout 2021, the Company has fully complied with the CG Code, except for the following aspects:

Non - practiced aspects	Reasons
<p>1. The Board of Directors has specified the number of listed companies that each director hold directorship for not more than 5 places in the company's corporate governance policy.</p>	<p>The Board of Directors has not specified the number of listed companies that each director hold directorship for not more than 5 places, since The Board of Directors believed that each director's business expertise and capabilities should not be restricted by the number of companies said director served, as long as he/she proved to be capable and devoted enough to carry out own assignments in fulfilling the expectations by The Board of Directors and shareholders.</p>
<p>2. The Board of Director's policy has specified the limit of the number of years on the tenure of independent directors not exceeding 9 years.</p>	<p>The Board of Director's policy does not limit the number of years on the tenure of independent directors since the company's independent directors continue to perform their duties with independence and without private interests that may conflict with the interests of the company, as well as make decisions by taking into account the best interests of the company. They are also independent from the management and major shareholders of the company</p>
<p>3. The Board of Directors has no independent director appointed as the company's director for more than 9 years.</p>	<p>The Board of Directors has four independent directors appointed as the company's director for more than 9 years because they are fully qualified per definition of company's independent directors, while duly processing such sound knowledge, professional expertise, and work experiences, beneficial to the company's business operations.</p>
<p>4. The Chairman of The Board of Directors is independent director.</p>	<p>The Board of Directors has appointed non-executive director serving as the Chairman of The Board of Directors due to his ability and expertise in the company's business. Furthermore, despite the Chairman of The Board of Directors not being an independent director, nevertheless, the Chairman of The Board of Directors duly carried out his assignments in an independent manner, and providing opportunities to all directors to act freely in expressing own opinions and suggestions contributing to the best interests of the organization.</p>

Non - practiced aspects	Reasons
5. The Chairman of The Nominating Committee and the Chairman of The Remuneration Committee are independent directors and The Nominating Committee and The Remuneration Committee mainly comprise independent directors.	Although the Chairman of The Nominating Committee and the Chairman of The Remuneration Committee are not independent directors, all of them are directors with knowledge and experience who served the positions for a long period of time. They have performed their duties with responsibility and honesty, while never voted when they have conflict of interests.

### 3. Other information in accordance with good corporate governance principles to support various assessments

The Board of Directors have placed much emphasis on building good corporate governance practice, and upgrading those practice on continuous basis, to enable company operations to be carried out in a transparent and effective manner, leading to further growth and stability for the company. Furthermore, such practice was aimed at contributing to further economic value and long- term wealth for the shareholders, while providing fair treatment to all stakeholders concerned. The company has set the policy to achieve balanced business operations under changing social and economic environments, based on sufficiency economy principles, and in compliance with good governance practice principles for listed companies.

The consistent development of good corporate governance principles to comply with the criteria of ASEAN CG Scorecard, which is a more intensive criteria of survey, has resulted in the company receiving an “Excellent CG” score in the annual good corporate governance practices assessment of Thai listed companies for 2021 for the fourth consecutive year.

#### Details of Corporate Governance Evaluation:

Categories	2021 (%)	2020 (%)	2019 (%)
1. Right of Shareholders	92	92	92
2. Equitable Treatment of Shareholders	99	99	99
3. Role of Stakeholders	94	94	94
4. Disclosure and Transparency	93	97	97
5. Responsibilities of the Board	85	84	84
<b>Average Score</b>	<b>90</b>	<b>91</b>	<b>91</b>